

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, Center Pivot Irrigated
Far West Extension District - 6

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Alfalfa Hay - 3X4		7.50	Ton	\$240.00	\$1,800.00	\$219,600.00
Total Revenue					\$1,800.00	\$219,600.00
VARIABLE COSTS						
Production Costs						
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		50.22	Mcf	\$3.91	\$196.36	\$23,955.94
Irrigation Labor		0.29	Hour	\$16.38	\$4.73	\$577.13
Machinery Labor						
Tractors/Self-Propelled		6.47	Hour	\$16.12	\$104.30	\$12,724.16
Diesel Fuel						
Tractors/Self-Propelled		26.89	Gallon	\$2.67	\$71.80	\$8,759.15
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	\$132.34	\$132.34	\$16,146.06
Tractors/Self-Propelled		1	Acre	\$64.01	\$64.01	\$7,808.69
Implements		1	Acre	\$1.60	\$1.60	\$195.63
Interest on Credit Line				6.30%	\$15.11	\$1,843.49
Total Variable Costs					\$702.46	\$85,699.99
Planned Returns Above Variable Costs:					\$1,097.54	\$133,900.01
Breakeven Price to Cover Variable Costs				\$93.66	Ton	
FIXED COSTS						
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment		1	Acre	\$45.01	\$45.01	\$5,491.76
Tractors/Self-Propelled		1	Acre	\$71.60	\$71.60	\$8,735.80
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		\$337.61	Dollars	6.30%	\$21.27	\$2,594.86
Tractors/Self-Propelled		\$552.26	Dollars	6.30%	\$34.79	\$4,244.66
Implements		\$53.57	Dollars	6.30%	\$3.38	\$411.75
Allocated Establishment Cost		1	Acre	\$117.83	\$117.83	\$14,375.57
Trans Pecos Irrigated Land		1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$356.42	\$43,483.73
Total Specified Costs					\$1,058.88	\$129,183.72
Returns Above Specified Costs					\$741.12	\$90,416.28
Breakeven Price to Cover Total Costs				\$141.18	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$124.88	\$188.25
90%	6.75	\$104.07	\$156.87
100%	7.50	\$93.66	\$141.18
110%	8.25	\$85.15	\$128.35
125%	9.38	\$74.93	\$112.95

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.