

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Sorghum - Conventional Till-12 Row, Dryland, 5600 lb. Yield Goal - 500 Acres**  
**Coastal Bend Extension District - 11 (Upper Coast)**

Crop Acres		500				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Grain Sorghum, Upper Coast		56.00	CWT	\$7.50	\$420.00	\$210,000.00
Total Revenue					\$420.00	\$210,000.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Fertilizer	Treated Sorghum Seed	7	Pound	\$3.58	\$25.06	\$12,530.00
	24-8-0 UC	0.225	Ton	\$382.18	\$85.99	\$42,995.25
Herbicide						
	Glyphosate (gal.)	0.1875	Gallon	\$16.01	\$3.00	\$1,500.94
	2, 4D Amine	1	Pint	\$2.16	\$2.16	\$1,080.00
	2, 4D Amine	1	Pint	\$2.16	\$2.16	\$1,080.00
	Atrazine 4L	2	Pint	\$1.67	\$3.34	\$1,670.00
	Sorghum PreEmerge Herbicide	1	Quart	\$10.73	\$10.73	\$5,365.00
	Glyphosate (gal.)	0.0313	Gallon	\$16.01	\$0.50	\$250.56
	Sorghum PostEmerge Herbicide U	0.5	Ounce	\$14.55	\$7.28	\$3,637.50
Insecticide						
	Cutworm Control	1.25	Ounce	\$0.52	\$0.65	\$325.00
	Worm Control	0.0285	Gallon	\$173.86	\$4.96	\$2,477.51
Other Chemicals						
	Crop Oil	0.5	Pint	\$1.88	\$0.94	\$470.00
	Surfactant	0.015	Pint	\$1.61	\$0.02	\$12.08
Miscellaneous						
	Crop Insurance -Sorghum UC	1	Acre	\$9.50	\$9.50	\$4,750.00
	G&A Overhead	1	Acre	\$10.50	\$10.50	\$5,250.00
Custom						
	Apply by Air	1	Acre	\$6.00	\$6.00	\$3,000.00
	Custom Grain Haul	57	CWT	\$0.30	\$17.10	\$8,550.00
Other Labor						
	Hand Labor	0.21	Hour	\$7.50	\$1.58	\$787.50
Machinery Labor						
	Tractors/Self-Propelled	0.55	Hour	\$13.75	\$7.56	\$3,781.25
Diesel Fuel						
	Tractors/Self-Propelled	5.8	Gallon	\$3.30	\$19.14	\$9,570.00
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$8.25	\$8.25	\$4,126.14
	Implements	1	Acre	\$2.40	\$2.40	\$1,200.31
	Interest on Credit Line			5.00%	\$5.81	\$2,903.56
Total Variable Costs					\$234.63	\$117,312.58
Planned Returns Above Variable Costs:					\$185.37	\$92,687.42
Breakeven Price to Cover Variable Costs				\$4.19 CWT		
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$13.81	\$13.81	\$6,905.19
	Implements	1	Acre	\$4.38	\$4.38	\$2,191.79
Equipment Investment						
	Tractors/Self-Propelled	\$161.00	Dollars	7.00%	\$11.27	\$5,635.05
	Implements	\$76.21	Dollars	7.00%	\$5.33	\$2,667.21
	Management Fee, Ownwer/Operator Labor	1	Acre	\$21.00	\$21.00	\$10,500.00
	UCB - Land Charge	1	Acre	\$75.00	\$75.00	\$37,500.00
Total Fixed Costs					\$130.80	\$65,399.24
Total Specified Costs					\$365.42	\$182,711.82
Returns Above Specified Costs					\$54.58	\$27,288.18
Breakeven Price to Cover Total Costs				\$6.53 CWT		

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	42.00	\$5.59	\$5.59	\$8.70	\$8.70	\$0.00
90%	50.40	\$4.66	\$4.66	\$7.25	\$7.25	\$0.00
100%	56.00	\$4.19	\$4.19	\$6.53	\$6.53	\$0.00
110%	61.60	\$3.81	\$3.81	\$5.93	\$5.93	\$0.00
125%	70.00	\$3.35	\$3.35	\$5.22	\$5.22	\$0.00

Developed by Levi Russell, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

**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.**