## 2013 Estimated Costs and Returns per Acre

**Sorghum (Nitrogen Fertilizer Only) - 500 Acres**

**North Texas Extension District - 4**

### Crop Acres

<table>
<thead>
<tr>
<th></th>
<th>Quantity</th>
<th>Units</th>
<th>$/Unit</th>
<th>Total</th>
<th>Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sorghum</td>
<td>33.00</td>
<td>CWT</td>
<td>$10.00</td>
<td>$330.00</td>
<td>$165,000.00</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>0.00</td>
<td>Acre</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
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<td>0.00</td>
<td>Acre</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Total Revenue**

|          | $330.00 | $165,000.00 |

### VARIABLE COSTS

#### Production Costs

- **Fertilizer**
  - 10-34-0: 100 Pounds, $0.32, $32.00, $16,000.00
  - 82-0-0: 100 Pounds, $0.44, $44.00, $22,000.00

- **Herbicide**
  - Pre-emerge sorghum: 2 Acre, $14.00, $28.00, $14,000.00

- **Seed**
  - Sorghum Seed: 7 Pounds, $3.18, $22.26, $11,130.00

- **Custom**
  - Custom Combine: 1 Acre, $18.00, $18.00, $9,000.00
  - Custom Hauling: 33 CWT, $0.53, $17.49, $8,745.00

- **Crop Insurance**
  - Insurance - sorghum: 1 Acre, $5.16, $5.16, $2,580.00

- **Diesel Fuel**
  - Tractors: 5.57 Gallons, $3.50, $19.50, $9,748.89

- **Repairs & Maintenance**
  - Implements: 1 Acre, $12.79, $12.79, $6,396.84
  - Tractors: 1 Acre, $10.03, $10.03, $5,015.27

- **Operator Labor**
  - Tractors: 1.49 Hours, $10.00, $14.87, $7,436.01
  - Interest on Credit Line: 4.75%, $4.72, $2,359.53

**Total Variable Costs**

|          | $228.82 | $114,411.55 |

#### Planned Returns Above Variable Costs:

- **Breakeven Price to Cover Variable Costs**: $6.93 CWT

### FIXED COSTS

- **Machinery**
  - Implements: 1 Acre, $18.73, $18.73, $9,363.96
  - Tractors: 1 Acre, $13.86, $13.86, $6,930.21
  - Land Rent: 1 Acre, $25.00, $25.00, $12,500.00

**Total Fixed Costs**

|          | $57.59 | $28,794.17 |

**Total Specified Costs**

|          | $286.41 | $143,205.73 |

### Breakeven Prices

<table>
<thead>
<tr>
<th>Yield Percent</th>
<th>Yield CWT</th>
<th>Variable Costs Full Tenant</th>
<th>Total Costs Tenant Landlord</th>
</tr>
</thead>
<tbody>
<tr>
<td>75%</td>
<td>24.75</td>
<td>$9.07 $9.07 $11.40</td>
<td>$11.40 $0.00</td>
</tr>
<tr>
<td>90%</td>
<td>29.70</td>
<td>$7.65 $7.65 $9.58</td>
<td>$9.58 $0.00</td>
</tr>
<tr>
<td>100%</td>
<td>33.00</td>
<td>$6.93 $6.93 $8.68</td>
<td>$8.68 $0.00</td>
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<tr>
<td>110%</td>
<td>36.30</td>
<td>$6.35 $6.35 $7.94</td>
<td>$7.94 $0.00</td>
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<tr>
<td>125%</td>
<td>41.25</td>
<td>$5.65 $5.65 $7.05</td>
<td>$7.05 $0.00</td>
</tr>
</tbody>
</table>

Developed by Blake Bennet, Assistant 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.*