

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2020 Estimated Costs and Returns per Acre**  
**Rotation, Sorghum-Fallow-Wheat, Minimum Till, Sorghum**  
**Panhandle Extension District - 1**

Crop Acres		160			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	25.00	CWT	\$6.75	\$168.75	\$27,000.00
<b>Total Revenue</b>				<b>\$168.75</b>	<b>\$27,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Fertilizer Application - ANH3	1	Acre	\$16.05	\$16.05	\$2,568.22
Custom Harvest - Sorghum Dryland	1	Acre	\$26.76	\$26.76	\$4,282.05
Custom Haul - Sorghum Dryland	25	CWT	\$0.27	\$6.79	\$1,086.81
Fertilizer					
Fertilizer (N) - ANH3	40	Pound	\$0.29	\$11.48	\$1,836.80
Herbicide					
Herbicide and Apply Sorghum	1	Acre	\$20.91	\$20.91	\$3,345.14
Insecticide					
Insecticide Head Worm	0.33	Application	\$10.58	\$3.49	\$558.72
Insecticide Sugar Cane Aphid	1	Application	\$22.68	\$22.68	\$3,628.74
Miscellaneous					
Crop Insurance Sorghum - Dryland	1	Acre	\$17.40	\$17.40	\$2,784.00
Seed					
Seed - Sorghum	2.25	Pound	\$2.11	\$4.74	\$758.31
Machinery Labor					
Tractors/Self-Propelled	0.33	Hour	\$13.43	\$4.43	\$709.10
Other Labor	0.35	Hour	\$13.43	\$4.70	\$752.08
Diesel Fuel					
Tractors/Self-Propelled	1.91	Gallon	\$2.33	\$4.45	\$712.05
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.77	\$4.77	\$763.75
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$3.67	\$3.67	\$587.08
Implements	1	Acre	\$11.72	\$11.72	\$1,875.05
Interest on Credit Line			6.25%	\$3.28	\$525.30
<b>Total Variable Costs</b>				<b>\$169.82</b>	<b>\$27,171.00</b>
<b>Planned Returns Above Variable Costs:</b>				<b>(\$1.07)</b>	<b>(\$171.00)</b>
<b>Breakeven Price to Cover Variable Costs</b>			<b>\$6.79</b>	<b>CWT</b>	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$3.59	\$3.59	\$573.68
Implements	1	Acre	\$15.18	\$15.18	\$2,428.96
Equipment Investment					
Pickup/General Use Equipment	\$18.03	Dollars	6.25%	\$1.13	\$180.25
Tractors/Self-Propelled	\$27.93	Dollars	6.25%	\$1.75	\$279.32
Implements	\$64.94	Dollars	6.25%	\$4.06	\$649.41
Cash Rent - Sorghum	1	Acre	\$30.00	\$30.00	\$4,800.00
<b>Total Fixed Costs</b>				<b>\$58.31</b>	<b>\$9,329.31</b>
<b>Total Specified Costs</b>				<b>\$228.13</b>	<b>\$36,500.31</b>
<b>Returns Above Specified Costs</b>				<b>(\$59.38)</b>	<b>(\$9,500.31)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$9.13</b>	<b>CWT</b>	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	18.75	\$9.06	\$12.17
90%	22.50	\$7.55	\$10.14
100%	25.00	\$6.79	\$9.13
110%	27.50	\$6.18	\$8.30
125%	31.25	\$5.43	\$7.30

Developed by Justin Benavidez, Assistant Professor, 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.**