

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, El Paso Irrigation District - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
	Alfalfa Hay - 3X4	7.50	Ton	\$243.00	\$1,822.50	\$222,345.00
Total Revenue					\$1,822.50	\$222,345.00
VARIABLE COSTS						
Production Costs						
Fertilizer						
	Fertilizer 11-52-0	73	Pound	\$0.34	\$24.82	\$3,028.04
Custom						
	Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00
	Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00
Herbicide						
	Trifluralin	2	Pint	\$3.13	\$6.26	\$763.72
	Pursuit	5	Ounce	\$2.65	\$13.25	\$1,616.50
	Crop Oil Concentrate	5	Pint	\$2.03	\$10.15	\$1,238.30
Insecticide						
	Warrior Z	7.04	Ounce	\$1.36	\$9.57	\$1,168.08
	Intrepid	2.31	Ounce	\$1.67	\$3.86	\$470.64
Irrigation						
	Water Cost	48.00	AcreInch	\$1.75	\$84.00	\$10,248.00
Machinery Labor						
	Tractors/Self-Propelled	2.48	Hour	\$12.00	\$29.76	\$3,630.72
Diesel Fuel						
	Tractors/Self-Propelled	13.49	Gallon	\$2.15	\$29.00	\$3,538.43
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$7.04	\$7.04	\$859.36
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
	Tractors/Self-Propelled	1	Acre	\$14.29	\$14.29	\$1,743.04
	Implements	1	Acre	\$2.09	\$2.09	\$254.72
	Interest on Credit Line			6.50%	\$5.44	\$663.50
Total Variable Costs					\$247.64	\$30,212.23
Planned Returns Above Variable Costs:					\$1,574.86	\$192,132.77
Breakeven Price to Cover Variable Costs					\$33.02	Ton
FIXED COSTS						
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
	Tractors/Self-Propelled	1	Acre	\$26.25	\$26.25	\$3,202.59
	Implements	1	Acre	\$5.45	\$5.45	\$664.74
Equipment Investment						
	Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
	Tractors/Self-Propelled	\$282.65	Dollars	6.50%	\$18.37	\$2,241.41
	Implements	\$64.99	Dollars	6.50%	\$4.22	\$515.36
Allocated Establishment Cost						
	Trans Pecos Irrigated Land	1	Acre	\$104.83	\$104.83	\$12,789.26
		1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$207.77	\$25,347.94
Total Specified Costs					\$455.41	\$55,560.18
Returns Above Specified Costs					\$1,367.09	\$166,784.82
Breakeven Price to Cover Total Costs					\$60.72	Ton

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	5.63	\$44.03	\$44.03	\$80.96	\$80.96	\$0.00
90%	6.75	\$36.69	\$36.69	\$67.47	\$67.47	\$0.00
100%	7.50	\$33.02	\$33.02	\$60.72	\$60.72	\$0.00
110%	8.25	\$30.02	\$30.02	\$55.20	\$55.20	\$0.00
125%	9.38	\$26.42	\$26.42	\$48.58	\$48.58	\$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.