

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Irrigated Sorghum - 122 Acres**  
**Southwest Extension District - 10**

Crop Acres	122		Enterprise		
REVENUE	Quantity	Units	\$/Unit	Total	Total
Sorghum	65.00	CWT	\$7.15	\$464.75	\$56,699.50
Total Revenue				\$464.75	\$56,699.50
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
<b>Seed</b>					
Sorghum Concept Seed	8	Pound	\$3.20	\$25.60	\$3,123.20
<b>Fertilizer</b>					
UAN(32% N)	1.77	CWT	\$16.00	\$28.32	\$3,455.04
Fertilizer 18-46-0	130	Pound	\$0.28	\$36.40	\$4,440.80
<b>Custom</b>					
Haul Sorghum	65	CWT	\$0.18	\$11.70	\$1,427.40
<b>Miscellaneous</b>					
Miscellaneous Sorghum Overhead	1	Acre	\$4.00	\$4.00	\$488.00
Crop Insurance - Grain Sorghum Irrigated	1	Acre	\$16.00	\$16.00	\$1,952.00
<b>Herbicide</b>					
Atrazine 4L	4	Pint	\$2.19	\$8.76	\$1,068.72
Prowl H2O	2.5	Pint	\$5.06	\$12.65	\$1,543.30
<b>Insecticide</b>					
Lorsban 4E	1	Pint	\$5.25	\$5.25	\$640.50
Dimethoate 4E	1	Pint	\$5.50	\$5.50	\$671.00
<b>Irrigation</b>					
Energy Cost	552.50	kWh	\$0.18	\$99.45	\$12,132.90
<b>Machinery Labor</b>					
Tractors/Self-Propelled	1.46	Hour	\$12.00	\$17.52	\$2,137.44
<b>Diesel Fuel</b>					
Tractors/Self-Propelled	10.78	Gallon	\$2.15	\$23.18	\$2,827.59
<b>Gasoline</b>					
Pickup/General Use Equipment	1	Acre	\$29.44	\$29.44	\$3,591.42
<b>Repairs &amp; Maintenance</b>					
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$819.96
Irrigation Equipment	1	Acre	\$5.75	\$5.75	\$701.00
Tractors/Self-Propelled	1	Acre	\$29.35	\$29.35	\$3,581.12
Implements	1	Acre	\$18.90	\$18.90	\$2,305.85
Interest on Credit Line			6.50%	\$12.50	\$1,524.98
Total Variable Costs				\$396.99	\$48,432.23
Planned Returns Above Variable Costs:				\$67.76	\$8,267.27
Breakeven Price to Cover Variable Costs			\$6.11	CWT	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85
Irrigation Equipment	1	Acre	\$56.20	\$56.20	\$6,856.67
Tractors/Self-Propelled	1	Acre	\$31.07	\$31.07	\$3,790.73
Implements	1	Acre	\$22.84	\$22.84	\$2,786.38
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$168.02	Dollars	6.50%	\$10.92	\$1,332.44
Irrigation Equipment	\$843.03	Dollars	6.50%	\$54.80	\$6,685.25
Tractors/Self-Propelled	\$352.67	Dollars	6.50%	\$22.92	\$2,796.67
Implements	\$185.36	Dollars	6.50%	\$12.05	\$1,469.90
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$286.01	\$34,892.88
Total Specified Costs				\$682.99	\$83,325.11
Returns Above Specified Costs				(\$218.24)	(\$26,625.61)
Breakeven Price to Cover Total Costs			\$10.51	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%	48.75	\$8.14	\$8.14	\$14.01	\$14.01	\$0.00
90%	58.50	\$6.79	\$6.79	\$11.68	\$11.68	\$0.00
100%	65.00	\$6.11	\$6.11	\$10.51	\$10.51	\$0.00
110%	71.50	\$5.55	\$5.55	\$9.55	\$9.55	\$0.00
125%	81.25	\$4.89	\$4.89	\$8.41	\$8.41	\$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.**