

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Sorghum Sudangrass, Dryland, Grazing - 160 Acres
Panhandle Extension District - 1

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grazing - Sorghum	336.00	Pound	\$0.50	\$168.00	\$168.00	\$26,880.00
Total Revenue				\$168.00	\$168.00	\$26,880.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Seed - Sorghum Sudangrass	15	Pound	\$0.95	\$14.25	\$14.25	\$2,280.00
Fertilizer						
Fertilizer (N) - ANH3	50	Pound	\$0.40	\$20.00	\$20.00	\$3,200.00
Custom						
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$11.75	\$1,880.00
Miscellaneous						
Crop Insurance Sorghum Sudan Dry	1	Acre	\$19.78	\$19.78	\$19.78	\$3,164.16
Herbicide						
Herbicide and Apply Sorghum Sudan	1	Acre	\$7.95	\$7.95	\$7.95	\$1,272.00
Machinery Labor						
Tractors/Self-Propelled	0.72	Hour	\$11.75	\$8.46	\$8.46	\$1,353.60
Diesel Fuel						
Tractors/Self-Propelled	1.64	Gallon	\$3.30	\$5.41	\$5.41	\$865.92
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.07	\$6.07	\$6.07	\$971.75
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$2.26	\$2.26	\$2.26	\$361.81
Implements	1	Acre	\$6.70	\$6.70	\$6.70	\$1,071.95
Interest on Credit Line			4.90%	\$2.01	\$2.01	\$322.13
Total Variable Costs				\$107.13	\$107.13	\$17,141.12
Planned Returns Above Variable Costs:				\$60.87	\$60.87	\$9,738.88
Breakeven Price to Cover Variable Costs			\$0.32	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$2.19	\$2.19	\$2.19	\$351.06
Implements	1	Acre	\$8.34	\$8.34	\$8.34	\$1,333.70
Equipment Investment						
Pickup/General Use Equipment	\$31.08	Dollars	5.40%	\$1.68	\$1.68	\$268.52
Tractors/Self-Propelled	\$24.77	Dollars	5.40%	\$1.34	\$1.34	\$214.03
Implements	\$64.83	Dollars	5.40%	\$3.50	\$3.50	\$560.15
Cash Rent - Sorghum	1	Acre	\$28.50	\$28.50	\$28.50	\$4,560.00
Total Fixed Costs				\$48.16	\$48.16	\$7,705.15
Total Specified Costs				\$155.29	\$155.29	\$24,846.27
Returns Above Specified Costs				\$12.71	\$12.71	\$2,033.73
Breakeven Price to Cover Total Costs			\$0.46	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	252.00	\$0.43	\$0.43	\$0.62	\$0.62	\$0.00
90%	302.40	\$0.35	\$0.35	\$0.51	\$0.51	\$0.00
100%	336.00	\$0.32	\$0.32	\$0.46	\$0.46	\$0.00
110%	369.60	\$0.29	\$0.29	\$0.42	\$0.42	\$0.00
125%	420.00	\$0.26	\$0.26	\$0.37	\$0.37	\$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.