

Projections for Planning Purposes Only -- Not to be Used without Updating

**2015 Estimated Costs and Returns per Acre
Dryland Alfalfa Establishment - 100 Acres
Rolling Plains Extension District - 3**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Total Revenue				\$0.00	\$0.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Fertilizer						
Fertilizer (N)	40	Pound	\$0.60	\$24.00	\$2,400.00	
Fertilizer (P)	80	Pound	\$0.42	\$33.60	\$3,360.00	
Potash (K)	40	Pound	\$0.45	\$18.00	\$1,800.00	
Sulfur	12	Pound	\$0.22	\$2.64	\$264.00	
Herbicide						
Roundup	2	Pint	\$5.50	\$11.00	\$1,100.00	
Herbicide Application	1	Acre	\$5.50	\$5.50	\$550.00	
Seed						
Alfalfa Seed	20	Acre	\$5.75	\$115.00	\$11,500.00	
Machinery Labor						
Tractors/Self-Propelled	1.3	Hour	\$10.00	\$13.00	\$1,300.00	
Diesel Fuel						
Tractors/Self-Propelled	4.25	Gallon	\$2.59	\$11.01	\$1,100.75	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$9.00	\$9.00	\$900.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.42	\$2.42	\$241.50	
Tractors/Self-Propelled	1	Acre	\$6.64	\$6.64	\$663.99	
Implements	1	Acre	\$9.31	\$9.31	\$931.41	
Interest on Credit Line			6.25%	\$2.37	\$236.87	
Total Variable Costs				\$263.49	\$26,348.53	
Planned Returns Above Variable Costs:				(\$263.49)	(\$26,348.53)	
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.35	\$3.35	\$335.28	
Tractors/Self-Propelled	1	Acre	\$6.86	\$6.86	\$686.12	
Implements	1	Acre	\$11.20	\$11.20	\$1,120.31	
Equipment Investment						
Pickup/General Use Equipment	\$40.25	Dollars	5.50%	\$2.21	\$221.38	
Tractors/Self-Propelled	\$77.47	Dollars	5.50%	\$4.26	\$426.06	
Implements	\$87.14	Dollars	5.50%	\$4.79	\$479.25	
Cash Rent - Dryland Alfalfa	1	Acre	\$32.00	\$32.00	\$3,200.00	
Total Fixed Costs				\$64.68	\$6,468.40	
Total Specified Costs				\$328.17	\$32,816.92	
Returns Above Specified Costs				(\$328.17)	(\$32,816.92)	
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Developed by Stan Bevers, 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.