

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2022 Estimated Costs and Returns per Acre**  
**Red Chile Peppers, Dell City, Center Pivot Irrigated**  
**Far West Extension District - 6**

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Red Chiles	4,000.00	Pound	\$0.95	\$3,800.00	\$463,600.00
<b>Total Revenue</b>				<b>\$3,800.00</b>	<b>\$463,600.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
Fertilizer					
Urea, Solid (46% N)	1.97	CWT	\$31.15	\$61.37	\$7,486.59
Fertilizer 18-46-0	228	Pound	\$0.54	\$123.12	\$15,020.64
Fertilizer 0-0-22 Kmag	567	Pound	\$0.32	\$181.44	\$22,135.68
Herbicide					
Trifluralin	3	Pint	\$2.75	\$8.25	\$1,006.50
Seed					
Red Chile Seed Treated	10	Pound	\$30.00	\$300.00	\$36,600.00
Fungicides					
Quadris	15	Ounce	\$1.64	\$24.61	\$3,002.85
Other Chemicals					
Ethephon 6	16	Ounce	\$0.16	\$2.49	\$303.34
Sodium Chlorate 5L	1	Gallon	\$6.00	\$6.00	\$732.00
Irrigation					
Energy Cost	4.68	Mcf	\$5.61	\$26.25	\$3,203.09
Irrigation Labor	0.02	Hour	\$16.38	\$0.28	\$34.57
Machinery Labor					
Tractors/Self-Propelled	3.27	Hour	\$16.12	\$52.71	\$6,430.91
Other Labor	2.07	Hour	\$16.12	\$33.37	\$4,070.94
Diesel Fuel					
Tractors/Self-Propelled	18.98	Gallon	\$2.67	\$50.68	\$6,182.55
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	\$7.97	\$7.97	\$972.40
Tractors/Self-Propelled	1	Acre	\$57.21	\$57.21	\$6,979.92
Implements	1	Acre	\$21.76	\$21.76	\$2,654.83
Interest on Credit Line			6.30%	\$32.34	\$3,945.87
<b>Total Variable Costs</b>				<b>\$999.51</b>	<b>\$121,939.87</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$2,800.49</b>	<b>\$341,660.13</b>
Breakeven Price to Cover Variable Costs			\$0.25	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment	1	Acre	\$45.37	\$45.37	\$5,535.60
Tractors/Self-Propelled	1	Acre	\$86.34	\$86.34	\$10,533.47
Implements	1	Acre	\$28.74	\$28.74	\$3,506.74
Equipment Investment					
Pickup/General Use Equipment	\$25.13	Dollars	6.30%	\$1.58	\$193.13
Irrigation Equipment	\$340.30	Dollars	6.30%	\$21.44	\$2,615.57
Tractors/Self-Propelled	\$801.12	Dollars	6.30%	\$50.47	\$6,157.43
Implements	\$131.40	Dollars	6.30%	\$8.28	\$1,009.92
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00
<b>Total Fixed Costs</b>				<b>\$298.26</b>	<b>\$36,387.61</b>
<b>Total Specified Costs</b>				<b>\$1,297.77</b>	<b>\$158,327.49</b>
<b>Returns Above Specified Costs</b>				<b>\$2,502.23</b>	<b>\$305,272.51</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.32</b>	<b>Pound</b>	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	3000.00	\$0.33	\$0.43
90%	3600.00	\$0.28	\$0.36
100%	4000.00	\$0.25	\$0.32
110%	4400.00	\$0.23	\$0.29
125%	5000.00	\$0.20	\$0.26

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.*