

**2022 Estimated Costs and Returns per Acre  
Alfalfa, Sprinkler Irrigated (NG)  
Panhandle Extension District - 1**

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hay - Alfalfa	5.50	Ton	\$265.82	\$1,462.01	\$178,365.22
<b>Total Revenue</b>				<b>\$1,462.01</b>	<b>\$178,365.22</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Fertilizer Application	1	Acre	\$5.86	\$5.86	\$714.92
Custom Baling	5.5	Ton	\$53.15	\$292.33	\$35,663.65
Fertilizer					
Fertilizer (P) - Liquid	60	Pound	\$0.72	\$43.20	\$5,270.40
Herbicide					
Herbicide and Application Alfalfa	1	Acre	\$45.00	\$45.00	\$5,490.00
Insecticide					
Insecticide Application Alfalfa	1	Acre	\$12.65	\$12.65	\$1,543.30
Irrigation					
Energy Cost	24.00	AcreInch	\$3.91	\$93.84	\$11,448.48
Irrigation Labor	1.54	Hour	\$16.38	\$25.16	\$3,069.48
Gasoline					
Pickup/General Use Equipment	1	Acre	\$5.12	\$5.12	\$625.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$90.00	\$90.00	\$10,980.00
Interest on Credit Line			6.30%	\$6.63	\$808.81
<b>Total Variable Costs</b>				<b>\$622.30</b>	<b>\$75,920.04</b>
Planned Returns Above Variable Costs:				\$839.71	\$102,445.18
Breakeven Price to Cover Variable Costs			\$113.14	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$47.34	\$47.34	\$5,775.00
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	6.30%	\$1.15	\$139.77
Irrigation Equipment	\$571.72	Dollars	6.30%	\$36.02	\$4,394.25
Allocated Establishment Cost	1	Acre	\$79.00	\$79.00	\$9,638.00
Cash Rent - Alfalfa	1	Acre	\$105.00	\$105.00	\$12,810.00
<b>Total Fixed Costs</b>				<b>\$271.13</b>	<b>\$33,078.32</b>
<b>Total Specified Costs</b>				<b>\$893.43</b>	<b>\$108,998.35</b>
Returns Above Specified Costs				\$568.58	\$69,366.87
<b>Breakeven Price to Cover Total Costs</b>			<b>\$162.44</b>	Ton	

Developed by Justin Benavidez, Assistant Professor, Texas A&M AgriLife Extension, 806-677-5600.

**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.**