

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Grain Sorghum, Conventional Tillage, Furrow Irrigated, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100						
REVENUE				Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		43.00	CWT			\$7.50	\$322.50	\$32,250.00
Total Revenue							\$322.50	\$32,250.00
VARIABLE COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs								
Seed								
Grain Sorghum Seed		6	Pound			\$3.35	\$20.10	\$2,010.00
Fertilizer								
Fertilizer 25-10-0		0.2	Ton			\$410.00	\$82.00	\$8,200.00
Herbicide								
AAtrex 4L		2	Pint			\$2.28	\$4.56	\$456.00
Custom								
Harvest/Haul Sorghum		43	CWT			\$0.90	\$38.70	\$3,870.00
Irrigation								
Energy or Water Cost		0.40	Acre/Foot			\$20.00	\$8.00	\$800.00
Irrigation Labor		1.10	Hour			\$9.00	\$9.90	\$990.00
Other Labor								
Unallocated Labor		0.7232	Hour			\$9.00	\$6.51	\$650.88
Machinery Labor								
Tractors/Self-Propelled		1.02	Hour			\$9.00	\$9.18	\$918.00
Diesel Fuel								
Tractors/Self-Propelled		6.76	Gallon			\$3.25	\$21.97	\$2,197.00
Repairs & Maintenance								
Tractors/Self-Propelled		1	Acre			\$6.02	\$6.02	\$602.40
Implements		1	Acre			\$6.28	\$6.28	\$628.28
Interest on Credit Line						9.00%	\$7.49	\$749.26
Total Variable Costs							\$220.72	\$22,071.82
Planned Returns Above Variable Costs:							\$101.78	\$10,178.18
Breakeven Price to Cover Variable Costs						\$5.13 CWT		
FIXED COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation								
Tractors/Self-Propelled		1	Acre			\$9.02	\$9.02	\$902.15
Implements		1	Acre			\$9.33	\$9.33	\$932.69
Equipment Investment								
Tractors/Self-Propelled		\$140.56	Dollars			9.00%	\$12.65	\$1,265.05
Implements		\$102.06	Dollars			9.00%	\$9.19	\$918.52
Total Fixed Costs							\$40.18	\$4,018.41
Total Specified Costs							\$260.90	\$26,090.24
Returns Above Specified Costs							\$61.60	\$6,159.76
Breakeven Price to Cover Total Costs						\$6.07 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	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	32.25	\$6.84	\$10.21	\$8.09	\$12.07	\$0.00
90%	38.70	\$5.70	\$8.51	\$6.74	\$10.06	\$0.00
100%	43.00	\$5.13	\$7.66	\$6.07	\$9.06	\$0.00
110%	47.30	\$4.67	\$6.96	\$5.52	\$8.23	\$0.00
125%	53.75	\$4.11	\$6.13	\$4.85	\$7.24	\$0.00

Developed by Luis Ribera, Associate 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.**