

**2022 Estimated Costs and Returns per Acre  
Hay Production, Furrow Irrigated, Rio Grande Valley  
South Extension District - 12**

Crop Acres		100			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Bermuda Hay	36.00	Bale (950 lb)	\$70.30	\$2,530.80	\$253,080.00
<b>Total Revenue</b>				<b>\$2,530.80</b>	<b>\$253,080.00</b>
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
Fertilizer					
Ammonium Sulfate (21% N)	21.43	CWT	\$26.46	\$567.09	\$56,709.14
Custom					
Hay Harvest	36	Bale	\$25.00	\$900.00	\$90,000.00
Herbicide					
Pendimethalin	3	Pint	\$7.00	\$20.99	\$2,099.25
Other Labor					
Unallocated Labor	1	Hour	\$15.00	\$15.00	\$1,500.00
Irrigation					
Water Cost	3.00	Acre/Foot	\$22.67	\$68.00	\$6,800.00
Irrigation Labor	2.10	Hour	\$15.00	\$31.50	\$3,150.00
Machinery Labor					
Tractors/Self-Propelled	1.32	Hour	\$15.00	\$19.80	\$1,980.00
Other Labor	0.43	Hour	\$15.00	\$6.45	\$645.00
Diesel Fuel					
Tractors/Self-Propelled	7.62	Gallon	\$3.07	\$23.39	\$2,339.34
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$16.55	\$16.55	\$1,655.37
Implements	1	Acre	\$9.96	\$9.96	\$996.25
Interest on Credit Line			5.00%	\$32.31	\$3,231.23
<b>Total Variable Costs</b>				<b>\$1,711.06</b>	<b>\$171,105.58</b>
Planned Returns Above Variable Costs:				\$819.74	\$81,974.42
Breakeven Price to Cover Variable Costs			\$47.53	Bale (950 lb)	
				Enterprise	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$18.15	\$18.15	\$1,814.72
Implements	1	Acre	\$15.39	\$15.39	\$1,538.83
Equipment Investment					
Tractors/Self-Propelled	\$140.89	Dollars	7.00%	\$9.86	\$986.22
Implements	\$64.91	Dollars	7.00%	\$4.54	\$454.35
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
<b>Total Fixed Costs</b>				<b>\$132.94</b>	<b>\$13,294.12</b>
<b>Total Specified Costs</b>				<b>\$1,844.00</b>	<b>\$184,399.70</b>
Returns Above Specified Costs				\$686.80	\$68,680.30
<b>Breakeven Price to Cover Total Costs</b>			<b>\$51.22</b>	<b>Bale (950 lb)</b>	

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

**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.**