

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2014 Estimated Costs and Returns per Acre**  
**Rotation, Sorghum-Fallow-Wheat, Minimum Till, Fallow - 160 Acres**  
**Panhandle Extension District - 1**

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Total Revenue				\$0.00	\$0.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Production Costs</b>						
Herbicide						
Herbicide and Apply Fallow	1	Acre	\$11.24	\$11.24	\$1,799.17	
Herbicide and Apply Fallow	1	Acre	\$11.24	\$11.24	\$1,799.17	
Machinery Labor						
Tractors/Self-Propelled	0.29	Hour	\$11.75	\$3.41	\$545.20	
Diesel Fuel						
Tractors/Self-Propelled	1	Gallon	\$3.28	\$3.28	\$524.80	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$2.48	\$2.48	\$396.39	
Implements	1	Acre	\$2.52	\$2.52	\$403.71	
Interest on Credit Line			4.75%	\$0.80	\$127.37	
Total Variable Costs				<u>\$34.97</u>	<u>\$5,595.80</u>	
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			n/a			
				<u>(\$34.97)</u>	<u>(\$5,595.80)</u>	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$2.56	\$2.56	\$409.61	
Implements	1	Acre	\$2.84	\$2.84	\$454.17	
Equipment Investment						
Tractors/Self-Propelled	\$28.90	Dollars	5.25%	\$1.52	\$242.79	
Implements	\$22.08	Dollars	5.25%	\$1.16	\$185.45	
Cash Rent - Wheat Dryland	1	Acre	\$30.00	\$30.00	\$4,800.00	
Total Fixed Costs				<u>\$38.08</u>	<u>\$6,092.03</u>	
Total Specified Costs				<u>\$73.05</u>	<u>\$11,687.83</u>	
Returns Above Specified Costs				<u>(\$73.05)</u>	<u>(\$11,687.83)</u>	
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

**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.**