

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Sorghum-Sudangrass for Hay, Dryland, 3 Ton Yield
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sorghum Hay	3.00	Ton	\$136.00	\$408.00	\$49,776.00	
Total Revenue				\$408.00	\$49,776.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Fertilizer						
Urea, Solid (46% N)	0.89	CWT	\$22.25	\$19.80	\$2,415.91	
Seed						
Haygrazer Seed	15	Pound	\$1.60	\$24.00	\$2,928.00	
Machinery Labor						
Tractors/Self-Propelled	1.9	Hour	\$15.00	\$28.50	\$3,477.00	
Diesel Fuel						
Tractors/Self-Propelled	8.53	Gallon	\$2.60	\$22.18	\$2,705.72	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$3.86	\$3.86	\$470.88	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10	
Tractors/Self-Propelled	1	Acre	\$15.39	\$15.39	\$1,878.01	
Implements	1	Acre	\$12.39	\$12.39	\$1,511.83	
Interest on Credit Line			6.00%	\$2.20	\$268.66	
Total Variable Costs				\$129.13	\$15,754.11	
Planned Returns Above Variable Costs:				\$278.87	\$34,021.89	
Breakeven Price to Cover Variable Costs			\$43.04	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88	
Tractors/Self-Propelled	1	Acre	\$17.26	\$17.26	\$2,105.55	
Implements	1	Acre	\$16.04	\$16.04	\$1,956.84	
Equipment Investment						
Pickup/General Use Equipment	\$12.56	Dollars	6.00%	\$0.75	\$91.97	
Tractors/Self-Propelled	\$131.29	Dollars	6.00%	\$7.88	\$961.06	
Implements	\$72.37	Dollars	6.00%	\$4.34	\$529.77	
West Texas Dryland	1	Acre	\$15.00	\$15.00	\$1,830.00	
Total Fixed Costs				\$64.29	\$7,843.07	
Total Specified Costs				\$193.42	\$23,597.17	
Returns Above Specified Costs				\$214.58	\$26,178.83	
Breakeven Price to Cover Total Costs			\$64.47	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$57.39	\$85.96
90%	2.70	\$47.83	\$71.64
100%	3.00	\$43.04	\$64.47
110%	3.30	\$39.13	\$58.61
125%	3.75	\$34.44	\$51.58

Developed by Bill Thompson, Assistant 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.