

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2021 Estimated Costs and Returns per Acre**  
**Sorghum-Sudangrass for Hay, Dryland, 3 Ton Yield**  
**Far West Extension District - 6**

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Sorghum Hay	3.00	Ton	\$145.00	\$435.00	\$53,070.00
<b>Total Revenue</b>				<b>\$435.00</b>	<b>\$53,070.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Urea, Solid (46% N)	0.89	CWT	\$22.25	\$19.80	\$2,415.91
Seed					
Haygrazer Seed	15	Pound	\$1.79	\$26.85	\$3,275.70
Machinery Labor					
Tractors/Self-Propelled	1.9	Hour	\$15.00	\$28.50	\$3,477.00
Diesel Fuel					
Tractors/Self-Propelled	8.79	Gallon	\$1.50	\$13.19	\$1,608.57
Gasoline					
Pickup/General Use Equipment	1	Acre	\$2.89	\$2.89	\$353.16
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10
Tractors/Self-Propelled	1	Acre	\$16.14	\$16.14	\$1,969.38
Implements	1	Acre	\$13.14	\$13.14	\$1,603.68
Interest on Credit Line			4.55%	\$1.67	\$203.94
<b>Total Variable Costs</b>				<b>\$123.00</b>	<b>\$15,005.43</b>
Planned Returns Above Variable Costs:				\$312.00	\$38,064.57
Breakeven Price to Cover Variable Costs			\$41.00	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88
Tractors/Self-Propelled	1	Acre	\$18.67	\$18.67	\$2,277.76
Implements	1	Acre	\$16.98	\$16.98	\$2,071.61
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$12.56	Dollars	5.50%	\$0.69	\$84.30
Tractors/Self-Propelled	\$140.81	Dollars	5.50%	\$7.74	\$944.86
Implements	\$76.94	Dollars	5.50%	\$4.23	\$516.30
West Texas Dryland	1	Acre	\$15.00	\$15.00	\$1,830.00
<b>Total Fixed Costs</b>				<b>\$66.33</b>	<b>\$8,092.70</b>
<b>Total Specified Costs</b>				<b>\$189.33</b>	<b>\$23,098.13</b>
Returns Above Specified Costs				\$245.67	\$29,971.87
<b>Breakeven Price to Cover Total Costs</b>			<b>\$63.11</b>	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$54.66	\$84.15
90%	2.70	\$45.55	\$70.12
100%	3.00	\$41.00	\$63.11
110%	3.30	\$37.27	\$57.37
125%	3.75	\$32.80	\$50.49

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.**