

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, Dell City
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 | | | | | | |
| 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 |
| 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 |
| 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 | | 25.71 | Mcf | \$3.91 | \$100.53 | \$12,264.18 |
| Irrigation Labor | | 0.10 | Hour | \$16.38 | \$1.56 | \$190.84 |
| 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 | \$43.80 | \$43.80 | \$5,343.23 |
| 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% | \$11.34 | \$1,384.07 |
| Total Variable Costs | | | | | \$510.64 | \$62,298.53 |
| Planned Returns Above Variable Costs: | | | | | \$1,289.36 | \$157,301.47 |
| Breakeven Price to Cover Variable Costs | | | | \$68.09 | Ton | |
| FIXED COSTS | | | | | | |
| Machinery Depreciation | | | | | | |
| Pickup/General Use Equipment | | 1 | Acre | \$6.03 | \$6.03 | \$735.75 |
| Irrigation Equipment | | 1 | Acre | \$57.32 | \$57.32 | \$6,993.62 |
| 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 | | \$429.94 | Dollars | 6.30% | \$27.09 | \$3,304.49 |
| 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 | \$117.83 | \$117.83 | \$14,375.57 |
| Trans Pecos Irrigated Land | | 1 | Acre | \$50.00 | \$50.00 | \$6,100.00 |
| Total Fixed Costs | | | | | \$373.68 | \$45,589.44 |
| Total Specified Costs | | | | | \$884.33 | \$107,887.96 |
| Returns Above Specified Costs | | | | | \$915.67 | \$111,712.04 |
| Breakeven Price to Cover Total Costs | | | | \$117.91 | Ton | |

| Example Breakeven Prices | | | |
|--------------------------|-------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Ton | To Cover Variable Costs | To Cover Total Costs |
| 75% | 5.63 | \$90.78 | \$157.21 |
| 90% | 6.75 | \$75.65 | \$131.01 |
| 100% | 7.50 | \$68.09 | \$117.91 |
| 110% | 8.25 | \$61.90 | \$107.19 |
| 125% | 9.38 | \$54.47 | \$94.33 |

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.