

Projections for Planning Purposes Only -- Not to be Used without Updating
2023 Estimated Costs and Returns per Acre
Alfalfa Establishment, Center Pivot Irrigated
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Total Revenue				\$0.00		\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Production Costs						
Custom						
Custom Apply Fertilizer	1	Acre	\$6.39	\$6.39		\$779.58
Fertilizer						
Fertilizer 11-52-0	38	Pound	\$0.63	\$23.94		\$2,920.68
Herbicide						
Glyphosate	2	Pint	\$2.13	\$4.25		\$518.50
Seed						
Alfalfa Seed Inoculated RR	32	Pound	\$8.50	\$272.00		\$33,184.00
Irrigation						
Energy Cost	3.04	AcreInch	\$4.70	\$14.29		\$1,743.14
Irrigation Labor	0.02	Hour	\$17.50	\$0.31		\$37.58
Machinery Labor						
Tractors/Self-Propelled	0.4	Hour	\$17.21	\$6.88		\$839.85
Diesel Fuel						
Tractors/Self-Propelled	3.91	Gallon	\$2.24	\$8.76		\$1,068.52
Gasoline						
Pickup/General Use Equipment	1	Acre	\$3.36	\$3.36		\$410.06
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80		\$98.10
Irrigation Equipment	1	Acre	\$8.01	\$8.01		\$977.38
Tractors/Self-Propelled	1	Acre	\$10.00	\$10.00		\$1,219.94
Implements	1	Acre	\$12.50	\$12.50		\$1,524.95
Interest on Credit Line			8.00%	\$10.19		\$1,242.99
Total Variable Costs				\$381.68		\$46,565.26
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02		\$367.88
Irrigation Equipment	1	Acre	\$45.01	\$45.01		\$5,491.76
Tractors/Self-Propelled	1	Acre	\$11.42	\$11.42		\$1,393.06
Implements	1	Acre	\$15.64	\$15.64		\$1,908.68
Equipment Investment						
Pickup/General Use Equipment	\$12.56	Dollars	8.00%	\$1.01		\$122.63
Irrigation Equipment	\$337.61	Dollars	8.00%	\$27.01		\$3,295.06
Tractors/Self-Propelled	\$88.45	Dollars	8.00%	\$7.08		\$863.27
Implements	\$66.93	Dollars	8.00%	\$5.35		\$653.19
Total Fixed Costs				\$115.54		\$14,095.52
Total Specified Costs				\$497.22		\$60,660.78
Returns Above Specified Costs						
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices			
Example Yield Percent	Example Yield	To Cover Variable Costs	To Cover Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00

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.