

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
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 | | | | | | |
| Custom | | | | | | |
| Soil Test | | 0.5 | Each | \$5.00 | \$2.50 | \$305.00 |
| Custom Apply Fertilizer | | 1 | Acre | \$6.39 | \$6.39 | \$779.58 |
| Fertilizer | | | | | | |
| Fertilizer 11-52-0 | | 73 | Pound | \$0.63 | \$45.99 | \$5,610.78 |
| 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 | | 40.76 | Mcf | \$4.70 | \$191.57 | \$23,371.78 |
| Irrigation Labor | | 0.91 | Hour | \$17.50 | \$15.84 | \$1,932.18 |
| 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 | \$18.98 | \$18.98 | \$2,315.30 |
| 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% | \$17.33 | \$2,114.56 |
| Total Variable Costs | | | | | \$642.29 | \$78,359.86 |
| Planned Returns Above Variable Costs: | | | | | \$2,012.71 | \$245,550.14 |
| Breakeven Price to Cover Variable Costs | | | | \$85.64 | Ton | |
| FIXED COSTS | | | | | | |
| Machinery Depreciation | | | | | | |
| Pickup/General Use Equipment | | 1 | Acre | \$6.03 | \$6.03 | \$735.75 |
| Irrigation Equipment | | 1 | Acre | \$24.82 | \$24.82 | \$3,028.33 |
| 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 | | \$186.17 | Dollars | 8.00% | \$14.89 | \$1,817.00 |
| 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 | | | | | \$362.21 | \$44,189.67 |
| Total Specified Costs | | | | | \$1,004.50 | \$122,549.53 |
| Returns Above Specified Costs | | | | | \$1,650.50 | \$201,360.47 |
| Breakeven Price to Cover Total Costs | | | | \$133.93 | Ton | |

| Example Breakeven Prices | | | |
|--------------------------|-------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Ton | To Cover Variable Costs | To Cover Total Costs |
| 75% | 5.63 | \$114.19 | \$178.58 |
| 90% | 6.75 | \$95.15 | \$148.82 |
| 100% | 7.50 | \$85.64 | \$133.93 |
| 110% | 8.25 | \$77.85 | \$121.76 |
| 125% | 9.38 | \$68.51 | \$107.15 |

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.