

Projections for Planning Purposes Only -- Not to be Used without Updating
2023 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	\$214.50	\$643.50	\$78,507.00
Total Revenue				\$643.50	\$78,507.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Urea, Solid (46% N)	0.89	CWT	\$31.15	\$27.72	\$3,382.27
Seed					
Haygrazer Seed	15	Pound	\$1.79	\$26.85	\$3,275.70
Machinery Labor					
Tractors/Self-Propelled	1.9	Hour	\$17.21	\$32.70	\$3,989.28
Diesel Fuel					
Tractors/Self-Propelled	8.79	Gallon	\$2.24	\$19.69	\$2,402.13
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.36	\$3.36	\$410.06
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			8.00%	\$3.31	\$403.65
Total Variable Costs				\$143.72	\$17,534.24
Planned Returns Above Variable Costs:				\$499.78	\$60,972.76
Breakeven Price to Cover Variable Costs			\$47.91	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	\$18.67	\$18.67	\$2,277.76
Implements	1	Acre	\$16.98	\$16.98	\$2,071.61
Equipment Investment					
Pickup/General Use Equipment	\$12.56	Dollars	8.00%	\$1.01	\$122.63
Tractors/Self-Propelled	\$140.81	Dollars	8.00%	\$11.27	\$1,374.34
Implements	\$76.94	Dollars	8.00%	\$6.16	\$750.98
West Texas Dryland	1	Acre	\$15.00	\$15.00	\$1,830.00
Total Fixed Costs				\$72.09	\$8,795.19
Total Specified Costs				\$215.81	\$26,329.42
Returns Above Specified Costs				\$427.69	\$52,177.58
Breakeven Price to Cover Total Costs			\$71.94	Ton	

Example Breakeven Prices				
Example	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	Ton	Costs	Costs	
75%	2.25	\$63.88	\$95.92	
90%	2.70	\$53.23	\$79.93	
100%	3.00	\$47.91	\$71.94	
110%	3.30	\$43.55	\$65.40	
125%	3.75	\$38.33	\$57.55	

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.