

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Continuous Sorghum, Furrow Irrigated (NG) - 122 Acres**  
**Panhandle Extension District - 1**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grain Sorghum	65.00	CWT	\$6.45	\$419.25	\$51,148.50	\$51,148.50
<b>Total Revenue</b>				<b>\$419.25</b>	<b>\$51,148.50</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Herbicide						
Herbicide and Apply Sorghum Irrig.	1	Acre	\$22.57	\$22.57	\$2,753.13	
Seed						
Seed - Sorghum	4.5	Pound	\$1.92	\$8.63	\$1,052.28	
Fertilizer						
Fertilizer (N) - ANH3	100	Pound	\$0.36	\$36.00	\$4,392.00	
Fertilizer (P) - Dry	40	Pound	\$0.52	\$20.80	\$2,537.60	
Custom						
Fertilizer Application - ANH3	1	Acre	\$12.07	\$12.07	\$1,472.92	
Fertilizer Application	1	Acre	\$5.65	\$5.65	\$689.45	
Harvest and Haul - Sorghum	65	CWT	\$0.79	\$51.43	\$6,274.02	
Miscellaneous						
Crop Insurance Sorghum - Irrigated	1	Acre	\$36.00	\$36.00	\$4,392.00	
Insecticide						
Insecticide and Apply Sorghum	0.67	Application	\$9.79	\$6.56	\$800.47	
Irrigation						
Energy Cost	12.00	AcreInch	\$3.20	\$38.40	\$4,684.80	
Irrigation Labor	1.69	Hour	\$12.16	\$20.50	\$2,500.99	
Machinery Labor						
Tractors/Self-Propelled	1.23	Hour	\$11.97	\$14.72	\$1,795.82	
Diesel Fuel						
Tractors/Self-Propelled	3.49	Gallon	\$1.97	\$6.88	\$838.79	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.22	\$4.22	\$515.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00	
Irrigation Equipment	1	Acre	\$47.55	\$47.55	\$5,801.39	
Tractors/Self-Propelled	1	Acre	\$5.43	\$5.43	\$662.32	
Implements	1	Acre	\$13.83	\$13.83	\$1,686.66	
Interest on Credit Line			5.15%	\$6.68	\$814.40	
<b>Total Variable Costs</b>				<b>\$360.41</b>	<b>\$43,970.05</b>	
Planned Returns Above Variable Costs:				\$58.84	\$7,178.45	
Breakeven Price to Cover Variable Costs			\$5.54 CWT			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Machinery Depreciation</b>						
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30	
Irrigation Equipment	1	Acre	\$14.42	\$14.42	\$1,759.40	
Tractors/Self-Propelled	1	Acre	\$5.46	\$5.46	\$666.19	
Implements	1	Acre	\$16.85	\$16.85	\$2,056.28	
<b>Equipment Investment</b>						
Pickup/General Use Equipment	\$18.18	Dollars	5.40%	\$0.98	\$119.80	
Irrigation Equipment	\$199.24	Dollars	5.40%	\$10.76	\$1,312.61	
Tractors/Self-Propelled	\$42.54	Dollars	5.40%	\$2.30	\$280.25	
Implements	\$72.10	Dollars	5.40%	\$3.89	\$475.00	
Cash Rent - Sorghum f	1	Acre	\$75.00	\$75.00	\$9,150.00	
<b>Total Fixed Costs</b>				<b>\$132.30</b>	<b>\$16,140.82</b>	
<b>Total Specified Costs</b>				<b>\$492.71</b>	<b>\$60,110.86</b>	
Returns Above Specified Costs				(\$73.46)	(\$8,962.36)	
<b>Breakeven Price to Cover Total Costs</b>			\$7.58 CWT			

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	48.75	\$7.39	\$10.11
90%	58.50	\$6.16	\$8.42
100%	65.00	\$5.54	\$7.58
110%	71.50	\$5.04	\$6.89
125%	81.25	\$4.44	\$6.06

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.**