

**Projections for Planning Purposes Only – Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Dryland Sorghum**  
**Rolling Plains Extension District - 3**

Crop Acres		640				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grain Sorghum	25.00	CWT	\$6.75	\$168.75	\$168.75	\$108,000.00
<b>Total Revenue</b>				<b>\$168.75</b>	<b>\$168.75</b>	<b>\$108,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Herbicide						
Atrazine	1	Quart	\$4.13	\$4.13		\$2,640.00
Seed						
Grain Sorghum Seed	3	Pound	\$2.50	\$7.50		\$4,800.00
Custom						
Custom Harvest Sorghum	1	Acre	\$24.00	\$24.00		\$15,360.00
Custom Haul Sorghum	22	CWT	\$0.48	\$10.56		\$6,758.40
Miscellaneous						
Insurance - Grain Sorghum	1	Acre	\$12.00	\$12.00		\$7,680.00
Machinery Labor						
Tractors/Self-Propelled	0.82	Hour	\$12.00	\$9.84		\$6,297.60
Other Labor	0.98	Hour	\$12.00	\$11.76		\$7,526.40
Diesel Fuel						
Tractors/Self-Propelled	5.59	Gallon	\$1.85	\$10.34		\$6,618.56
Gasoline						
Pickup/General Use Equipment	1	Acre	\$2.11	\$2.11		\$1,350.00
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.84	\$0.84		\$540.00
Tractors/Self-Propelled	1	Acre	\$11.41	\$11.41		\$7,305.24
Implements	1	Acre	\$13.84	\$13.84		\$8,859.64
Interest on Credit Line			6.50%	\$2.37		\$1,516.23
<b>Total Variable Costs</b>				<b>\$120.71</b>	<b>\$120.71</b>	<b>\$77,252.07</b>
Planned Returns Above Variable Costs:				\$48.04		\$30,747.93
Breakeven Price to Cover Variable Costs			\$4.83	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$1.17	\$1.17		\$749.70
Tractors/Self-Propelled	1	Acre	\$11.79	\$11.79		\$7,548.75
Implements	1	Acre	\$17.68	\$17.68		\$11,317.52
Equipment Investment						
Pickup/General Use Equipment	\$8.21	Dollars	5.50%	\$0.45		\$288.83
Tractors/Self-Propelled	\$91.89	Dollars	5.50%	\$5.05		\$3,234.40
Implements	\$75.65	Dollars	5.50%	\$4.16		\$2,662.76
Cash Rent - Grain Sorghum	1	Acre	\$30.00	\$30.00		\$19,200.00
<b>Total Fixed Costs</b>				<b>\$70.32</b>	<b>\$70.32</b>	<b>\$45,001.96</b>
<b>Total Specified Costs</b>				<b>\$191.02</b>	<b>\$191.02</b>	<b>\$122,254.04</b>
Returns Above Specified Costs					(\$22.27)	(\$14,254.04)
Breakeven Price to Cover Total Costs			\$7.64	CWT		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	CWT	Costs	Costs
75%	18.75	\$6.44	\$10.19
90%	22.50	\$5.36	\$8.49
100%	25.00	\$4.83	\$7.64
110%	27.50	\$4.39	\$6.95
125%	31.25	\$3.86	\$6.11

Developed by Extension Economists, Texas A&M AgrLife Extension Service, budgets@tamu.edu.

**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.**