

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 Estimated Costs and Returns per Acre
Sorghum-Sudangrass for Hay, Dryland, 3 Ton Yield - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sorghum Hay	3.00	Ton	\$160.00	\$480.00	\$58,560.00	
Total Revenue				\$480.00	\$58,560.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Seed						
Haygrazer Seed	15	Pound	\$0.52	\$7.80	\$951.60	
Fertilizer						
Urea, Solid (46% N)	0.89	CWT	\$19.75	\$17.58	\$2,144.46	
Machinery Labor						
Tractors/Self-Propelled	1.9	Hour	\$12.00	\$22.80	\$2,781.60	
Diesel Fuel						
Tractors/Self-Propelled	8.35	Gallon	\$1.83	\$15.28	\$1,864.22	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$3.36	\$3.36	\$410.06	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10	
Tractors/Self-Propelled	1	Acre	\$14.67	\$14.67	\$1,789.46	
Implements	1	Acre	\$11.25	\$11.25	\$1,372.53	
Interest on Credit Line			6.50%	\$1.68	\$205.14	
Total Variable Costs				\$95.22	\$11,617.16	
Planned Returns Above Variable Costs:				\$384.78	\$46,942.84	
Breakeven Price to Cover Variable Costs			\$31.74	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88	
Tractors/Self-Propelled	1	Acre	\$16.53	\$16.53	\$2,016.05	
Implements	1	Acre	\$14.54	\$14.54	\$1,773.72	
Equipment Investment						
Pickup/General Use Equipment	\$12.56	Dollars	6.50%	\$0.82	\$99.63	
Tractors/Self-Propelled	\$125.54	Dollars	6.50%	\$8.16	\$995.52	
Implements	\$65.78	Dollars	6.50%	\$4.28	\$521.66	
West Texas Dryland	1	Acre	\$15.00	\$15.00	\$1,830.00	
Total Fixed Costs				\$62.33	\$7,604.46	
Total Specified Costs				\$157.55	\$19,221.62	
Returns Above Specified Costs				\$322.45	\$39,338.38	
Breakeven Price to Cover Total Costs			\$52.52	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$42.32	\$70.02
90%	2.70	\$35.27	\$58.35
100%	3.00	\$31.74	\$52.52
110%	3.30	\$28.86	\$47.74
125%	3.75	\$25.39	\$42.01

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.