

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Dryland Wheat - 160 Acres
South Plains Extension District - 2

Crop Acres	160					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Wheat	18.00	Bushel	\$5.50	\$99.00	\$15,840.00	
Grazing - Wheat	68.00	Pound	\$0.50	\$34.00	\$5,440.00	
Total Revenue				\$133.00	\$21,280.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Seed - Wheat	1	Bushel	\$25.00	\$25.00	\$4,000.00	
Fertilizer						
Fertilizer (N) - Liquid	30	Pound	\$0.58	\$17.34	\$2,774.40	
Custom						
Custom Harvest - Wheat	1	Acre	\$14.00	\$14.00	\$2,240.00	
Custom Haul - Wheat	18	Bushel	\$0.14	\$2.52	\$403.20	
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00	
Miscellaneous						
Crop Insurance Wheat Dryland	1	Acre	\$19.00	\$19.00	\$3,040.00	
Herbicide						
Herbicide and Apply Wheat Dryland	1	Acre	\$16.75	\$16.75	\$2,680.00	
Insecticide						
Insecticide and Apply Wheat Dryland	1	Acre	\$5.50	\$5.50	\$880.00	
Machinery Labor						
Tractors/Self-Propelled	0.9	Hour	\$12.00	\$10.80	\$1,728.00	
Diesel Fuel						
Tractors/Self-Propelled	2.2	Gallon	\$3.00	\$6.60	\$1,056.00	
Gasoline						
Pickup/General Use Equipment	2	Gallon	\$2.25	\$4.50	\$720.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00	
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00	
Implements	1	Acre	\$3.00	\$3.00	\$480.00	
Interest on Credit Line			6.00%	\$4.58	\$732.88	
Total Variable Costs				\$140.84	\$22,534.48	
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			\$5.94	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Equipment Investment						
Pickup/General Use Equipment	\$17.84	Dollars	7.00%	\$1.25	\$199.85	
Tractors/Self-Propelled	\$171.40	Dollars	7.00%	\$12.00	\$1,919.68	
Implements	\$142.90	Dollars	7.00%	\$10.00	\$1,600.48	
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00	
Cash Rent - Wheat Dryland	1	Acre	\$30.00	\$30.00	\$4,800.00	
Total Fixed Costs				\$55.25	\$8,840.01	
Total Specified Costs				\$196.09	\$31,374.49	
Returns Above Specified Costs						
Breakeven Price to Cover Total Costs			\$9.01	Bushel		

Example Breakeven Prices						
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	13.50	\$7.91	\$7.91	\$12.01	\$12.01	\$0.00
90%	16.20	\$6.60	\$6.60	\$10.01	\$10.01	\$0.00
100%	18.00	\$5.94	\$5.94	\$9.01	\$9.01	\$0.00
110%	19.80	\$5.40	\$5.40	\$8.19	\$8.19	\$0.00
125%	22.50	\$4.75	\$4.75	\$7.20	\$7.20	\$0.00

Developed by Jackie Smith, 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.