

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Continuous Sorghum, Sprinkler Irrigated (NG)**  
**Panhandle Extension District - 1**

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>REVENUE</b>						
Grain Sorghum		60.00	CWT	\$6.00	\$360.00	\$43,920.00
Total Revenue					\$360.00	\$43,920.00
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>						
Herbicide						
Herbicide and Apply Sorghum Irrig.		1	Acre	\$23.14	\$23.14	\$2,823.08
<b>Seed</b>						
Seed - Sorghum		4	Pound	\$2.20	\$8.80	\$1,073.60
<b>Fertilizer</b>						
Fertilizer (N) - ANH3		65	Pound	\$0.24	\$15.60	\$1,903.20
Fertilizer (P) - Liquid		30	Pound	\$0.47	\$14.10	\$1,720.20
Fertilizer (N) - Liquid		55	Pound	\$0.40	\$22.00	\$2,684.00
<b>Custom</b>						
Fertilizer Application - ANH3		1	Acre	\$15.36	\$15.36	\$1,873.92
Harvest and Haul - Sorghum		60	CWT	\$0.87	\$52.20	\$6,368.40
<b>Miscellaneous</b>						
Crop Insurance Sorghum - Irrigated		1	Acre	\$33.00	\$33.00	\$4,026.00
<b>Insecticide</b>						
Insecticide Head Worm		0.67	Application	\$9.93	\$6.65	\$811.68
Insecticide Sugar Cane Aphid		1	Application	\$21.27	\$21.27	\$2,594.94
<b>Irrigation</b>						
Energy Cost		10.00	AcreInch	\$3.50	\$35.00	\$4,270.00
Irrigation Labor		0.90	Hour	\$12.64	\$11.33	\$1,381.70
<b>Machinery Labor</b>						
Tractors/Self-Propelled		0.33	Hour	\$12.44	\$4.11	\$500.83
Other Labor		0.37	Hour	\$12.44	\$4.60	\$561.54
<b>Diesel Fuel</b>						
Tractors/Self-Propelled		1.91	Gallon	\$1.99	\$3.80	\$463.71
<b>Gasoline</b>						
Pickup/General Use Equipment		1	Acre	\$4.30	\$4.30	\$525.00
<b>Repairs &amp; Maintenance</b>						
Pickup/General Use Equipment		1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment		1	Acre	\$40.40	\$40.40	\$4,928.80
Tractors/Self-Propelled		1	Acre	\$3.60	\$3.60	\$438.76
Implements		1	Acre	\$11.53	\$11.53	\$1,407.13
Interest on Credit Line				5.74%	\$6.74	\$822.17
Total Variable Costs					\$340.04	\$41,484.66
Planned Returns Above Variable Costs:					\$19.96	\$2,435.34
Breakeven Price to Cover Variable Costs				\$5.67	CWT	
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>						
Pickup/General Use Equipment		1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment		1	Acre	\$47.34	\$47.34	\$5,775.00
Tractors/Self-Propelled		1	Acre	\$3.50	\$3.50	\$427.47
Implements		1	Acre	\$14.42	\$14.42	\$1,759.04
<b>Equipment Investment</b>						
Pickup/General Use Equipment		\$18.18	Dollars	6.01%	\$1.09	\$133.33
Irrigation Equipment		\$571.72	Dollars	6.01%	\$34.36	\$4,191.98
Tractors/Self-Propelled		\$27.30	Dollars	6.01%	\$1.64	\$200.14
Implements		\$61.68	Dollars	6.01%	\$3.71	\$452.24
Cash Rent - Sorghum f		1	Acre	\$72.00	\$72.00	\$8,784.00
Total Fixed Costs					\$180.69	\$22,044.50
Total Specified Costs					\$520.73	\$63,529.16
Returns Above Specified Costs					(\$160.73)	(\$19,609.16)
Breakeven Price to Cover Total Costs				\$8.68	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	45.00	\$7.56	\$11.57
90%	54.00	\$6.30	\$9.64
100%	60.00	\$5.67	\$8.68
110%	66.00	\$5.15	\$7.89
125%	75.00	\$4.53	\$6.94

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.**