

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2017 Estimated Costs and Returns per Acre**  
**Sorghum Sudangrass, Dryland, Grazing - 160 Acres**  
**Panhandle Extension District - 1**

Crop Acres	160					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Grazing - Sorghum	336.00	Pound	\$0.40	\$134.40	\$21,504.00	\$21,504.00
<b>Total Revenue</b>				<b>\$134.40</b>	<b>\$21,504.00</b>	<b>\$21,504.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
<b>Production Costs</b>						
Fertilizer						
Fertilizer (N) - ANH3	50	Pound	\$0.25	\$12.50	\$2,000.00	\$2,000.00
Custom						
Fertilizer Application - ANH3	1	Acre	\$15.00	\$15.00	\$2,400.00	\$2,400.00
Seed						
Seed - Sorghum Sudangrass	15	Pound	\$0.95	\$14.25	\$2,280.00	\$2,280.00
Miscellaneous						
Crop Insurance Sorghum Sudan Dry	1	Acre	\$19.00	\$19.00	\$3,040.00	\$3,040.00
Herbicide						
Herbicide and Apply Sorghum Sudan	1	Acre	\$12.10	\$12.10	\$1,936.00	\$1,936.00
Machinery Labor						
Tractors/Self-Propelled	0.92	Hour	\$12.25	\$11.27	\$1,803.20	\$1,803.20
Diesel Fuel						
Tractors/Self-Propelled	2.15	Gallon	\$1.81	\$3.89	\$622.64	\$622.64
Gasoline						
Pickup/General Use Equipment	1	Acre	\$3.92	\$3.92	\$627.25	\$627.25
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80	\$397.80
Tractors/Self-Propelled	1	Acre	\$3.57	\$3.57	\$570.87	\$570.87
Implements	1	Acre	\$9.72	\$9.72	\$1,554.61	\$1,554.61
Interest on Credit Line			5.40%	\$2.19	\$349.85	\$349.85
<b>Total Variable Costs</b>				<b>\$109.89</b>	<b>\$17,582.23</b>	<b>\$17,582.23</b>
Planned Returns Above Variable Costs:				\$24.51	\$3,921.77	\$3,921.77
Breakeven Price to Cover Variable Costs			\$0.33	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
<b>Machinery Depreciation</b>						
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69	\$417.69
Tractors/Self-Propelled	1	Acre	\$3.53	\$3.53	\$564.51	\$564.51
Implements	1	Acre	\$12.26	\$12.26	\$1,961.54	\$1,961.54
<b>Equipment Investment</b>						
Pickup/General Use Equipment	\$18.03	Dollars	5.65%	\$1.02	\$162.95	\$162.95
Tractors/Self-Propelled	\$27.49	Dollars	5.65%	\$1.55	\$248.47	\$248.47
Implements	\$52.44	Dollars	5.65%	\$2.96	\$474.09	\$474.09
Cash Rent - Sorghum	1	Acre	\$26.50	\$26.50	\$4,240.00	\$4,240.00
<b>Total Fixed Costs</b>				<b>\$50.43</b>	<b>\$8,069.24</b>	<b>\$8,069.24</b>
<b>Total Specified Costs</b>				<b>\$160.32</b>	<b>\$25,651.48</b>	<b>\$25,651.48</b>
Returns Above Specified Costs				(\$25.92)	(\$4,147.48)	(\$4,147.48)
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.48</b>	<b>Pound</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	252.00	\$0.44	\$0.64
90%	302.40	\$0.36	\$0.53
100%	336.00	\$0.33	\$0.48
110%	369.60	\$0.30	\$0.43
125%	420.00	\$0.26	\$0.38

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

**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.**