

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Red Chile Peppers, Dell City, Center Pivot Irrigated - 122 Acres
Far West Extension District - 6

Crop Acres	122					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise
Red Chiles	4,000.00	Pound	\$0.89	\$3,560.00	\$434,320.00	
Total Revenue				\$3,560.00	\$434,320.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Urea, Solid (46% N)	1.97	CWT	\$19.75	\$38.91	\$4,746.72	
Fertilizer 18-46-0	228	Pound	\$0.22	\$50.16	\$6,119.52	
Fertilizer 0-0-22 Kmag	567	Pound	\$0.22	\$124.74	\$15,218.28	
Herbicide						
Trifluralin	3	Pint	\$3.13	\$9.38	\$1,143.75	
Seed						
Red Chile Seed Treated	10	Pound	\$30.00	\$300.00	\$36,600.00	
Fungicides						
Quadris	15	Ounce	\$2.46	\$36.90	\$4,501.80	
Other Chemicals						
Ethephon 6	16	Ounce	\$0.16	\$2.50	\$305.00	
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	\$12.00	\$0.21	\$25.33	
Machinery Labor						
Tractors/Self-Propelled	5.32	Hour	\$12.00	\$63.84	\$7,788.48	
Diesel Fuel						
Tractors/Self-Propelled	18.82	Gallon	\$1.83	\$34.44	\$4,201.75	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$820.12	
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	\$52.53	\$52.53	\$6,408.42	
Implements	1	Acre	\$18.80	\$18.80	\$2,293.68	
Interest on Credit Line			6.50%	\$25.74	\$3,140.20	
Total Variable Costs				\$799.16	\$97,497.49	
Planned Returns Above Variable Costs:				\$2,760.84	\$336,822.51	
Breakeven Price to Cover Variable Costs			\$0.20	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
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	\$81.51	\$81.51	\$9,943.77	
Implements	1	Acre	\$25.17	\$25.17	\$3,070.74	
Equipment Investment						
Pickup/General Use Equipment	\$25.13	Dollars	6.50%	\$1.63	\$199.27	
Irrigation Equipment	\$340.30	Dollars	6.50%	\$22.12	\$2,698.61	
Tractors/Self-Propelled	\$763.47	Dollars	6.50%	\$49.63	\$6,054.30	
Implements	\$115.49	Dollars	6.50%	\$7.51	\$915.83	
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00	
Total Fixed Costs				\$278.97	\$34,033.86	
Total Specified Costs				\$1,078.13	\$131,531.36	
Returns Above Specified Costs				\$2,481.87	\$302,788.64	
Breakeven Price to Cover Total Costs			\$0.27	Pound		

Example Breakeven Prices				
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs	
75%	3000.00	\$0.27	\$0.36	
90%	3600.00	\$0.22	\$0.30	
100%	4000.00	\$0.20	\$0.27	
110%	4400.00	\$0.18	\$0.25	
125%	5000.00	\$0.16	\$0.22	

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.