

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Sorghum Silage, Sprinkler Irrigated - 122 Acres**  
**Panhandle Extension District - 1**

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Sorghum Silage		21.00	Ton	\$40.00	\$840.00	\$102,480.00
Total Revenue					\$840.00	\$102,480.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed - Sorghum		7	Pound	\$1.88	\$13.19	\$1,609.70
Fertilizer						
Fertilizer (P) - Dry		60	Pound	\$0.52	\$31.20	\$3,806.40
Fertilizer (N) - ANH3		174	Pound	\$0.38	\$66.12	\$8,066.64
Herbicide						
Herbicide and Apply Sorghum Sud		1	Acre	\$7.80	\$7.80	\$951.39
Insecticide						
Insecticide and Apply Sorghum		0.33	Application	\$10.09	\$3.33	\$406.37
Miscellaneous						
Crop Insurance Sorghum Silage		1	Acre	\$22.46	\$22.46	\$2,740.61
Custom						
Fertilizer Application		1	Acre	\$5.50	\$5.50	\$671.00
Fertilizer Application - ANH3		1	Acre	\$11.75	\$11.75	\$1,433.50
Harvest and Haul - Sorghum Silage		21	Ton	\$8.58	\$180.18	\$21,981.96
Irrigation						
Energy or Water Cost		13.00	AcreInch	\$4.30	\$55.90	\$6,819.80
Irrigation Labor		0.83	Hour	\$11.75	\$9.78	\$1,192.67
Machinery Labor						
Tractors/Self-Propelled		1	Hour	\$11.75	\$11.75	\$1,433.50
Diesel Fuel						
Tractors/Self-Propelled		2.41	Gallon	\$3.28	\$7.90	\$964.39
Gasoline						
Pickup/General Use Equipment		1	Acre	\$9.99	\$9.99	\$1,218.75
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$3.76	\$3.76	\$459.00
Irrigation Equipment		1	Acre	\$52.52	\$52.52	\$6,407.44
Tractors/Self-Propelled		1	Acre	\$8.52	\$8.52	\$1,039.04
Implements		1	Acre	\$19.04	\$19.04	\$2,322.91
Interest on Credit Line				4.75%	\$7.32	\$893.64
Total Variable Costs					\$528.02	\$64,418.72
Planned Returns Above Variable Costs:					\$311.98	\$38,061.28
Breakeven Price to Cover Variable Costs				\$25.14	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$3.95	\$3.95	\$481.95
Irrigation Equipment		1	Acre	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled		1	Acre	\$8.33	\$8.33	\$1,016.27
Implements		1	Acre	\$23.50	\$23.50	\$2,867.26
Equipment Investment						
Pickup/General Use Equipment		\$47.03	Dollars	5.25%	\$2.47	\$301.22
Irrigation Equipment		\$703.28	Dollars	5.25%	\$36.92	\$4,504.50
Tractors/Self-Propelled		\$94.05	Dollars	5.25%	\$4.94	\$602.39
Implements		\$182.79	Dollars	5.25%	\$9.60	\$1,170.80
Cash Rent - Sorghum Silage		1	Acre	\$85.00	\$85.00	\$10,370.00
Total Fixed Costs					\$197.21	\$24,059.98
Total Specified Costs					\$725.24	\$88,478.70
Returns Above Specified Costs					\$114.76	\$14,001.30
Breakeven Price to Cover Total Costs				\$34.54	Ton	

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	15.75	\$33.53	\$33.53	\$46.05	\$46.05	\$0.00
90%	18.90	\$27.94	\$27.94	\$38.37	\$38.37	\$0.00
100%	21.00	\$25.14	\$25.14	\$34.54	\$34.54	\$0.00
110%	23.10	\$22.86	\$22.86	\$31.40	\$31.40	\$0.00
125%	26.25	\$20.12	\$20.12	\$27.63	\$27.63	\$0.00

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

**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.**