

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2018 Estimated Costs and Returns per Acre**  
**Sorghum, Dryland, Continuous, Minimum Tillage**  
**Panhandle Extension District - 1**

Crop Acres		160				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		25.00	CWT	\$6.00	\$150.00	\$24,000.00
Total Revenue					\$150.00	\$24,000.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>						
<b>Herbicide</b>						
	Herbicide and Apply Sorghum	1	Acre	\$19.53	\$19.53	\$3,124.80
<b>Seed</b>						
	Seed - Sorghum	2.25	Pound	\$2.20	\$4.95	\$792.00
<b>Fertilizer</b>						
	Fertilizer (N) - ANH3	30	Pound	\$0.24	\$7.20	\$1,152.00
<b>Custom</b>						
	Fertilizer Application - ANH3	1	Acre	\$15.36	\$15.36	\$2,457.60
	Custom Harvest - Sorghum Dryland	1	Acre	\$25.61	\$25.61	\$4,097.60
	Custom Haul - Sorghum Dryland	25	CWT	\$0.26	\$6.50	\$1,040.00
<b>Miscellaneous</b>						
	Crop Insurance Sorghum - Dryland	1	Acre	\$17.40	\$17.40	\$2,784.00
<b>Insecticide</b>						
	Insecticide Head Worm	0.67	Application	\$9.93	\$6.65	\$1,064.50
	Insecticide Sugar Cane Aphid	1	Application	\$21.27	\$21.27	\$3,403.20
<b>Machinery Labor</b>						
	Tractors/Self-Propelled	0.33	Hour	\$12.44	\$4.11	\$656.83
	Other Labor	0.35	Hour	\$12.44	\$4.35	\$696.64
<b>Diesel Fuel</b>						
	Tractors/Self-Propelled	1.91	Gallon	\$1.99	\$3.80	\$608.14
<b>Gasoline</b>						
	Pickup/General Use Equipment	1	Acre	\$4.27	\$4.27	\$682.50
<b>Repairs &amp; Maintenance</b>						
	Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
	Tractors/Self-Propelled	1	Acre	\$3.61	\$3.61	\$577.89
	Implements	1	Acre	\$9.24	\$9.24	\$1,477.63
	Interest on Credit Line			5.74%	\$2.76	\$441.41
Total Variable Costs					\$159.09	\$25,454.54
Planned Returns Above Variable Costs:					(\$9.09)	(\$1,454.54)
Breakeven Price to Cover Variable Costs				\$6.36	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>						
	Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
	Tractors/Self-Propelled	1	Acre	\$3.52	\$3.52	\$563.17
	Implements	1	Acre	\$11.97	\$11.97	\$1,915.17
<b>Equipment Investment</b>						
	Pickup/General Use Equipment	\$18.03	Dollars	6.01%	\$1.08	\$173.33
	Tractors/Self-Propelled	\$27.42	Dollars	6.01%	\$1.65	\$263.67
	Implements	\$51.20	Dollars	6.01%	\$3.08	\$492.38
	Cash Rent - Sorghum	1	Acre	\$26.50	\$26.50	\$4,240.00
Total Fixed Costs					\$50.41	\$8,065.42
Total Specified Costs					\$209.50	\$33,519.95
Returns Above Specified Costs					(\$59.50)	(\$9,519.95)
Breakeven Price to Cover Total Costs				\$8.38	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	18.75	\$8.48	\$11.17
90%	22.50	\$7.07	\$9.31
100%	25.00	\$6.36	\$8.38
110%	27.50	\$5.79	\$7.62
125%	31.25	\$5.09	\$6.70

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.**