

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Non-Irrigated Sorghum Haygrazer, 3 ton yield**  
**West Central Extension District - 7**

Crop Acres		50			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hay, 1200# BRB	3.00	Ton	\$136.00	\$408.00	\$20,400.00
<b>Total Revenue</b>				<b>\$408.00</b>	<b>\$20,400.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Nitrogen Dry-Urea	40	Pounds	\$0.38	\$15.22	\$760.80
Herbicide					
Husky	12	Ounce	\$0.88	\$10.59	\$529.69
Custom					
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$12.50
Swath, Rake and Bale	5	Bale	\$27.57	\$137.85	\$6,892.50
Seed					
Forage Sorghum	15	Pound	\$1.60	\$24.00	\$1,200.00
Insecticide					
Transform	1	Ounce	\$7.78	\$7.78	\$389.06
Machinery Labor					
Tractors/Self-Propelled	0.93	Hour	\$15.00	\$13.95	\$697.50
Diesel Fuel					
Tractors/Self-Propelled	7.54	Gallon	\$2.60	\$19.60	\$980.20
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.85	\$4.85	\$242.64
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.19	\$2.19	\$109.50
Tractors/Self-Propelled	1	Acre	\$18.97	\$18.97	\$948.63
Implements	1	Acre	\$12.70	\$12.70	\$634.81
Interest on Credit Line			6.00%	\$2.73	\$136.29
<b>Total Variable Costs</b>				<b>\$270.68</b>	<b>\$13,534.12</b>
Planned Returns Above Variable Costs:				\$137.32	\$6,865.88
Breakeven Price to Cover Variable Costs			\$90.23	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$4.64	\$4.64	\$232.20
Tractors/Self-Propelled	1	Acre	\$20.53	\$20.53	\$1,026.30
Implements	1	Acre	\$16.37	\$16.37	\$818.49
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$25.74	Dollars	6.00%	\$1.54	\$77.22
Tractors/Self-Propelled	\$159.44	Dollars	6.00%	\$9.57	\$478.32
Implements	\$72.26	Dollars	6.00%	\$4.34	\$216.78
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$1,750.00
<b>Total Fixed Costs</b>				<b>\$91.99</b>	<b>\$4,599.30</b>
<b>Total Specified Costs</b>				<b>\$362.67</b>	<b>\$18,133.41</b>
Returns Above Specified Costs				\$45.33	\$2,266.59
<b>Breakeven Price to Cover Total Costs</b>			\$120.89	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$120.30	\$161.19
90%	2.70	\$100.25	\$134.32
100%	3.00	\$90.23	\$120.89
110%	3.30	\$82.02	\$109.90
125%	3.75	\$72.18	\$96.71

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

**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.**