

Economics of Profitable Small Grain Production in East Texas and
the Coast Prairie

5200
6-16-77 L-893A

OATS, NORTHEAST TEXAS REGION
ESTIMATED COSTS AND RETURNS PER ACRE
HIGH LEVEL MANAGEMENT

	UNIT	PRICE OR COST/UNIT	QUANTITY	VALUE OR COST
1. GROSS RECEIPTS FROM PRODUCTION				
OATS	BU.	1.50	60.00	\$ 90.00
TOTAL				\$ 90.00
2. VARIABLE COSTS				
PREHARVEST				
FERT (80-40-40)	ACRE	26.40	1.00	26.40
SEED	LBS.	0.14	80.00	11.20
INSECTICIDE	ACRE	3.58	1.00	3.58
MACHINERY	ACRE	2.54	1.00	2.54
TRACTORS	ACRE	3.59	1.00	3.59
LABOR (TRACTOR & MACHINERY)	HOUR	3.00	2.57	7.72
INTEREST ON OP. CAP.	DOL.	0.10	25.47	2.55
SUBTOTAL, PRE-HARVEST				\$ 57.58
HARVEST COSTS				
CUSTOM COMBINE	ACRE	12.00	1.00	12.00
CUSTOM HAUL	BU.	0.08	60.00	4.80
SUBTOTAL, HARVEST				\$ 16.80
TOTAL VARIABLE COST				\$ 74.38
3. BREAKEVEN PRICE, VARIABLE COSTS	BU.			1.240
4. FIXED COSTS				
MACHINERY	ACRE	2.30	1.00	2.30
TRACTORS	ACRE	2.67	1.00	2.67
LAND (NET RENT)	ACRE	10.00	1.00	10.00
TOTAL FIXED COSTS				\$ 14.96
5. TOTAL COSTS				\$ 89.35
6. BREAKEVEN PRICE, TOTAL COSTS	BU.			1.489

PREPARED BY DR. JAMES T. LONG, TAEX, OVERTON, TEXAS

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OATS, NORTHEAST TEXAS REGION
ESTIMATED COSTS AND RETURNS PER ACRE
HIGH LEVEL MANAGEMENT

OPERATION	ITEM NO.	DATE	TIMES OVER	LABOR HOURS	MACHINE HOURS	FUEL, OIL, LUB., REP. PER ACRE	FIXED COSTS PER ACRE
OFFSET DISC	2.34	AUG	1.00	0.311	0.207	0.88	0.95
PICKUP	10	AUG	0.12	0.150	0.120	0.35	0.13
RENTD. FERT. APPL1	3.86	SEPT	1.00	0.118	0.079	0.20	0.15
OFFSET DISC	2.34	SEPT	1.00	0.311	0.207	0.88	0.95
GRAIN DRILL (10F)	2.54	SEPT	1.00	0.430	0.286	1.19	1.27
PICKUP	10	SEPT	0.12	0.150	0.120	0.35	0.13
SPRAYER, HERB.	3.62	OCT	1.00	0.388	0.258	0.70	0.68
PICKUP	10	OCT	0.12	0.150	0.120	0.35	0.13
PICKUP	10	NOV	0.12	0.150	0.120	0.35	0.13
PICKUP	10	JAN	0.12	0.150	0.120	0.35	0.13
RENTD. FERT. APPL1	3.86	FEB	1.00	0.118	0.079	0.20	0.15
PICKUP	10	APR	0.12	0.150	0.120	0.35	0.13
TOTALS				2.574	1.836	6.14	4.96

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WHEAT, NORTHEAST TEXAS REGION
ESTIMATED COSTS AND RETURNS PER PLANTED ACRE
HIGH LEVEL MANAGEMENT

	UNIT	PRICE OR COST/UNIT	QUANTITY	VALUE OR COST
1. GROSS RECEIPTS FROM PRODUCTION				
WHEAT	BU.	2.95	35.00	\$ <u>103.25</u>
TOTAL				\$ 103.25
2. VARIABLE COSTS				
PREHARVEST				
FERT (80-60-60)	ACRE	31.60	1.00	31.60
SEED	LBS.	0.15	75.00	11.25
INSECTICIDE	ACRE	3.58	1.00	3.58
MACHINEFY	ACRE	1.88	1.00	1.88
TRACTORS	ACRE	3.59	1.00	3.59
LABOR (TRACTOR & MACHINERY)	HOUR	3.00	2.29	6.86
INTEREST ON OP. CAP.	DOL.	0.10	38.69	<u>3.87</u>
SUBTOTAL, PRE-HARVEST				\$ 62.63
HARVEST COSTS				
CUSTOM COMBINE	ACRE	12.00	1.00	12.00
CUSTOM HAUL	BU.	0.12	35.00	<u>4.20</u>
SUBTOTAL, HARVEST				\$ 16.20
TOTAL VARIABLE COST				\$ 78.83
3. BREAKEVEN PRICE, VARIABLE COSTS	BU.			2.252
4. FIXED COSTS				
MACHINERY	ACRE	2.04	1.00	2.04
TRACTORS	ACRE	2.67	1.00	2.67
LAND (NET RENT)	ACRE	10.00	1.00	<u>10.00</u>
TOTAL FIXED COSTS				\$ 14.71
5. TOTAL COSTS				\$ 93.53
6. BREAKEVEN PRICE, TOTAL COSTS	BU.			2.672

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ESTIMATED COSTS AND RETURNS PER PLANTED ACRE
HIGH LEVEL MANAGEMENT

OPERATION	ITEM NO.	DATE	TIMES OVER	LABOR HOURS	MACHINE HOURS	FUEL, OIL, LUB., PER ACRE	FIXED COSTS PER ACRE
RENTD. FERT. APPL1	3,86	SEPT	1.00	0.118	0.079	0.20	0.15
OFFSET DISC	2,34	SEPT	1.00	0.311	0.207	0.88	0.95
GRAIN DRILL (10F)	2,54	SEPT	1.00	0.430	0.286	1.19	1.27
PICKUP	10	SEPT	0.07	0.087	0.070	0.20	0.08
SPRAYER, HERB.	3,62	OCT	1.00	0.388	0.258	0.70	0.68
PICKUP	10	OCT	0.07	0.087	0.070	0.20	0.08
PICKUP	10	NOV	0.07	0.087	0.070	0.20	0.08
PICKUP	10	DEC	0.07	0.087	0.070	0.20	0.08
PICKUP	10	JAN	0.07	0.087	0.070	0.20	0.08
RENTD. FERT. APPL1	3,86	FEB	1.00	0.118	0.079	0.20	0.15
PICKUP	10	MAY	0.07	0.087	0.070	0.20	0.08
OFFSET DISC	2,34	AUG	1.00	0.311	0.207	0.88	0.95
PICKUP	10	AUG	0.07	0.087	0.070	0.20	0.08
TOTALS				2.287	1.606	5.47	4.71

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OATS FOR GRAZING AND GRAIN, DRYLAND, DEEP EAST TEXAS REGION
ESTIMATED COSTS AND RETURNS PER ACRE
HIGH LEVEL MANAGEMENT

	UNIT	PRICE OR COST/UNIT	QUANTITY	VALUE OR COST
1. GROSS RECEIPTS FROM PRODUCTION				\$
GRAIN	BU.	1.55	50.00	77.50
GRAZING	LBS.	0.30	216.00	<u>64.80</u>
TOTAL				\$ 142.30
2. VARIABLE COSTS				\$
PREHARVEST				
SEED	LBS.	0.11	100.00	11.00
FERT (160-60-60)	ACRE	50.00	1.00	50.00
INSECTICIDE	ACRE	2.40	1.50	3.60
MACHINERY	ACRE	2.21	1.00	2.21
TRACTORS	ACRE	2.77	1.00	2.77
LABOR (TRACTOR & MACHINERY)	HOUR	2.50	1.94	4.85
INTEREST ON OP. CAP.	DOL.	0.10	1.98	<u>0.20</u>
SUBTOTAL, PRE-HARVEST				\$ 74.62
HARVEST COSTS				\$
CUSTOM COMBINE	ACRE	12.00	1.00	12.00
CUSTOM HAUL	BU.	0.05	50.00	<u>2.50</u>
SUBTOTAL, HARVEST				\$ 14.50
TOTAL VARIABLE CCST				\$ 89.12
3. INCOME ABOVE VARIABLE COSTS				\$ 53.18
4. FIXED COSTS				\$
MACHINERY	ACRE	2.67	1.00	2.67
TRACTORS	ACRE	2.38	1.00	2.38
LAND (NET RENT)	ACRE	7.50	1.00	<u>7.50</u>
TOTAL FIXED COSTS				\$ 12.54
5. TOTAL COSTS				\$ 101.67
6. NET RETURNS				\$ 40.63

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OATS FOR GRAZING AND GRAIN, DRYLAND, DEEP EAST TEXAS REGION
ESTIMATED COSTS AND RETURNS PER ACRE
HIGH LEVEL MANAGEMENT

OPERATION	ITEM NO.	DATE	TIMES OVER	LABOR HOURS	MACHINE HOURS	FUEL, OIL, LUB., REP. PER ACRE	FIXED CCSTS PER ACRE
SPRAYER, PASTURE	5.90	OCT	0.50	0.086	0.057	0.18	0.25
PICKUP	10	OCT	0.10	0.125	0.100	0.33	0.16
PICKUP	10	MAR	0.10	0.125	0.100	0.33	0.16
PICKUP	10	MAY	0.10	0.125	0.100	0.33	0.16
OFFSET DISC	3.34	AUG	1.00	0.311	0.207	1.22	1.48
PICKUP	10	AUG	0.10	0.125	0.100	0.33	0.16
TANDEM DISC	5.36	SEPT	1.00	0.388	0.259	0.77	0.89
GRAIN DRILL (12F)	5.55	SEPT	1.00	0.358	0.239	0.79	1.12
SPRAYER, PASTURE	5.90	SEPT	1.00	0.172	0.115	0.35	0.50
PICKUP	10	SEPT	0.10	0.125	0.100	0.33	0.16
TOTALS				1.940	1.377	4.98	5.04

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ESTIMATED COSTS AND RETURNS PER ACRE
HIGH LEVEL MANAGEMENT

	UNIT	PRICE OR COST/UNIT	QUANTITY	VALUE OR COST
1. GROSS RECEIPTS FROM PRODUCTION				\$
GRAIN	BU.	3.00	25.00	75.00
GRAZING	LBS.	0.30	192.00	<u>57.60</u>
TOTAL				\$ 132.60
2. VARIABLE COSTS				
PREHARVEST				\$
SEED	LBS.	0.14	100.00	14.00
FERT (16)-60-60)	ACRE	50.00	1.00	50.00
INSECT/PLANTING	ACRE	2.40	1.50	3.60
MACHINERY	ACRE	2.23	1.00	2.23
TRACTORS	ACRE	2.83	1.00	2.83
LABOR(TRACTOR & MACHINERY)	HOURL	2.50	1.98	4.94
INTEREST ON OP. CAP.	DOL.	0.10	1.82	<u>0.18</u>
SUBTOTAL, PRE-HARVEST				\$ 77.78
HARVEST COSTS				\$
CUSTOM COMBINE	ACRE	12.00	1.00	12.00
CUSTOM HAUL	BU.	0.10	25.00	<u>2.50</u>
SUBTOTAL, HARVEST				\$ 14.50
TOTAL VARIABLE CCST				\$ 92.28
3. INCOME ABOVE VARIABLE COSTS				\$ 40.32
4. FIXED COSTS				\$
MACHINERY	ACRE	2.72	1.00	2.72
TRACTORS	ACRE	2.43	1.00	2.43
LAND (NET RENT)	ACRE	7.50	1.00	<u>7.50</u>
TOTAL FIXED COSTS				\$ 12.66
5. TOTAL COSTS				\$ 104.93
6. NET RETURNS				\$ 27.67

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OPERATION	ITEM NO.	DATE	TIMES OVER	LABOR HOURS	MACHINE HOURS	FUEL, OIL, LUB., REP. PER ACRE	FIXED CCSTS PER ACRE
PICKUP	10	OCT	0.10	0.125	0.100	0.33	0.16
PICKUP	10	MAR	0.10	0.125	0.100	0.33	0.16
PICKUP	10	MAY	0.10	0.125	0.100	0.33	0.16
OFFSET DISC	3,34	AUG	1.00	0.311	0.207	1.22	1.48
PICKUP	10	AUG	0.10	0.125	0.100	0.33	0.16
TANDEM DISC	5,36	SEPT	1.00	0.388	0.259	0.77	0.89
SPRAYER, PASTURE	5,90	SEPT	1.50	0.258	0.172	0.53	0.75
GRAIN DRILL (12F)	5,55	SEPT	1.10	0.394	0.263	0.87	1.24
PICKUP	10	SEPT	0.10	0.125	0.100	0.33	0.16
TOTALS				1.976	1.400	5.06	5.16

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