

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2014 Estimated Costs and Returns per Acre**  
**Dryland Sorghum - 640 Acres**  
**Rolling Plains Extension District - 3**

Crop Acres		640			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	22.00	CWT	\$6.50	\$143.00	\$91,520.00
<b>Total Revenue</b>				<b>\$143.00</b>	<b>\$91,520.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Seed					
Grain Sorghum Seed	3	Pound	\$2.06	\$6.18	\$3,955.20
Herbicide					
Atrazine	1	Quart	\$3.50	\$3.50	\$2,240.00
Miscellaneous					
Insurance - Grain Sorghum	1	Acre	\$8.00	\$8.00	\$5,120.00
Custom					
Custom Harvest Sorghum	1	Acre	\$20.00	\$20.00	\$12,800.00
Custom Haul Sorghum	22	CWT	\$0.20	\$4.40	\$2,816.00
Machinery Labor					
Tractors/Self-Propelled	1.81	Hour	\$10.00	\$18.10	\$11,584.00
Diesel Fuel					
Tractors/Self-Propelled	5.51	Gallon	\$3.24	\$17.85	\$11,425.54
Gasoline					
Pickup/General Use Equipment	1	Acre	\$2.11	\$2.11	\$1,350.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.57	\$0.57	\$362.25
Tractors/Self-Propelled	1	Acre	\$7.10	\$7.10	\$4,542.96
Implements	1	Acre	\$4.00	\$4.00	\$2,561.56
Interest on Credit Line			6.25%	\$1.65	\$1,058.68
<b>Total Variable Costs</b>				<b>\$93.46</b>	<b>\$59,816.19</b>
Planned Returns Above Variable Costs:				\$49.54	\$31,703.81
Breakeven Price to Cover Variable Costs			\$4.25 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$0.79	\$0.79	\$502.92
Tractors/Self-Propelled	1	Acre	\$6.86	\$6.86	\$4,391.53
Implements	1	Acre	\$4.95	\$4.95	\$3,167.90
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$9.43	Dollars	5.85%	\$0.55	\$353.19
Tractors/Self-Propelled	\$118.31	Dollars	5.85%	\$6.92	\$4,429.39
Implements	\$38.50	Dollars	5.85%	\$2.25	\$1,441.39
Cash Rent - Grain Sorghum	1	Acre	\$32.00	\$32.00	\$20,480.00
<b>Total Fixed Costs</b>				<b>\$54.32</b>	<b>\$34,766.32</b>
<b>Total Specified Costs</b>				<b>\$147.79</b>	<b>\$94,582.51</b>
Returns Above Specified Costs				(\$4.79)	(\$3,062.51)
<b>Breakeven Price to Cover Total Costs</b>			\$6.72 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%	16.50	\$5.66	\$5.66	\$8.96	\$8.96	\$0.00
90%	19.80	\$4.72	\$4.72	\$7.46	\$7.46	\$0.00
100%	22.00	\$4.25	\$4.25	\$6.72	\$6.72	\$0.00
110%	24.20	\$3.86	\$3.86	\$6.11	\$6.11	\$0.00
125%	27.50	\$3.40	\$3.40	\$5.37	\$5.37	\$0.00

Developed by Stan Bevers, 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.**