

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Continuous Sorghum, Sprinkler Irrigated (NG) - 122 Acres**  
**Panhandle Extension District - 1**

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Grain Sorghum		75.00	CWT	\$7.80	\$585.00	\$71,370.00
Total Revenue					\$585.00	\$71,370.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed - Sorghum		5	Pound	\$1.88	\$9.42	\$1,149.79
Fertilizer						
Fertilizer (N) - ANH3		65	Pound	\$0.38	\$24.70	\$3,013.40
Fertilizer (P) - Liquid		50	Pound	\$0.79	\$39.50	\$4,819.00
Fertilizer (N) - Liquid		30	Pound	\$0.64	\$19.20	\$2,342.40
Fertilizer (N) - Liquid		30	Pound	\$0.64	\$19.20	\$2,342.40
Herbicide						
Herbicide and Apply Sorghum Irrig		1	Acre	\$22.77	\$22.77	\$2,777.62
Insecticide						
Insecticide and Apply Sorghum		0.33	Application	\$10.09	\$3.33	\$406.37
Miscellaneous						
Crop Insurance Sorghum - Irrigate		1	Acre	\$27.74	\$27.74	\$3,384.77
Custom						
Fertilizer Application - ANH3		1	Acre	\$11.75	\$11.75	\$1,433.50
Harvest and Haul - Sorghum		75	CWT	\$0.75	\$56.25	\$6,862.50
Irrigation						
Energy or Water Cost		14.00	AcreInch	\$4.40	\$61.60	\$7,515.20
Irrigation Labor		0.90	Hour	\$11.75	\$10.53	\$1,284.42
Machinery Labor						
Tractors/Self-Propelled		0.89	Hour	\$11.75	\$10.46	\$1,275.82
Diesel Fuel						
Tractors/Self-Propelled		2.33	Gallon	\$3.28	\$7.64	\$932.37
Gasoline						
Pickup/General Use Equipment		1	Acre	\$6.66	\$6.66	\$812.50
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment		1	Acre	\$56.56	\$56.56	\$6,900.32
Tractors/Self-Propelled		1	Acre	\$7.05	\$7.05	\$860.25
Implements		1	Acre	\$18.61	\$18.61	\$2,269.82
Interest on Credit Line				4.75%	\$7.03	\$857.87
Total Variable Costs					\$422.51	\$51,546.31
Planned Returns Above Variable Costs:					\$162.49	\$19,823.69
Breakeven Price to Cover Variable Costs				\$5.63	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment		1	Acre	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled		1	Acre	\$6.82	\$6.82	\$831.52
Implements		1	Acre	\$22.89	\$22.89	\$2,792.69
Equipment Investment						
Pickup/General Use Equipment		\$31.35	Dollars	5.25%	\$1.65	\$200.81
Irrigation Equipment		\$703.28	Dollars	5.25%	\$36.92	\$4,504.50
Tractors/Self-Propelled		\$76.95	Dollars	5.25%	\$4.04	\$492.88
Implements		\$178.04	Dollars	5.25%	\$9.35	\$1,140.35
Cash Rent - Sorghum f		1	Acre	\$85.00	\$85.00	\$10,370.00
Total Fixed Costs					\$191.80	\$23,399.64
Total Specified Costs					\$614.31	\$74,945.95
Returns Above Specified Costs					(\$29.31)	(\$3,575.95)
Breakeven Price to Cover Total Costs				\$8.19	CWT	

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	56.25	\$7.51	\$7.51	\$10.92	\$10.92	\$0.00
90%	67.50	\$6.26	\$6.26	\$9.10	\$9.10	\$0.00
100%	75.00	\$5.63	\$5.63	\$8.19	\$8.19	\$0.00
110%	82.50	\$5.12	\$5.12	\$7.45	\$7.45	\$0.00
125%	93.75	\$4.51	\$4.51	\$6.55	\$6.55	\$0.00

Developed by Steve Amosson, Regents Fellow, 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.**