

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2019 Estimated Costs and Returns per Acre**  
**Sorghum-Sudangrass for Hay, Dryland, 3 Ton Yield**  
**Far West Extension District - 6**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sorghum Hay	3.00	Ton	\$160.00	\$480.00	\$58,560.00	
<b>Total Revenue</b>				<b>\$480.00</b>	<b>\$58,560.00</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
<b>Production Costs</b>						
Fertilizer						
Urea, Solid (46% N)	0.89	CWT	\$22.25	\$19.80	\$2,415.91	
Seed						
Haygrazer Seed	15	Pound	\$0.52	\$7.80	\$951.60	
Machinery Labor						
Tractors/Self-Propelled	1.9	Hour	\$12.00	\$22.80	\$2,781.60	
Diesel Fuel						
Tractors/Self-Propelled	8.53	Gallon	\$2.99	\$25.50	\$3,111.57	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.65	\$4.65	\$567.02	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10	
Tractors/Self-Propelled	1	Acre	\$14.12	\$14.12	\$1,722.92	
Implements	1	Acre	\$12.19	\$12.19	\$1,487.49	
Interest on Credit Line			6.50%	\$2.05	\$250.21	
<b>Total Variable Costs</b>				<b>\$109.72</b>	<b>\$13,386.42</b>	
Planned Returns Above Variable Costs:				\$370.28	\$45,173.58	
Breakeven Price to Cover Variable Costs			\$36.57	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
<b>Machinery Depreciation</b>						
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88	
Tractors/Self-Propelled	1	Acre	\$15.95	\$15.95	\$1,945.33	
Implements	1	Acre	\$15.83	\$15.83	\$1,931.66	
<b>Equipment Investment</b>						
Pickup/General Use Equipment	\$12.56	Dollars	6.50%	\$0.82	\$99.63	
Tractors/Self-Propelled	\$121.06	Dollars	6.50%	\$7.87	\$960.02	
Implements	\$71.47	Dollars	6.50%	\$4.65	\$566.78	
West Texas Dryland	1	Acre	\$15.00	\$15.00	\$1,830.00	
<b>Total Fixed Costs</b>				<b>\$63.13</b>	<b>\$7,701.29</b>	
<b>Total Specified Costs</b>				<b>\$172.85</b>	<b>\$21,087.71</b>	
Returns Above Specified Costs				\$307.15	\$37,472.29	
<b>Breakeven Price to Cover Total Costs</b>			<b>\$57.62</b>	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$48.77	\$76.82
90%	2.70	\$40.64	\$64.02
100%	3.00	\$36.57	\$57.62
110%	3.30	\$33.25	\$52.38
125%	3.75	\$29.26	\$46.09

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

**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.**