

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Sorghum-Sudangrass for Hay, Center Pivot Irrigated, 5 Ton Yield - 122 Acres**  
**Far West Extension District - 6**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sorghum Hay	5.00	Ton	\$155.00	\$775.00	\$94,550.00	
<b>Total Revenue</b>				<b>\$775.00</b>	<b>\$94,550.00</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Production Costs</b>						
<b>Seed</b>						
Haygrazer Seed	15	Pound	\$0.64	\$9.60	\$1,171.20	
<b>Fertilizer</b>						
Urea, Solid (46% N)	0.89	CWT	\$25.75	\$22.92	\$2,795.94	
<b>Irrigation</b>						
Energy Cost	3.42	Mcf	\$4.00	\$13.68	\$1,668.96	
Irrigation Labor	0.02	Hour	\$11.00	\$0.22	\$26.57	
<b>Machinery Labor</b>						
Tractors/Self-Propelled	1.14	Hour	\$12.00	\$13.68	\$1,668.96	
<b>Diesel Fuel</b>						
Tractors/Self-Propelled	6.53	Gallon	\$2.15	\$14.04	\$1,712.82	
<b>Gasoline</b>						
Pickup/General Use Equipment	1	Acre	\$7.04	\$7.04	\$859.36	
<b>Repairs &amp; Maintenance</b>						
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20	
Irrigation Equipment	1	Acre	\$9.05	\$9.05	\$1,104.14	
Tractors/Self-Propelled	1	Acre	\$9.31	\$9.31	\$1,135.78	
Implements	1	Acre	\$6.76	\$6.76	\$824.41	
Interest on Credit Line			6.50%	\$2.10	\$255.93	
<b>Total Variable Costs</b>				<b>\$110.00</b>	<b>\$13,420.26</b>	
Planned Returns Above Variable Costs:				\$665.00	\$81,129.74	
Breakeven Price to Cover Variable Costs			\$22.00	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Machinery Depreciation</b>						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75	
Irrigation Equipment	1	Acre	\$24.32	\$24.32	\$2,966.87	
Tractors/Self-Propelled	1	Acre	\$11.71	\$11.71	\$1,428.69	
Implements	1	Acre	\$9.20	\$9.20	\$1,122.73	
<b>Equipment Investment</b>						
Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83	
Irrigation Equipment	\$364.78	Dollars	6.50%	\$23.71	\$2,892.70	
Tractors/Self-Propelled	\$127.33	Dollars	6.50%	\$8.28	\$1,009.76	
Implements	\$79.96	Dollars	6.50%	\$5.20	\$634.12	
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00	
<b>Total Fixed Costs</b>				<b>\$131.06</b>	<b>\$15,989.45</b>	
<b>Total Specified Costs</b>				<b>\$241.06</b>	<b>\$29,409.71</b>	
Returns Above Specified Costs				\$533.94	\$65,140.29	
Breakeven Price to Cover Total Costs			\$48.21	Ton		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	3.75	\$29.33	\$29.33	\$64.28	\$64.28	\$0.00
90%	4.50	\$24.44	\$24.44	\$53.57	\$53.57	\$0.00
100%	5.00	\$22.00	\$22.00	\$48.21	\$48.21	\$0.00
110%	5.50	\$20.00	\$20.00	\$43.83	\$43.83	\$0.00
125%	6.25	\$17.60	\$17.60	\$38.57	\$38.57	\$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.**