

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2022 Estimated Costs and Returns per Acre
Sorghum-Sudangrass for Hay, Center Pivot Irrigated, 5 Ton Yield
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sorghum Hay	5.00	Ton	\$195.00	\$975.00	\$118,950.00	
Total Revenue				\$975.00	\$118,950.00	
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	
Irrigation						
Energy Cost	3.42	AcreInch	\$3.91	\$13.37	\$1,631.41	
Irrigation Labor	0.02	Hour	\$16.38	\$0.32	\$39.57	
Machinery Labor						
Tractors/Self-Propelled	2.4	Hour	\$16.12	\$38.69	\$4,719.94	
Diesel Fuel						
Tractors/Self-Propelled	8.56	Gallon	\$2.67	\$22.86	\$2,788.33	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$8.04	\$8.04	\$981.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20	
Irrigation Equipment	1	Acre	\$9.05	\$9.05	\$1,104.14	
Tractors/Self-Propelled	1	Acre	\$15.36	\$15.36	\$1,874.15	
Implements	1	Acre	\$6.66	\$6.66	\$812.15	
Interest on Credit Line			6.30%	\$2.91	\$355.09	
Total Variable Costs				\$165.52	\$20,193.58	
Planned Returns Above Variable Costs:				\$809.48	\$98,756.42	
Breakeven Price to Cover Variable Costs			\$33.10	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75	
Irrigation Equipment	1	Acre	\$24.32	\$24.32	\$2,966.87	
Tractors/Self-Propelled	1	Acre	\$16.41	\$16.41	\$2,001.83	
Implements	1	Acre	\$9.18	\$9.18	\$1,120.48	
Equipment Investment						
Pickup/General Use Equipment	\$25.13	Dollars	6.30%	\$1.58	\$193.13	
Irrigation Equipment	\$182.39	Dollars	6.30%	\$11.49	\$1,401.85	
Tractors/Self-Propelled	\$126.56	Dollars	6.30%	\$7.97	\$972.78	
Implements	\$50.81	Dollars	6.30%	\$3.20	\$390.56	
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00	
Total Fixed Costs				\$130.19	\$15,883.25	
Total Specified Costs				\$295.71	\$36,076.83	
Returns Above Specified Costs				\$679.29	\$82,873.17	
Breakeven Price to Cover Total Costs			\$59.14	Ton		

Example Breakeven Prices

Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$44.14	\$78.86
90%	4.50	\$36.78	\$65.71
100%	5.00	\$33.10	\$59.14
110%	5.50	\$30.09	\$53.77
125%	6.25	\$26.48	\$47.31

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.