

Projections for Planning Purposes Only -- Not to be Used without Updating
2023 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		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Alfalfa Hay - 3X4	7.50	Ton	\$354.00	\$2,655.00	\$323,910.00
Total Revenue				\$2,655.00	\$323,910.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
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
Fertilizer					
Fertilizer 11-52-0	73	Pound	\$0.63	\$45.99	\$5,610.78
Custom					
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00
Custom Apply Fertilizer	1	Acre	\$6.39	\$6.39	\$779.58
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	7.82	Hour	\$17.21	\$134.58	\$16,419.03
Diesel Fuel					
Tractors/Self-Propelled	37.28	Gallon	\$2.24	\$83.51	\$10,187.88
Gasoline					
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$820.12
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
Tractors/Self-Propelled	1	Acre	\$67.63	\$67.63	\$8,250.45
Implements	1	Acre	\$3.04	\$3.04	\$370.37
Interest on Credit Line			8.00%	\$14.12	\$1,722.40
Total Variable Costs				\$496.69	\$60,596.44
Planned Returns Above Variable Costs:				\$2,158.31	\$263,313.56
Breakeven Price to Cover Variable Costs			\$66.23	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
Tractors/Self-Propelled	1	Acre	\$89.84	\$89.84	\$10,960.75
Implements	1	Acre	\$7.37	\$7.37	\$899.12
Equipment Investment					
Pickup/General Use Equipment	\$25.13	Dollars	8.00%	\$2.01	\$245.25
Tractors/Self-Propelled	\$668.40	Dollars	8.00%	\$53.47	\$6,523.62
Implements	\$53.37	Dollars	8.00%	\$4.27	\$520.85
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				\$322.49	\$39,344.34
Total Specified Costs				\$819.19	\$99,940.78
Returns Above Specified Costs				\$1,835.81	\$223,969.22
Breakeven Price to Cover Total Costs			\$109.22	Ton	

Example Breakeven Prices				
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs	
75%	5.63	\$88.30	\$145.63	
90%	6.75	\$73.58	\$121.36	
100%	7.50	\$66.23	\$109.22	
110%	8.25	\$60.21	\$99.30	
125%	9.38	\$52.98	\$87.38	

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.