

**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**  
**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>						
<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	\$0.65	\$47.45	\$5,788.90
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		40.76	Mcf	\$3.91	\$159.37	\$19,443.34
Irrigation Labor		0.91	Hour	\$16.38	\$14.82	\$1,808.52
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
Irrigation Equipment		1	Acre	\$18.98	\$18.98	\$2,315.30
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%	\$12.24	\$1,492.77
Total Variable Costs					\$558.82	\$68,176.12
Planned Returns Above Variable Costs:					\$1,241.18	\$151,423.88
Breakeven Price to Cover Variable Costs				\$74.51	Ton	
<b>FIXED COSTS</b>						
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment		1	Acre	\$24.82	\$24.82	\$3,028.33
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
Irrigation Equipment		\$186.17	Dollars	6.30%	\$11.73	\$1,430.89
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		1	Acre	\$109.50	\$109.50	\$13,359.00
Trans Pecos Irrigated Land		1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$317.49	\$38,733.98
Total Specified Costs					\$876.31	\$106,910.10
Returns Above Specified Costs					\$923.69	\$112,689.90
Breakeven Price to Cover Total Costs				\$116.84	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$99.35	\$155.79
90%	6.75	\$82.79	\$129.82
100%	7.50	\$74.51	\$116.84
110%	8.25	\$67.74	\$106.22
125%	9.38	\$59.61	\$93.47

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.**