

**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, Center Pivot Irrigated**  
**Far West Extension District - 6**

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Alfalfa Hay - 3X4	7.50	Ton	\$240.00	\$1,800.00	\$219,600.00
<b>Total Revenue</b>				<b>\$1,800.00</b>	<b>\$219,600.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
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	50.22	Mcf	\$5.61	\$281.73	\$34,371.57
Irrigation Labor	0.29	Hour	\$15.00	\$4.33	\$528.50
Machinery Labor					
Tractors/Self-Propelled	7.84	Hour	\$15.00	\$117.60	\$14,347.20
Diesel Fuel					
Tractors/Self-Propelled	37.51	Gallon	\$1.50	\$56.27	\$6,864.33
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	\$132.34	\$132.34	\$16,146.06
Tractors/Self-Propelled	1	Acre	\$67.93	\$67.93	\$8,286.91
Implements	1	Acre	\$3.04	\$3.04	\$370.37
Interest on Credit Line			4.55%	\$11.69	\$1,426.61
<b>Total Variable Costs</b>				<b>\$770.43</b>	<b>\$93,992.33</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$1,029.57</b>	<b>\$125,607.67</b>
Breakeven Price to Cover Variable Costs			\$102.72	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment	1	Acre	\$45.01	\$45.01	\$5,491.76
Tractors/Self-Propelled	1	Acre	\$91.24	\$91.24	\$11,130.88
Implements	1	Acre	\$7.37	\$7.37	\$899.12
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$25.13	Dollars	5.50%	\$1.38	\$168.61
Irrigation Equipment	\$337.61	Dollars	5.50%	\$18.57	\$2,265.35
Tractors/Self-Propelled	\$678.76	Dollars	5.50%	\$37.33	\$4,554.50
Implements	\$53.37	Dollars	5.50%	\$2.94	\$358.08
Allocated Establishment Cost	1	Acre	\$117.83	\$117.83	\$14,375.57
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00
<b>Total Fixed Costs</b>				<b>\$377.70</b>	<b>\$46,079.61</b>
<b>Total Specified Costs</b>				<b>\$1,148.13</b>	<b>\$140,071.94</b>
<b>Returns Above Specified Costs</b>				<b>\$651.87</b>	<b>\$79,528.06</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$153.08</b>	Ton	

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Ton	Costs	Costs
75%	5.63	\$136.97	\$204.11
90%	6.75	\$114.14	\$170.09
100%	7.50	\$102.72	\$153.08
110%	8.25	\$93.39	\$139.17
125%	9.38	\$82.18	\$122.47

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.**