

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Dryland Canola, Follow Wheat/Grain Sorghum - 320 Acres
West Central Extension District - 7

Crop Acres		320		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Canola	1,250.00	Pound	\$0.14	\$168.75	\$54,000.00
Total Revenue				\$168.75	\$54,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$80.00
Custom Harvest small grains	1	Acre	\$25.00	\$25.00	\$8,000.00
Custom Haul small grains	25	Bushels	\$0.30	\$7.50	\$2,400.00
Fertilizer					
Sulphur	20	Pounds	\$0.25	\$4.97	\$1,591.04
Phosphate	18.2	Pounds	\$0.37	\$6.67	\$2,135.47
Nitrogen N32	35.2	Pounds	\$0.42	\$14.92	\$4,774.96
Nitrogen Dry-Urea	3.8	Pounds	\$0.42	\$1.61	\$515.48
Herbicide					
Trifluralin	1.5	Pint	\$3.13	\$4.69	\$1,500.00
Glyphosate	32	Ounce	\$0.12	\$3.69	\$1,179.65
Seed					
Canola	5	pounds	\$10.00	\$50.00	\$16,000.00
Miscellaneous					
Canola Crop Ins	1	Acre	\$12.42	\$12.42	\$3,974.40
Insecticide					
Mustang Max(Warrior Z)	2.75	Ounce	\$1.31	\$3.61	\$1,155.00
Machinery Labor					
Tractors/Self-Propelled	0.82	Hour	\$12.00	\$9.84	\$3,148.80
Diesel Fuel					
Tractors/Self-Propelled	6.33	Gallon	\$1.50	\$9.50	\$3,038.40
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.98	\$4.98	\$1,592.80
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$803.00
Tractors/Self-Propelled	1	Acre	\$13.58	\$13.58	\$4,346.96
Implements	1	Acre	\$14.19	\$14.19	\$4,540.50
Interest on Credit Line			6.50%	\$5.33	\$1,706.43
Total Variable Costs				\$195.26	\$62,482.89
Planned Returns Above Variable Costs:				(\$26.51)	(\$8,482.89)
Breakeven Price to Cover Variable Costs			\$0.16	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$5.32	\$5.32	\$1,702.80
Tractors/Self-Propelled	1	Acre	\$16.39	\$16.39	\$5,243.23
Implements	1	Acre	\$17.56	\$17.56	\$5,617.95
Equipment Investment					
Pickup/General Use Equipment	\$29.49	Dollars	6.50%	\$1.92	\$613.47
Tractors/Self-Propelled	\$126.55	Dollars	6.50%	\$8.23	\$2,632.32
Implements	\$75.10	Dollars	6.50%	\$4.88	\$1,562.10
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$11,200.00
Total Fixed Costs				\$89.29	\$28,571.87
Total Specified Costs				\$284.55	\$91,054.76
Returns Above Specified Costs				(\$115.80)	(\$37,054.76)
Breakeven Price to Cover Total Costs			\$0.23	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	937.50	\$0.21	\$0.30
90%	1125.00	\$0.17	\$0.25
100%	1250.00	\$0.16	\$0.23
110%	1375.00	\$0.14	\$0.21
125%	1562.50	\$0.12	\$0.18

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.