

Projections for Planning Purposes Only – Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Roundup Ready Canola, Sprinkler Irrigated (NG)
Panhandle Extension District - 1

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Canola		22.00	CWT	\$16.40	\$360.80	\$44,017.60
Total Revenue					\$360.80	\$44,017.60
VARIABLE COSTS						
Production Costs						
Fertilizer						
	Fertilizer (N) - Liquid	60	Pound	\$0.40	\$24.00	\$2,928.00
	Fertilizer (N) - Dry	30	Pound	\$0.32	\$9.60	\$1,171.20
Custom						
	Fertilizer Application	1	Acre	\$5.12	\$5.12	\$624.64
	Custom Harvest - Canola Irrigated	1	Acre	\$27.40	\$27.40	\$3,342.80
	Custom Haul - Canola	22	CWT	\$0.46	\$10.12	\$1,234.64
Insecticide						
	Insecticide and Apply Canola Irrigated	1	Acre	\$23.20	\$23.20	\$2,830.40
Seed						
	Seed - Roundup Ready Canola	5	Pound	\$6.53	\$32.65	\$3,983.30
	Seed Treatment - Canola	1	Acre	\$6.71	\$6.71	\$818.62
Herbicide						
	Herbicide and Apply Canola	1	Acre	\$14.54	\$14.54	\$1,773.88
Irrigation						
	Energy Cost	10.00	AcreInch	\$3.50	\$35.00	\$4,270.00
	Irrigation Labor	0.64	Hour	\$12.64	\$8.09	\$986.93
Machinery Labor						
	Tractors/Self-Propelled	0.5	Hour	\$12.44	\$6.22	\$758.84
	Other Labor	0.56	Hour	\$12.44	\$6.97	\$849.90
Diesel Fuel						
	Tractors/Self-Propelled	2.65	Gallon	\$1.99	\$5.27	\$643.37
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$4.30	\$4.30	\$525.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
	Irrigation Equipment	1	Acre	\$40.40	\$40.40	\$4,928.80
	Tractors/Self-Propelled	1	Acre	\$4.59	\$4.59	\$560.35
	Implements	1	Acre	\$11.42	\$11.42	\$1,393.65
Interest on Credit Line				5.74%	\$8.16	\$995.77
Total Variable Costs					\$286.28	\$34,926.09
Planned Returns Above Variable Costs:					\$74.52	\$9,091.51
Breakeven Price to Cover Variable Costs				\$13.01	CWT	
FIXED COSTS						
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
	Irrigation Equipment	1	Acre	\$33.50	\$33.50	\$4,087.50
	Tractors/Self-Propelled	1	Acre	\$4.59	\$4.59	\$559.49
	Implements	1	Acre	\$14.59	\$14.59	\$1,779.73
Equipment Investment						
	Pickup/General Use Equipment	\$18.18	Dollars	6.01%	\$1.09	\$133.33
	Irrigation Equipment	\$470.29	Dollars	6.01%	\$28.26	\$3,448.24
	Tractors/Self-Propelled	\$35.73	Dollars	6.01%	\$2.15	\$261.95
	Implements	\$62.40	Dollars	6.01%	\$3.75	\$457.56
Cash Rent - Canola Irrigated		1	Acre	\$72.00	\$72.00	\$8,784.00
Total Fixed Costs					\$162.57	\$19,833.10
Total Specified Costs					\$448.85	\$54,759.20
Returns Above Specified Costs					(\$88.05)	(\$10,741.60)
Breakeven Price to Cover Total Costs				\$20.40	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	16.50	\$17.35	\$27.20
90%	19.80	\$14.46	\$22.67
100%	22.00	\$13.01	\$20.40
110%	24.20	\$11.83	\$18.55
125%	27.50	\$10.41	\$16.32

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

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.