

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

Crop Acres		100				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Hay, 1200# BRB		3.33	Ton	\$200.00	\$666.00	\$66,600.00
Total Revenue					\$666.00	\$66,600.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Herbicide						
2-4D Amine 4		4	Pint	\$1.61	\$6.45	\$645.00
Fertilizer						
Nitrogen Dry-Urea		51	Pounds	\$0.62	\$31.62	\$3,162.00
Phos (11-52-0 DRY MAT)		12	Pounds	\$1.29	\$15.48	\$1,548.00
Potassium		27	Pounds	\$0.30	\$8.10	\$810.00
Nitrogen N32-liq		64	Pounds	\$2.69	\$172.16	\$17,216.00
Custom						
Soil Test-Dryland		1	Each	\$0.25	\$0.25	\$25.00
Swath, Rake and Bale		3.3	Bale	\$29.58	\$97.61	\$9,761.40
Miscellaneous						
Rainfall Insurance		1	Acre	\$23.26	\$23.26	\$2,326.00
Insecticide						
Dimilin 2L		1.5	Ounce	\$2.08	\$3.12	\$311.72
Machinery Labor						
Tractors/Self-Propelled		0.2	Hour	\$17.21	\$3.44	\$344.20
Diesel Fuel						
Tractors/Self-Propelled		0.75	Gallon	\$3.60	\$2.70	\$270.00
Gasoline						
Pickup/General Use Equipment		1	Acre	\$3.15	\$3.15	\$315.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.75	\$0.75	\$75.25
Tractors/Self-Propelled		1	Acre	\$1.38	\$1.38	\$138.33
Implements		1	Acre	\$0.04	\$0.04	\$3.83
Interest on Credit Line				8.00%	\$6.75	\$674.52
Total Variable Costs					\$376.26	\$37,626.25
Planned Returns Above Variable Costs:					\$289.74	\$28,973.75
Breakeven Price to Cover Variable Costs				\$112.99	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.58	\$1.58	\$157.50
Tractors/Self-Propelled		1	Acre	\$2.60	\$2.60	\$260.17
Implements		1	Acre	\$0.03	\$0.03	\$2.95
Equipment Investment						
Pickup/General Use Equipment		\$9.63	Dollars	8.00%	\$0.77	\$77.00
Tractors/Self-Propelled		\$19.63	Dollars	8.00%	\$1.57	\$157.01
Implements		\$0.31	Dollars	8.00%	\$0.02	\$2.48
Allocated Establishment Cost		1	Acre	\$56.64	\$56.64	\$5,663.60
Rent-Dryland Crop		1	Acre	\$35.00	\$35.00	\$3,500.00
Total Fixed Costs					\$98.21	\$9,820.70
Total Specified Costs					\$474.47	\$47,446.95
Returns Above Specified Costs					\$191.53	\$19,153.05
Breakeven Price to Cover Total Costs				\$142.48	Ton	

Example Breakeven Prices			
Exempl Yield	Example Yield	To Cover Variable Costs	To Cover Total Costs
75%	2.50	\$150.66	\$189.98
90%	3.00	\$125.55	\$158.31
100%	3.33	\$112.99	\$142.48
110%	3.66	\$102.72	\$129.53
125%	4.16	\$90.39	\$113.99

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.