

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2016 Estimated Costs and Returns per Acre**  
**Alfalfa, Roundup Ready, Establishment, Center Pivot Irrigated - 122 Acres**  
**West Central Extension District - 7**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Total Revenue				\$0.00		\$0.00
<b>VARIABLE COSTS</b>						
	Quantity	Units	\$/Unit	Total		Enterprise Total
<b>Production Costs</b>						
Custom						
Soil Test-Irrigated	1	Each	\$0.50	\$0.50		\$61.00
Apply Dry Fertilizer	1	Acre	\$4.50	\$4.50		\$549.00
Fertilizer						
11-52-0	150	Pounds	\$0.26	\$39.00		\$4,758.00
Herbicide						
Glyphosate	22	Ounce	\$0.12	\$2.53		\$309.20
Seed						
R.R. Alfalfa	25	pounds	\$7.00	\$175.00		\$21,350.00
Irrigation						
Energy Cost	4.00	AcreInch	\$5.98	\$23.93		\$2,919.44
Irrigation Labor	0.30	Hour	\$12.00	\$3.60		\$439.20
Machinery Labor						
Tractors/Self-Propelled	0.63	Hour	\$12.00	\$7.56		\$922.32
Diesel Fuel						
Tractors/Self-Propelled	3.91	Gallon	\$1.50	\$5.87		\$715.53
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.72	\$1.72		\$210.00
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.74	\$0.74		\$90.30
Irrigation Equipment	1	Acre	\$10.54	\$10.54		\$1,286.03
Tractors/Self-Propelled	1	Acre	\$8.39	\$8.39		\$1,023.24
Implements	1	Acre	\$11.68	\$11.68		\$1,425.05
Interest on Credit Line			6.50%	\$3.64		\$443.73
Total Variable Costs				\$299.20		\$36,502.03
Planned Returns Above Variable Costs:				(\$299.20)		(\$36,502.03)
Breakeven Price to Cover Variable Costs			n/a			
<b>FIXED COSTS</b>						
	Quantity	Units	\$/Unit	Total		Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$1.55	\$1.55		\$189.00
Irrigation Equipment	1	Acre	\$15.03	\$15.03		\$1,833.33
Tractors/Self-Propelled	1	Acre	\$9.45	\$9.45		\$1,152.84
Implements	1	Acre	\$14.73	\$14.73		\$1,797.58
Equipment Investment						
Pickup/General Use Equipment	\$9.47	Dollars	6.50%	\$0.62		\$75.08
Irrigation Equipment	\$112.70	Dollars	6.50%	\$7.33		\$893.75
Tractors/Self-Propelled	\$73.25	Dollars	6.50%	\$4.76		\$580.88
Implements	\$63.03	Dollars	6.50%	\$4.10		\$499.83
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00		\$8,540.00
Total Fixed Costs				\$127.56		\$15,562.28
Total Specified Costs				\$426.76		\$52,064.31
Returns Above Specified Costs				(\$426.76)		(\$52,064.31)
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices			
Example Yield Percent	Example Yield	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00

Developed by Bill Thompson, Associate 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.**