

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2018 Estimated Costs and Returns per Acre**  
**Grain Sorghum, Conventional Tillage, Dryland, Rio Grande Valley**  
**South Extension District - 12**

Crop Acres	100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total
Grain Sorghum	30.00	CWT	\$6.10	\$183.00	\$18,300.00
<b>Total Revenue</b>				<b>\$183.00</b>	<b>\$18,300.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Herbicide					
AAtrex 4L	2	Pint	\$2.48	\$4.95	\$495.28
Seed					
Grain Sorghum Seed	4.5	Pound	\$3.97	\$17.87	\$1,786.68
Fertilizer					
Fertilizer 25-10-0	0.12	Ton	\$360.80	\$43.30	\$4,329.54
Custom					
Harvest/Haul Sorghum	30	CWT	\$0.90	\$27.00	\$2,700.00
Other Labor					
Unallocated Labor	0.7072	Hour	\$12.00	\$8.49	\$848.64
Machinery Labor					
Tractors/Self-Propelled	1.27	Hour	\$12.00	\$15.24	\$1,524.00
Diesel Fuel					
Tractors/Self-Propelled	7.66	Gallon	\$2.10	\$16.09	\$1,608.60
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$16.27	\$16.27	\$1,627.25
Implements	1	Acre	\$14.40	\$14.40	\$1,439.52
Interest on Credit Line			5.00%	\$3.48	\$347.79
<b>Total Variable Costs</b>				<b>\$167.07</b>	<b>\$16,707.30</b>
Planned Returns Above Variable Costs:				\$15.93	\$1,592.70
Breakeven Price to Cover Variable Costs			\$5.57	CWT	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$16.81	\$16.81	\$1,681.49
Implements	1	Acre	\$17.46	\$17.46	\$1,746.14
Equipment Investment					
Tractors/Self-Propelled	\$130.99	Dollars	7.00%	\$9.17	\$916.95
Implements	\$80.34	Dollars	7.00%	\$5.62	\$562.39
Cash Rent, Dryland	1	Acre	\$60.00	\$60.00	\$6,000.00
<b>Total Fixed Costs</b>				<b>\$109.07</b>	<b>\$10,906.97</b>
<b>Total Specified Costs</b>				<b>\$276.14</b>	<b>\$27,614.27</b>
Returns Above Specified Costs				<b>(\$93.14)</b>	<b>(\$9,314.27)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$9.20</b>	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	22.50	\$7.43	\$12.27
90%	27.00	\$6.19	\$10.23
100%	30.00	\$5.57	\$9.20
110%	33.00	\$5.06	\$8.37
125%	37.50	\$4.46	\$7.36

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

**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.**