

**Projections for Planning Purposes Only -- Not to be Used without Updating**

**2015 Estimated Costs and Returns per Acre**

**Dryland Sorghum - 640 Acres**

**Rolling Plains Extension District - 3**

Crop Acres		640				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Grain Sorghum		22.00	CWT	\$5.38	\$118.36	\$75,750.40
Total Revenue					\$118.36	\$75,750.40
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Production Costs						
Seed						
Grain Sorghum Seed		3	Pound	\$1.80	\$5.40	\$3,456.00
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
Miscellaneous						
Insurance - Grain Sorghum		1	Acre	\$8.00	\$8.00	\$5,120.00
Herbicide						
Atrazine		1	Quart	\$3.19	\$3.19	\$2,041.60
Machinery Labor						
Tractors/Self-Propelled		1.55	Hour	\$10.00	\$15.50	\$9,920.00
Diesel Fuel						
Tractors/Self-Propelled		4.81	Gallon	\$2.59	\$12.46	\$7,973.06
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	\$7.51	\$7.51	\$4,806.23
Implements		1	Acre	\$9.40	\$9.40	\$6,016.31
Interest on Credit Line				6.25%	\$1.28	\$819.00
Total Variable Costs					\$89.81	\$57,480.44
Planned Returns Above Variable Costs:					\$28.55	\$18,269.96
Breakeven Price to Cover Variable Costs					\$4.08	CWT
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$0.79	\$0.79	\$502.92
Tractors/Self-Propelled		1	Acre	\$7.76	\$7.76	\$4,966.43
Implements		1	Acre	\$11.61	\$11.61	\$7,428.60
Equipment Investment						
Pickup/General Use Equipment		\$9.43	Dollars	5.50%	\$0.52	\$332.06
Tractors/Self-Propelled		\$87.61	Dollars	5.50%	\$4.82	\$3,083.99
Implements		\$90.28	Dollars	5.50%	\$4.97	\$3,177.79
Cash Rent - Grain Sorghum		1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs					\$62.46	\$39,971.80
Total Specified Costs					\$152.27	\$97,452.25
Returns Above Specified Costs					(\$33.91)	(\$21,701.85)
Breakeven Price to Cover Total Costs					\$6.92	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	Share/Tenant	Own/Rent	Share/Tenant	Landlord	
75%	16.50	\$5.44	\$5.44	\$9.23	\$9.23	\$0.00	
90%	19.80	\$4.54	\$4.54	\$7.69	\$7.69	\$0.00	
100%	22.00	\$4.08	\$4.08	\$6.92	\$6.92	\$0.00	
110%	24.20	\$3.71	\$3.71	\$6.29	\$6.29	\$0.00	
125%	27.50	\$3.27	\$3.27	\$5.54	\$5.54	\$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.**