

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2018 Estimated Costs and Returns per Acre**  
**Sorghum Sudangrass, Dryland, Grazing**  
**Panhandle Extension District - 1**

Crop Acres		160			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grazing - Sorghum	336.00	Pound	\$0.40	\$134.40	\$21,504.00
<b>Total Revenue</b>				<b>\$134.40</b>	<b>\$21,504.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Fertilizer (N) - ANH3	50	Pound	\$0.24	\$12.00	\$1,920.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$15.36	\$15.36	\$2,457.60
Seed					
Seed - Sorghum Sudangrass	15	Pound	\$0.94	\$14.10	\$2,256.00
Miscellaneous					
Crop Insurance Sorghum Sudan Dry	1	Acre	\$19.00	\$19.00	\$3,040.00
Herbicide					
Herbicide and Apply Sorghum Sudan	1	Acre	\$12.31	\$12.31	\$1,969.60
Machinery Labor					
Tractors/Self-Propelled	0.44	Hour	\$12.44	\$5.47	\$875.78
Other Labor	0.49	Hour	\$12.44	\$6.10	\$975.30
Diesel Fuel					
Tractors/Self-Propelled	2.15	Gallon	\$1.99	\$4.28	\$684.56
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.27	\$4.27	\$682.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$3.50	\$3.50	\$560.00
Implements	1	Acre	\$10.07	\$10.07	\$1,610.79
Interest on Credit Line			5.74%	\$2.63	\$421.53
<b>Total Variable Costs</b>				<b>\$111.57</b>	<b>\$17,851.44</b>
Planned Returns Above Variable Costs:				\$22.83	\$3,652.56
Breakeven Price to Cover Variable Costs			\$0.33	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$3.46	\$3.46	\$553.04
Implements	1	Acre	\$12.71	\$12.71	\$2,033.67
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$18.03	Dollars	6.01%	\$1.08	\$173.33
Tractors/Self-Propelled	\$26.93	Dollars	6.01%	\$1.62	\$258.93
Implements	\$54.37	Dollars	6.01%	\$3.27	\$522.85
Cash Rent - Sorghum	1	Acre	\$26.50	\$26.50	\$4,240.00
<b>Total Fixed Costs</b>				<b>\$51.25</b>	<b>\$8,199.51</b>
<b>Total Specified Costs</b>				<b>\$162.82</b>	<b>\$26,050.96</b>
Returns Above Specified Costs				<b>(\$28.42)</b>	<b>(\$4,546.96)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.48</b>	<b>Pound</b>	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	252.00	\$0.44	\$0.65
90%	302.40	\$0.37	\$0.54
100%	336.00	\$0.33	\$0.48
110%	369.60	\$0.30	\$0.44
125%	420.00	\$0.27	\$0.39

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

**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.**