

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
No-Till Dryland Sorghum, Follow Cotton - 400 Acres
West Central Extension District - 7

Crop Acres		400				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sorghum	22.00	CWT	\$7.10	\$156.20		\$62,480.00
Total Revenue				\$156.20		\$62,480.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Seed Sorghum	5	Pounds	\$2.50	\$12.50		\$5,000.00
Fertilizer						
Nitrogen Dry	30	Pounds	\$0.55	\$16.63		\$6,651.60
Phosphate	20	Pounds	\$0.42	\$8.33		\$3,333.60
Custom						
Custom Harvest Sorghum	1	Acre	\$25.00	\$25.00		\$10,000.00
Custom Haul Sorghum	39.3	Bushels	\$0.20	\$7.86		\$3,144.00
Soil Test-Dryland	1	Each	\$0.25	\$0.25		\$100.00
Herbicide						
Glyphosate	32	Ounce	\$0.12	\$3.69		\$1,474.56
Atrazine	1	Quart	\$3.63	\$3.63		\$1,450.00
Husky	14.5	Ounce	\$0.83	\$12.09		\$4,837.20
Insecticide						
Transform	1	Ounce	\$7.33	\$7.33		\$2,930.00
Miscellaneous						
GS RP 65%, YA	1	Acre	\$11.36	\$11.36		\$4,544.00
SCO-Grain Sorghum	1	Acre	\$4.41	\$4.41		\$1,764.00
Machinery Labor						
Tractors/Self-Propelled	0.77	Hour	\$12.00	\$9.24		\$3,696.00
Diesel Fuel						
Tractors/Self-Propelled	2.97	Gallon	\$2.75	\$8.17		\$3,267.00
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.75	\$1.75		\$699.30
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.82	\$0.82		\$328.50
Tractors/Self-Propelled	1	Acre	\$5.66	\$5.66		\$2,263.78
Implements	1	Acre	\$0.14	\$0.14		\$55.48
Interest on Credit Line			3.75%	\$1.66		\$665.41
Total Variable Costs				\$140.51		\$56,204.43
Planned Returns Above Variable Costs:				\$15.69		\$6,275.57
Breakeven Price to Cover Variable Costs			\$6.39	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$1.74	\$1.74		\$696.60
Tractors/Self-Propelled	1	Acre	\$7.29	\$7.29		\$2,917.47
Implements	1	Acre	\$0.55	\$0.55		\$221.91
Equipment Investment						
Pickup/General Use Equipment	\$17.55	Dollars	3.75%	\$0.66		\$263.25
Tractors/Self-Propelled	\$82.63	Dollars	3.75%	\$3.10		\$1,239.39
Implements	\$9.71	Dollars	3.75%	\$0.36		\$145.63
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00		\$14,000.00
Total Fixed Costs				\$48.71		\$19,484.25
Total Specified Costs				\$189.22		\$75,688.68
Returns Above Specified Costs						(\$33.02) (\$13,208.68)
Breakeven Price to Cover Total Costs			\$8.60	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%	16.50	\$8.52	\$8.52	\$11.47	\$11.47	\$0.00
90%	19.80	\$7.10	\$7.10	\$9.56	\$9.56	\$0.00
100%	22.00	\$6.39	\$6.39	\$8.60	\$8.60	\$0.00
110%	24.20	\$5.81	\$5.81	\$7.82	\$7.82	\$0.00
125%	27.50	\$5.11	\$5.11	\$6.88	\$6.88	\$0.00

Developed by Bill Thompson, Associate 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.