

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2024 Estimated Costs and Returns per Animal Unit**  
**Commercial Hair Sheep, Lamb Production, 6 Head per AU**  
**West Central Extension District - 7**

Animal Units (AU)	100					
Breeding Females	600					
		Quantity				Enterprise
<b>REVENUE</b>	Head	Per Head	Units	\$/Unit	Total	Total
Slaughter Lamb - ram (65 Lt)	3,150	0.65	CWT	\$245.00	\$501.64	\$50,163.75
Slaughter Lamb - ewe (65lbs)	1,950	0.65	CWT	\$245.00	\$310.54	\$31,053.75
Cull Ewes	1,200	1.25	CWT	\$86.80	\$130.20	\$13,020.00
Cull Rams	0,060	1.55	CWT	\$91.80	\$8.54	\$853.74
PRF Income	6,000	5.00	Acre	\$1.96	\$58.80	\$5,880.00
<b>Total Revenue</b>					<b>\$1,009.71</b>	<b>\$100,971.24</b>
						Enterprise
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>						
<b>Miscellaneous</b>						
Supplies		1.00	AU	\$15.00	\$15.00	\$1,500.00
Predator Control - Sheep		1.00	AU	\$5.25	\$5.25	\$525.00
Brush Control		1.00	AU	\$30.00	\$30.00	\$3,000.00
PRF Rainfall Ins		1.00	AU	\$33.30	\$33.30	\$3,330.00
<b>Marketing Expense</b>		1.00	AU	\$28.56	\$28.56	\$2,855.76
<b>Feed</b>						
Corn - Sheep and Goat		132	Pound	\$0.07	\$9.42	\$942.48
Range Cubes 20%		2.7	CWT	\$17.90	\$48.33	\$4,833.00
Salt - Sheep		15	Pound	\$0.13	\$1.97	\$196.50
Mineral - Sheep		6	Pound	\$0.44	\$2.62	\$262.20
Dog food		0.05	Dog	\$362.26	\$18.11	\$1,811.30
<b>Vet. Medicine</b>						
Overeat/Tetnus		12.3	Dose	\$0.84	\$10.34	\$1,033.69
Soremouth		12.3	Dose	\$0.34	\$4.18	\$418.20
Guard/Working Dog Health		0.05	Head	\$250.00	\$12.50	\$1,250.00
<b>Fuel</b>						
Lube (As a % of fuel)		10.0%	Percent	\$66.15	\$6.62	\$661.50
Repairs		1	AU	\$52.32	\$52.32	\$5,232.49
Labor		0.60	Hours	\$15.00	\$9.00	\$900.00
Utilities		1.00	AU	\$24.00	\$24.00	\$2,400.00
Interest on Credit Line				8.00%	\$23.97	\$2,397.34
<b>Total Variable Costs</b>					<b>\$401.64</b>	<b>\$40,164.46</b>
<b>Planned Returns Above Variable Costs:</b>					<b>\$608.07</b>	<b>\$60,806.78</b>
Average Lamb Breakeven Price to Cover Variable Costs				\$61.57	CWT	
						Enterprise
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Total
Depreciation - Equipment		1	AU	\$57.50	\$57.50	\$5,750.18
Depreciation - Livestock		1	AU	\$43.47	\$43.47	\$4,346.67
Equipment Investment		\$1,546.32	dollars	8.00%	\$123.71	\$12,370.60
Pasture Cost		30	Acres	\$8.00	\$240.00	\$24,000.00
<b>Total Fixed Costs</b>					<b>\$464.67</b>	<b>\$46,467.44</b>
<b>Total Costs</b>					<b>\$866.32</b>	<b>\$86,631.90</b>
<b>Planned Returns to Management, Risk, and Profit:</b>					<b>\$143.39</b>	<b>\$14,339.34</b>
Average Lamb Breakeven Price to Cover Total Costs				\$201.74	CWT	

<b>Sensitivity Analysis for Example</b>				
Example Weaning Percent	Example Gross Sales per Animal Unit	Pounds Produced per Animal Unit	Example Breakeven Lamb Pay Weight to Cover Total Cost	Example Average Breakeven Price to Cover Total Cost
125%	\$1,164.41	554	43	\$169.47
115%	\$1,087.06	522	48	\$184.20
105%	\$1,009.71	491	54	\$201.74
95%	\$932.36	459	61	\$222.98
85%	\$855.01	428	70	\$249.21

  

Example Male Lamb Price	\$245.00
Example Female Lamb Price	\$245.00
Example Weighted Average Lamb Price (\$/cwt)	\$245.00

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.**