

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2014 Estimated Costs and Returns per Acre**  
**Alamo Switchgrass, Full Season, Pivot Irrigated, Grazed - 122 Acres**  
**Far West Extension District - 6**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
AUM Grazing Lease	6.30	AUM	\$15.75	\$99.23	\$12,105.45	
<b>Total Revenue</b>				<b>\$99.23</b>	<b>\$12,105.45</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
<b>Production Costs</b>						
Fertilizer						
N-32 in Water	20	Pound	\$0.17	\$3.40	\$414.80	
Urea, Solid (46% N)	0.45	CWT	\$24.55	\$11.05	\$1,347.80	
Herbicide						
2,4-D Amine 4	40	Ounce	\$0.13	\$5.20	\$634.40	
Irrigation						
Energy or Water Cost	4.57	Mcf	\$4.25	\$19.40	\$2,366.95	
Irrigation Labor	0.03	Hour	\$11.00	\$0.29	\$35.30	
Other Labor						
Hand Labor	0.14	Hour	\$10.00	\$1.40	\$170.80	
Machinery Labor						
Tractors/Self-Propelled	0.28	Hour	\$12.00	\$3.36	\$409.92	
Diesel Fuel						
Tractors/Self-Propelled	1.2	Gallon	\$2.85	\$3.42	\$417.24	
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.03	\$12.03	\$1,467.66	
Tractors/Self-Propelled	1	Acre	\$0.25	\$0.25	\$30.44	
Implements	1	Acre	\$0.33	\$0.33	\$40.40	
Interest on Credit Line			6.50%	\$1.24	\$151.72	
<b>Total Variable Costs</b>				<b>\$61.37</b>	<b>\$7,487.42</b>	
Planned Returns Above Variable Costs:				\$37.85	\$4,618.03	
Breakeven Price to Cover Variable Costs			\$9.74	AUM		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75	
Tractors/Self-Propelled	1	Acre	\$1.00	\$1.00	\$121.74	
Implements	1	Acre	\$0.63	\$0.63	\$77.44	
Equipment Investment						
Irrigation Equipment	\$729.56	Dollars	6.50%	\$47.42	\$5,785.40	
Tractors/Self-Propelled	\$13.31	Dollars	6.50%	\$0.86	\$105.51	
Implements	\$16.70	Dollars	6.50%	\$1.09	\$132.39	
Allocated Establishment Cost						
Trans Pecos Irrigated Land	1	Acre	\$43.99	\$43.99	\$5,366.78	
	1	Acre	\$40.00	\$40.00	\$4,880.00	
<b>Total Fixed Costs</b>				<b>\$183.63</b>	<b>\$22,403.01</b>	
<b>Total Specified Costs</b>				<b>\$245.00</b>	<b>\$29,890.44</b>	
Returns Above Specified Costs				<b>(\$145.78)</b>	<b>(\$17,784.99)</b>	
Breakeven Price to Cover Total Costs			\$38.89	AUM		

Example Breakeven Prices						
Example Yield Percent	Example Yield AUM	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	4.73	\$12.99	\$12.99	\$51.85	\$51.85	\$0.00
90%	5.67	\$10.82	\$10.82	\$43.21	\$43.21	\$0.00
100%	6.30	\$9.74	\$9.74	\$38.89	\$38.89	\$0.00
110%	6.93	\$8.86	\$8.86	\$35.35	\$35.35	\$0.00
125%	7.88	\$7.79	\$7.79	\$31.11	\$31.11	\$0.00

Developed by Rob Hogan, 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.**