

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2024 Estimated Costs and Returns per Acre
Non-Irrigated Sorghum Haygrazer, 3 ton yield
West Central Extension District - 7

Crop Acres		50			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hay, 1200# BRB	3.00	Ton	\$200.00	\$600.00	\$30,000.00
Total Revenue				\$600.00	\$30,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Nitrogen Dry-Urea	40	Pounds	\$0.62	\$24.80	\$1,240.00
Herbicide					
Husky	12	Ounce	\$0.89	\$10.64	\$532.03
Custom					
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$12.50
Swath, Rake and Bale	5	Bale	\$29.58	\$147.90	\$7,395.00
Seed					
Forage Sorghum	15	Pound	\$1.79	\$26.85	\$1,342.50
Insecticide					
Transform	1	Ounce	\$7.78	\$7.78	\$389.06
Machinery Labor					
Tractors/Self-Propelled	0.81	Hour	\$17.21	\$13.94	\$697.01
Diesel Fuel					
Tractors/Self-Propelled	6.06	Gallon	\$3.60	\$21.82	\$1,090.80
Gasoline					
Pickup/General Use Equipment	1	Acre	\$5.81	\$5.81	\$290.34
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.19	\$2.19	\$109.50
Tractors/Self-Propelled	1	Acre	\$16.28	\$16.28	\$814.07
Implements	1	Acre	\$4.69	\$4.69	\$234.60
Interest on Credit Line			8.00%	\$3.71	\$185.47
Total Variable Costs				\$286.66	\$14,332.88
Planned Returns Above Variable Costs:				\$313.34	\$15,667.12
Breakeven Price to Cover Variable Costs			\$95.55	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$4.64	\$4.64	\$232.20
Tractors/Self-Propelled	1	Acre	\$17.08	\$17.08	\$853.83
Implements	1	Acre	\$6.19	\$6.19	\$309.45
Equipment Investment					
Pickup/General Use Equipment	\$25.74	Dollars	8.00%	\$2.06	\$102.96
Tractors/Self-Propelled	\$132.82	Dollars	8.00%	\$10.63	\$531.27
Implements	\$27.03	Dollars	8.00%	\$2.16	\$108.12
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$1,750.00
Total Fixed Costs				\$77.76	\$3,887.84
Total Specified Costs				\$364.41	\$18,220.72
Returns Above Specified Costs				\$235.59	\$11,779.28
Breakeven Price to Cover Total Costs			\$121.47	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$127.40	\$161.96
90%	2.70	\$106.17	\$134.97
100%	3.00	\$95.55	\$121.47
110%	3.30	\$86.87	\$110.43
125%	3.75	\$76.44	\$97.18

Developed by Jeffrey Wright, 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.