

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2024 Estimated Costs and Returns per Acre
Dryland Bermudagrass Establishment
West Central Extension District - 7

Crop Acres		100			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Grazing	50.00	Pound	\$0.75	\$37.50	\$3,750.00	
Total Revenue				\$37.50	\$3,750.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Herbicide						
Herbicide-Banvell/24D	1	Pint	\$2.49	\$2.49	\$248.75	
Seed						
Sprigs and Sprigging	1	Acre	\$125.00	\$125.00	\$12,500.00	
Fertilizer						
Phos (11-52-0 DRY MAT)	75	Pounds	\$1.29	\$96.75	\$9,675.00	
Nitrogen N32-liq	40	Pounds	\$2.69	\$107.60	\$10,760.00	
Custom						
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$25.00	
Miscellaneous						
Rainfall Insurance	1	Acre	\$23.26	\$23.26	\$2,326.00	
Machinery Labor						
Tractors/Self-Propelled	0.47	Hour	\$17.21	\$8.09	\$808.87	
Other Labor	0.12	Hour	\$17.21	\$2.07	\$206.52	
Diesel Fuel						
Tractors/Self-Propelled	3.1	Gallon	\$3.60	\$11.16	\$1,116.00	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$483.90	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.83	\$1.83	\$182.50	
Tractors/Self-Propelled	1	Acre	\$7.55	\$7.55	\$754.94	
Implements	1	Acre	\$5.34	\$5.34	\$533.76	
Interest on Credit Line			8.00%	\$11.67	\$1,166.56	
Total Variable Costs				\$407.88	\$40,787.79	
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs				\$8.16	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.87	\$3.87	\$387.00	
Tractors/Self-Propelled	1	Acre	\$7.72	\$7.72	\$772.16	
Implements	1	Acre	\$8.20	\$8.20	\$819.96	
Equipment Investment						
Pickup/General Use Equipment	\$21.45	Dollars	8.00%	\$1.72	\$171.60	
Tractors/Self-Propelled	\$59.94	Dollars	8.00%	\$4.80	\$479.52	
Implements	\$35.26	Dollars	8.00%	\$2.82	\$282.08	
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$3,500.00	
Total Fixed Costs				\$64.12	\$6,412.33	
Total Specified Costs				\$472.00	\$47,200.12	
Returns Above Specified Costs						
Breakeven Price to Cover Total Costs				\$9.44	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	37.50	\$10.88	\$12.59
90%	45.00	\$9.06	\$10.49
100%	50.00	\$8.16	\$9.44
110%	55.00	\$7.42	\$8.58
125%	62.50	\$6.53	\$7.55

Developed by Jeffrey Wright, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.