

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2018 Estimated Costs and Returns per Acre**  
**Irrigated Alfalfa Establishment**  
**Rolling Plains Extension District - 3**

| Crop Acres                              |          | 100      |         |            |                  |
|---|----------|----------|---------|------------|------------------|
| REVENUE                                 | Quantity | Units    | \$/Unit | Total      | Enterprise Total |
| Total Revenue                           |          |          |         | \$0.00     | \$0.00           |
| VARIABLE COSTS                          | Quantity | Units    | \$/Unit | Total      | Enterprise Total |
| <b>Production Costs</b>                 |          |          |         |            |                  |
| 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      |
| Irrigation                              |          |          |         |            |                  |
| Energy Cost                             | 6.00     | AcreInch | \$1.20  | \$7.20     | \$720.02         |
| Irrigation Labor                        | 0.51     | Hour     | \$10.00 | \$5.12     | \$512.00         |
| 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         |
| Irrigation Equipment                    | 1        | Acre     | \$10.00 | \$10.00    | \$1,000.02       |
| 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%   | \$2.66     | \$265.80         |
| Total Variable Costs                    |          |          |         | \$261.32   | \$26,132.16      |
| Planned Returns Above Variable Costs:   |          |          |         | (\$261.32) | (\$26,132.16)    |
| Breakeven Price to Cover Variable Costs |          |          | n/a     |            |                  |
| FIXED COSTS                             | Quantity | Units    | \$/Unit | Total      | Enterprise Total |
| <b>Machinery Depreciation</b>           |          |          |         |            |                  |
| Pickup/General Use Equipment            | 1        | Acre     | \$3.35  | \$3.35     | \$335.28         |
| Irrigation Equipment                    | 1        | Acre     | \$6.00  | \$6.00     | \$600.00         |
| Tractors/Self-Propelled                 | 1        | Acre     | \$8.57  | \$8.57     | \$857.27         |
| Implements                              | 1        | Acre     | \$13.56 | \$13.56    | \$1,356.09       |
| <b>Equipment Investment</b>             |          |          |         |            |                  |
| Pickup/General Use Equipment            | \$23.49  | Dollars  | 5.50%   | \$1.29     | \$129.17         |
| Irrigation Equipment                    | \$175.00 | Dollars  | 5.50%   | \$9.63     | \$962.50         |
| Tractors/Self-Propelled                 | \$66.78  | Dollars  | 5.50%   | \$3.67     | \$367.31         |
| Implements                              | \$58.01  | Dollars  | 5.50%   | \$3.19     | \$319.06         |
| Cash Rent - Irrigated Alfalfa           | 1        | Acre     | \$75.00 | \$75.00    | \$7,500.00       |
| Total Fixed Costs                       |          |          |         | \$124.27   | \$12,426.68      |
| Total Specified Costs                   |          |          |         | \$385.59   | \$38,558.85      |
| Returns Above Specified Costs           |          |          |         | (\$385.59) | (\$38,558.85)    |
| 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               |

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**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.**