

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2022 Estimated Costs and Returns per Acre**  
**Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, El Paso Irrigation District**  
**Far West Extension District - 6**

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>REVENUE</b>						
Alfalfa Hay - 3X4		7.50	Ton	\$240.00	\$1,800.00	\$219,600.00
Total Revenue					\$1,800.00	\$219,600.00
<b>VARIABLE COSTS</b>						
Production Costs		Quantity	Units	\$/Unit	Total	Enterprise Total
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
Fertilizer						
	Fertilizer 11-52-0	73	Pound	\$0.65	\$47.45	\$5,788.90
Custom						
	Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00
	Custom Apply Fertilizer	1	Acre	\$6.00	\$6.00	\$732.00
Insecticide						
	Warrior Z	7.04	Ounce	\$1.25	\$8.80	\$1,073.60
	Intrepid	2.31	Ounce	\$2.04	\$4.71	\$574.65
Irrigation						
	Water Cost	48.00	AcreInch	\$1.75	\$84.00	\$10,248.00
Machinery Labor						
	Tractors/Self-Propelled	6.46	Hour	\$16.12	\$104.14	\$12,704.49
Diesel Fuel						
	Tractors/Self-Propelled	26.81	Gallon	\$2.67	\$71.58	\$8,733.09
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$8.04	\$8.04	\$981.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
	Tractors/Self-Propelled	1	Acre	\$63.88	\$63.88	\$7,793.25
	Implements	1	Acre	\$1.60	\$1.60	\$195.63
	Interest on Credit Line			6.30%	\$10.33	\$1,260.33
Total Variable Costs					\$447.74	\$54,624.53
Planned Returns Above Variable Costs:					\$1,352.26	\$164,975.47
Breakeven Price to Cover Variable Costs				\$59.70	Ton	
<b>FIXED COSTS</b>						
Machinery Depreciation		Quantity	Units	\$/Unit	Total	Enterprise Total
	Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
	Tractors/Self-Propelled	1	Acre	\$71.01	\$71.01	\$8,663.74
	Implements	1	Acre	\$4.92	\$4.92	\$600.45
Equipment Investment						
	Pickup/General Use Equipment	\$25.13	Dollars	6.30%	\$1.58	\$193.13
	Tractors/Self-Propelled	\$547.87	Dollars	6.30%	\$34.52	\$4,210.94
	Implements	\$53.57	Dollars	6.30%	\$3.38	\$411.75
Allocated Establishment Cost						
	Trans Pecos Irrigated Land	1	Acre	\$109.50	\$109.50	\$13,359.00
		1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$280.94	\$34,274.76
Total Specified Costs					\$728.68	\$88,899.29
Returns Above Specified Costs					\$1,071.32	\$130,700.71
Breakeven Price to Cover Total Costs				\$97.16	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$79.60	\$129.54
90%	6.75	\$66.33	\$107.95
100%	7.50	\$59.70	\$97.16
110%	8.25	\$54.27	\$88.33
125%	9.38	\$47.76	\$77.73

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.**