

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, Dell City
Far West Extension District - 6

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Alfalfa Hay - 3X4		7.50	Ton	\$354.00	\$2,655.00	\$323,910.00
Total Revenue					\$2,655.00	\$323,910.00
VARIABLE COSTS						
Production Costs						
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
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		21.52	Mcf	\$4.70	\$101.14	\$12,339.57
Irrigation Labor		0.30	Hour	\$17.50	\$5.23	\$637.94
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
Irrigation Equipment		1	Acre	\$28.48	\$28.48	\$3,474.24
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%	\$15.21	\$1,856.01
Total Variable Costs					\$548.64	\$66,933.80
Planned Returns Above Variable Costs:					\$2,106.36	\$256,976.20
Breakeven Price to Cover Variable Costs				\$73.15	Ton	
FIXED COSTS						
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment		1	Acre	\$37.28	\$37.28	\$4,548.34
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
Irrigation Equipment		\$279.61	Dollars	8.00%	\$22.37	\$2,729.00
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		1	Acre	\$109.50	\$109.50	\$13,359.00
Trans Pecos Irrigated Land		1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$382.14	\$46,621.67
Total Specified Costs					\$930.78	\$113,555.48
Returns Above Specified Costs					\$1,724.22	\$210,354.52
Breakeven Price to Cover Total Costs				\$124.10	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$97.54	\$165.47
90%	6.75	\$81.28	\$137.89
100%	7.50	\$73.15	\$124.10
110%	8.25	\$66.50	\$112.82
125%	9.38	\$58.52	\$99.28

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.