

**2022 Estimated Costs and Returns per Acre
Irrigated Alfalfa
South Plains Extension District - 2**

Crop Acres		122						
REVENUE				Quantity	Units	\$/Unit	Total	Enterprise Total
Hay - Alfalfa		6.00	Ton	\$240.00			\$1,440.00	\$175,680.00
Total Revenue							\$1,440.00	\$175,680.00
VARIABLE COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs								
Custom								
Custom Baling		6	Ton	\$50.00			\$300.00	\$36,600.00
Fertilizer Application - Liquid Low		1	Acre	\$3.50			\$3.50	\$427.00
Crop Consultant		1	Acre	\$6.00			\$6.00	\$732.00
Fertilizer								
Fertilizer (P) - Liquid		65	Pound	\$1.16			\$75.40	\$9,198.80
Fertilizer (N) - Liquid		30	Pound	\$1.06			\$31.80	\$3,879.60
Sulfur		12	Pound	\$0.12			\$1.44	\$175.68
Herbicide								
Herbicide and Application Alfalfa		1	Acre	\$22.00			\$22.00	\$2,684.00
Insecticide								
Insecticide Application Alfalfa		1	Acre	\$25.90			\$25.90	\$3,159.80
Miscellaneous								
Crop Insurance Alfalfa		1	Acre	\$2.50			\$2.50	\$305.00
Irrigation								
Energy Cost		24.00	AcreInch	\$10.00			\$240.00	\$29,280.00
Irrigation Labor		1.25	Hour	\$12.00			\$15.00	\$1,830.00
Machinery Labor								
Tractors/Self-Propelled		1	Hour	\$12.00			\$12.00	\$1,464.00
Diesel Fuel								
Tractors/Self-Propelled		2.01	Gallon	\$2.75			\$5.53	\$674.36
Gasoline								
Pickup/General Use Equipment		1	Acre	\$5.12			\$5.12	\$625.00
Repairs & Maintenance								
Pickup/General Use Equipment		1	Acre	\$0.50			\$0.50	\$61.00
Irrigation Equipment		1	Acre	\$42.00			\$42.00	\$5,124.00
Tractors/Self-Propelled		1	Acre	\$6.00			\$6.00	\$732.00
Implements		1	Acre	\$3.00			\$3.00	\$366.00
Interest on Credit Line				6.00%			\$14.73	\$1,797.46
Total Variable Costs							\$812.42	\$99,115.70
Planned Returns Above Variable Costs:							\$627.58	\$76,564.30
Breakeven Price to Cover Variable Costs						\$135.40	Ton	
FIXED COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs								
Pickup/General Use Equipment		1	Acre	\$1.25			\$1.25	\$152.50
Irrigation Equipment		1	Acre	\$55.00			\$55.00	\$6,710.00
Tractors/Self-Propelled		1	Acre	\$12.00			\$12.00	\$1,464.00
Implements		1	Acre	\$10.00			\$10.00	\$1,220.00
Management Fee, Owner/Operator Labor		1	Acre	\$25.00			\$25.00	\$3,050.00
Allocated Establishment Cost		1	Acre	\$100.00			\$100.00	\$12,200.00
Cash Rent - Alfalfa		1	Acre	\$130.00			\$130.00	\$15,860.00
Whole Farm Insurance		1	Acre	\$2.00			\$2.00	\$244.00
Total Fixed Costs							\$335.25	\$40,900.50
Total Specified Costs							\$1,147.67	\$140,016.20
Returns Above Specified Costs							\$292.33	\$35,663.80
Breakeven Price to Cover Total Costs						\$191.28	Ton	

Developed by Agricultural Economists, Texas A&M AgriLife Extension. 806-746-6101

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.