

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Dryland Alfalfa Establishment**  
**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						Total
Fertilizer						
	Fertilizer (N)	40	Pound	\$0.41	\$16.40	\$1,640.00
	Fertilizer (P)	80	Pound	\$0.34	\$27.20	\$2,720.00
	Potash (K)	40	Pound	\$0.30	\$12.00	\$1,200.00
	Sulfur	12	Pound	\$0.25	\$3.00	\$300.00
Herbicide						
	Roundup	2	Pint	\$2.19	\$4.38	\$437.50
	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	0.62	Hour	\$10.00	\$6.20	\$620.00
	Other Labor	0.68	Hour	\$10.00	\$6.80	\$680.00
Diesel Fuel						
	Tractors/Self-Propelled	4.25	Gallon	\$2.10	\$8.93	\$892.50
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	\$8.30	\$8.30	\$829.62
	Implements	1	Acre	\$11.23	\$11.23	\$1,123.20
	Interest on Credit Line			5.75%	\$2.07	\$206.95
Total Variable Costs					<u>\$238.41</u>	<u>\$23,841.27</u>
Planned Returns Above Variable Costs:					<u>(\$238.41)</u>	<u>(\$23,841.27)</u>
Breakeven Price to Cover Variable Costs				n/a		
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Machinery Depreciation						Total
	Pickup/General Use Equipment	1	Acre	\$3.35	\$3.35	\$335.28
	Tractors/Self-Propelled	1	Acre	\$8.57	\$8.57	\$857.27
	Implements	1	Acre	\$13.56	\$13.56	\$1,356.09
Equipment Investment						
	Pickup/General Use Equipment	\$23.49	Dollars	5.50%	\$1.29	\$129.17
	Tractors/Self-Propelled	\$66.78	Dollars	5.50%	\$3.67	\$367.31
	Implements	\$58.01	Dollars	5.50%	\$3.19	\$319.06
	Cash Rent - Dryland Alfalfa	1	Acre	\$32.00	\$32.00	\$3,200.00
Total Fixed Costs					<u>\$65.64</u>	<u>\$6,564.18</u>
Total Specified Costs					<u>\$304.05</u>	<u>\$30,405.45</u>
Returns Above Specified Costs					<u>(\$304.05)</u>	<u>(\$30,405.45)</u>
Breakeven Price to Cover Total Costs				n/a		

Example Breakeven Prices			
Example Yield Percent	Example Yield	To Cover Variable Costs	To Cover 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 Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

**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.**