

Projections for Planning Purposes Only -- Not to be Used without Updating
2021 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated
Far West Extension District - 6

Crop Acres		122				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise	
Alfalfa Hay - 3X4	7.50	Ton	\$240.00	\$1,800.00	\$219,600.00		
Total Revenue				\$1,800.00	\$219,600.00		
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise	
Production Costs							
Custom							
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00		
Custom Apply Fertilizer	1	Acre	\$6.00	\$6.00	\$732.00		
Fertilizer							
Fertilizer 11-52-0	73	Pound	\$0.45	\$32.99	\$4,024.62		
Herbicide							
Trifluralin	2	Pint	\$2.75	\$5.50	\$671.00		
Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64		
Crop Oil Concentrate	5	Pint	\$2.18	\$10.88	\$1,326.75		
Insecticide							
Warrior Z	7.04	Ounce	\$1.25	\$8.80	\$1,073.60		
Intrepid	2.31	Ounce	\$2.04	\$4.71	\$574.65		
Irrigation							
Energy Cost	40.76	Mcf	\$5.61	\$228.66	\$27,896.96		
Irrigation Labor	0.91	Hour	\$15.00	\$13.58	\$1,656.15		
Machinery Labor							
Tractors/Self-Propelled	7.82	Hour	\$15.00	\$117.30	\$14,310.60		
Diesel Fuel							
Tractors/Self-Propelled	37.28	Gallon	\$1.50	\$55.92	\$6,822.24		
Gasoline							
Pickup/General Use Equipment	1	Acre	\$5.79	\$5.79	\$706.32		
Repairs & Maintenance							
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20		
Irrigation Equipment	1	Acre	\$18.98	\$18.98	\$2,315.30		
Tractors/Self-Propelled	1	Acre	\$67.63	\$67.63	\$8,250.45		
Implements	1	Acre	\$3.04	\$3.04	\$370.37		
Interest on Credit Line			4.55%	\$9.37	\$1,143.52		
Total Variable Costs				\$609.97	\$74,416.37		
Planned Returns Above Variable Costs:				\$1,190.03	\$145,183.63		
Breakeven Price to Cover Variable Costs			\$81.33	Ton			
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	\$24.82	\$24.82	\$3,028.33		
Tractors/Self-Propelled	1	Acre	\$89.84	\$89.84	\$10,960.75		
Implements	1	Acre	\$7.37	\$7.37	\$899.12		
Equipment Investment							
Pickup/General Use Equipment	\$25.13	Dollars	5.50%	\$1.38	\$168.61		
Irrigation Equipment	\$186.17	Dollars	5.50%	\$10.24	\$1,249.19		
Tractors/Self-Propelled	\$668.40	Dollars	5.50%	\$36.76	\$4,484.99		
Implements	\$53.37	Dollars	5.50%	\$2.94	\$358.08		
Allocated Establishment Cost	1	Acre	\$109.50	\$109.50	\$13,359.00		
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00		
Total Fixed Costs				\$338.88	\$41,343.82		
Total Specified Costs				\$948.85	\$115,760.19		
Returns Above Specified Costs				\$851.15	\$103,839.81		
Breakeven Price to Cover Total Costs			\$126.51	Ton			

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Ton	Costs	Costs
75%	5.63	\$108.44	\$168.69
90%	6.75	\$90.37	\$140.57
100%	7.50	\$81.33	\$126.51
110%	8.25	\$73.94	\$115.01
125%	9.38	\$65.06	\$101.21

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.