

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Dryland Sorghum - 100 Acres**  
**Southwest Extension District - 10**

Crop Acres		100				
				Total	Enterprise Total	
<b>REVENUE</b>						
	Quantity	Units	\$/Unit			
Sorghum	30.00	CWT	\$8.68	\$260.40	\$26,040.00	
<b>Total Revenue</b>				\$260.40	\$26,040.00	
<b>VARIABLE COSTS</b>					Enterprise Total	
<b>Production Costs</b>						
Seed						
	Quantity	Units	\$/Unit	Total		
Sorghum Concept Seed	4	Pound	\$3.20	\$12.80	\$1,280.00	
Fertilizer						
UAN(32% N)	0.88	CWT	\$17.00	\$14.96	\$1,496.00	
Fertilizer 18-46-0	65	Pound	\$0.25	\$16.25	\$1,625.00	
Herbicide						
Atrazine 4L	4	Pint	\$1.63	\$6.52	\$652.00	
Insecticide						
Lorsban 4E	1	Pint	\$5.25	\$5.25	\$525.00	
Dimethoate 4E	0.5	Pint	\$5.50	\$2.75	\$275.00	
Miscellaneous						
Miscellaneous Sorghum Overhead	1	Acre	\$4.00	\$4.00	\$400.00	
Custom						
Haul Sorghum	30	CWT	\$0.18	\$5.40	\$540.00	
Machinery Labor						
Tractors/Self-Propelled	0.93	Hour	\$12.00	\$11.16	\$1,116.00	
Diesel Fuel						
Tractors/Self-Propelled	6.74	Gallon	\$2.85	\$19.21	\$1,920.90	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$32.93	\$32.93	\$3,292.80	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$672.00	
Tractors/Self-Propelled	1	Acre	\$3.54	\$3.54	\$354.22	
Implements	1	Acre	\$4.43	\$4.43	\$443.18	
Interest on Credit Line				6.50%	\$4.38	\$437.76
<b>Total Variable Costs</b>				\$150.30	\$15,029.87	
Planned Returns Above Variable Costs:				\$110.10	\$11,010.13	
Breakeven Price to Cover Variable Costs				\$5.01	CWT	
<b>FIXED COSTS</b>					Enterprise Total	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00	
Tractors/Self-Propelled	1	Acre	\$12.98	\$12.98	\$1,298.27	
Implements	1	Acre	\$4.57	\$4.57	\$457.48	
Equipment Investment						
Pickup/General Use Equipment	\$168.00	Dollars	6.50%	\$10.92	\$1,092.00	
Tractors/Self-Propelled	\$156.10	Dollars	6.50%	\$10.15	\$1,014.68	
Implements	\$66.42	Dollars	6.50%	\$4.32	\$431.75	
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00	
<b>Total Fixed Costs</b>				\$88.14	\$8,814.19	
<b>Total Specified Costs</b>				\$238.44	\$23,844.06	
Returns Above Specified Costs				\$21.96	\$2,195.94	
Breakeven Price to Cover Total Costs				\$7.95	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%	22.50	\$6.68	\$6.68	\$10.60	\$10.60	\$0.00
90%	27.00	\$5.57	\$5.57	\$8.83	\$8.83	\$0.00
100%	30.00	\$5.01	\$5.01	\$7.95	\$7.95	\$0.00
110%	33.00	\$4.55	\$4.55	\$7.23	\$7.23	\$0.00
125%	37.50	\$4.01	\$4.01	\$6.36	\$6.36	\$0.00

Developed by Rob Hogan, Associate 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.**