

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Grain Sorghum, Conventional Tillage, Dryland, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100				
<b>REVENUE</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		22.00	CWT	\$7.50	\$165.00	\$16,500.00
Total Revenue					\$165.00	\$16,500.00
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>						
Seed						
	Grain Sorghum Seed	4.5	Pound	\$3.20	\$14.40	\$1,440.00
Fertilizer						
	Fertilizer 25-10-0	0.12	Ton	\$360.00	\$43.20	\$4,320.00
Custom						
	Harvest/Haul Sorghum	22	CWT	\$0.90	\$19.80	\$1,980.00
Herbicide						
	Permit and Application	1	Acre	\$24.73	\$24.73	\$2,473.00
Other Labor						
	Unallocated Labor	0.7072	Hour	\$9.00	\$6.36	\$636.48
Machinery Labor						
	Tractors/Self-Propelled	1.3	Hour	\$9.00	\$11.70	\$1,170.00
Diesel Fuel						
	Tractors/Self-Propelled	7.79	Gallon	\$3.00	\$23.37	\$2,337.00
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$14.01	\$14.01	\$1,400.52
	Implements	1	Acre	\$17.63	\$17.63	\$1,763.06
Interest on Credit Line						
				9.00%	\$6.66	\$665.62
Total Variable Costs					\$181.86	\$18,185.69
Planned Returns Above Variable Costs:					(\$16.86)	(\$1,685.69)
Breakeven Price to Cover Variable Costs				\$8.27	CWT	
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$14.47	\$14.47	\$1,447.21
	Implements	1	Acre	\$21.18	\$21.18	\$2,117.98
Equipment Investment						
	Tractors/Self-Propelled	\$163.39	Dollars	9.00%	\$14.71	\$1,470.55
	Implements	\$173.60	Dollars	9.00%	\$15.62	\$1,562.38
Total Fixed Costs					\$65.98	\$6,598.13
Total Specified Costs					\$247.84	\$24,783.81
Returns Above Specified Costs					(\$82.84)	(\$8,283.81)
Breakeven Price to Cover Total Costs				\$11.27	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	\$11.02	\$16.45	\$15.02	\$22.42	\$0.00
90%	19.80	\$9.18	\$13.71	\$12.52	\$18.68	\$0.00
100%	22.00	\$8.27	\$12.34	\$11.27	\$16.81	\$0.00
110%	24.20	\$7.51	\$11.22	\$10.24	\$15.29	\$0.00
125%	27.50	\$6.61	\$9.87	\$9.01	\$13.45	\$0.00

Developed by Luis Ribera, 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.**