

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Red Chile Peppers, Dell City, Center Pivot Irrigated - 122 Acres**  
**Far West Extension District - 6**

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Red Chiles	4,000.00	Pound	\$0.89	\$3,560.00	\$434,320.00
<b>Total Revenue</b>				<b>\$3,560.00</b>	<b>\$434,320.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Urea, Solid (46% N)	1.97	CWT	\$25.75	\$50.73	\$6,188.76
Fertilizer 18-46-0	228	Pound	\$0.28	\$63.84	\$7,788.48
Fertilizer 0-0-22 Kmag	567	Pound	\$0.24	\$136.08	\$16,601.76
Herbicide					
Trifluralin	3	Pint	\$3.13	\$9.39	\$1,145.58
Fungicides					
Quadris	15	Ounce	\$2.38	\$35.70	\$4,355.40
Seed					
Red Chile Seed Treated	10	Pound	\$12.00	\$120.00	\$14,640.00
Other Chemicals					
Ethephon 6	16	Ounce	\$0.18	\$2.88	\$351.36
Sodium Chlorate 5L	1	Gallon	\$6.00	\$6.00	\$732.00
Irrigation					
Energy Cost	4.68	Mcf	\$4.00	\$18.72	\$2,283.84
Irrigation Labor	0.02	Hour	\$11.00	\$0.19	\$23.22
Machinery Labor					
Tractors/Self-Propelled	4.62	Hour	\$12.00	\$55.44	\$6,763.68
Diesel Fuel					
Tractors/Self-Propelled	16.81	Gallon	\$2.15	\$36.14	\$4,409.26
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
Irrigation Equipment	1	Acre	\$7.97	\$7.97	\$972.40
Tractors/Self-Propelled	1	Acre	\$43.87	\$43.87	\$5,351.68
Implements	1	Acre	\$15.75	\$15.75	\$1,921.26
Interest on Credit Line			6.50%	\$18.74	\$2,285.71
<b>Total Variable Costs</b>				<b>\$630.08</b>	<b>\$76,869.94</b>
Planned Returns Above Variable Costs:				\$2,929.92	\$357,450.06
Breakeven Price to Cover Variable Costs			\$0.16	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment	1	Acre	\$45.37	\$45.37	\$5,535.60
Tractors/Self-Propelled	1	Acre	\$69.05	\$69.05	\$8,424.52
Implements	1	Acre	\$21.65	\$21.65	\$2,641.24
Equipment Investment					
Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
Irrigation Equipment	\$680.61	Dollars	6.50%	\$44.24	\$5,397.21
Tractors/Self-Propelled	\$891.38	Dollars	6.50%	\$57.94	\$7,068.65
Implements	\$178.72	Dollars	6.50%	\$11.62	\$1,417.27
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
<b>Total Fixed Costs</b>				<b>\$298.52</b>	<b>\$36,419.07</b>
<b>Total Specified Costs</b>				<b>\$928.60</b>	<b>\$113,289.01</b>
Returns Above Specified Costs				\$2,631.40	\$321,030.99
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.23</b>	<b>Pound</b>	

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	3000.00	\$0.21	\$0.21	\$0.31	\$0.31	\$0.00
90%	3600.00	\$0.18	\$0.18	\$0.26	\$0.26	\$0.00
100%	4000.00	\$0.16	\$0.16	\$0.23	\$0.23	\$0.00
110%	4400.00	\$0.14	\$0.14	\$0.21	\$0.21	\$0.00
125%	5000.00	\$0.13	\$0.13	\$0.19	\$0.19	\$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.**