

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2022 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	\$195.00	\$585.00	\$71,370.00	
Total Revenue				\$585.00	\$71,370.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
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	1.33	Hour	\$16.12	\$21.44	\$2,615.63	
Diesel Fuel						
Tractors/Self-Propelled	5.16	Gallon	\$2.67	\$13.78	\$1,680.82	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.02	\$4.02	\$490.50	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10	
Tractors/Self-Propelled	1	Acre	\$10.09	\$10.09	\$1,231.37	
Implements	1	Acre	\$6.39	\$6.39	\$779.55	
Interest on Credit Line			6.30%	\$1.84	\$224.18	
Total Variable Costs				\$105.01	\$12,811.75	
Planned Returns Above Variable Costs:				\$479.99	\$58,558.25	
Breakeven Price to Cover Variable Costs			\$35.00	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88	
Tractors/Self-Propelled	1	Acre	\$10.69	\$10.69	\$1,304.38	
Implements	1	Acre	\$8.36	\$8.36	\$1,020.40	
Equipment Investment						
Pickup/General Use Equipment	\$12.56	Dollars	6.30%	\$0.79	\$96.57	
Tractors/Self-Propelled	\$82.66	Dollars	6.30%	\$5.21	\$635.33	
Implements	\$41.89	Dollars	6.30%	\$2.64	\$321.94	
West Texas Dryland	1	Acre	\$15.00	\$15.00	\$1,830.00	
Total Fixed Costs				\$45.71	\$5,576.49	
Total Specified Costs				\$150.72	\$18,388.24	
Returns Above Specified Costs				\$434.28	\$52,981.76	
Breakeven Price to Cover Total Costs			\$50.24	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$46.67	\$66.99
90%	2.70	\$38.89	\$55.82
100%	3.00	\$35.00	\$50.24
110%	3.30	\$31.82	\$45.67
125%	3.75	\$28.00	\$40.19

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.