

**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, Center Pivot Irrigated**  
**Far West Extension District - 6**

| Crop Acres                                     |          | 122     |                 |                   |                     | Enterprise |
|--|----------|---------|-----------------|-------------------|---------------------|------------|
| REVENUE  | Quantity | Units   | \$/Unit         | Total             | Total               | Total      |
| Alfalfa Hay - 3X4                              | 7.50     | Ton     | \$354.00        | \$2,655.00        | \$323,910.00        |            |
| <b>Total Revenue</b>                           |          |         |                 | <b>\$2,655.00</b> | <b>\$323,910.00</b> |            |
| VARIABLE COSTS                                 | Quantity | Units   | \$/Unit         | Total             | Total               | Enterprise |
| <b>Production Costs</b>                        |          |         |                 |                   |                     |            |
| 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                                    | 50.22    | Mcf     | \$4.70          | \$236.03          | \$28,796.15         |            |
| Irrigation Labor                               | 0.29     | Hour    | \$17.50         | \$5.05            | \$616.59            |            |
| Machinery Labor                                |          |         |                 |                   |                     |            |
| Tractors/Self-Propelled                        | 7.84     | Hour    | \$17.21         | \$134.93          | \$16,461.02         |            |
| Diesel Fuel                                    |          |         |                 |                   |                     |            |
| Tractors/Self-Propelled                        | 37.51    | Gallon  | \$2.24          | \$84.02           | \$10,250.73         |            |
| 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    | \$132.34        | \$132.34          | \$16,146.06         |            |
| Tractors/Self-Propelled                        | 1        | Acre    | \$67.93         | \$67.93           | \$8,286.91          |            |
| Implements                                     | 1        | Acre    | \$3.04          | \$3.04            | \$370.37            |            |
| Interest on Credit Line                        |          |         | 8.00%           | \$21.18           | \$2,584.05          |            |
| <b>Total Variable Costs</b>                    |          |         |                 | <b>\$794.35</b>   | <b>\$96,910.19</b>  |            |
| <b>Planned Returns Above Variable Costs:</b>   |          |         |                 | <b>\$1,860.65</b> | <b>\$226,999.81</b> |            |
| <b>Breakeven Price to Cover Variable Costs</b> |          |         | <b>\$105.91</b> | <b>Ton</b>        |                     |            |
| FIXED COSTS                                    | Quantity | Units   | \$/Unit         | Total             | Total               | Enterprise |
| <b>Machinery Depreciation</b>                  |          |         |                 |                   |                     |            |
| Pickup/General Use Equipment                   | 1        | Acre    | \$6.03          | \$6.03            | \$735.75            |            |
| Irrigation Equipment                           | 1        | Acre    | \$45.01         | \$45.01           | \$5,491.76          |            |
| Tractors/Self-Propelled                        | 1        | Acre    | \$91.24         | \$91.24           | \$11,130.88         |            |
| Implements                                     | 1        | Acre    | \$7.37          | \$7.37            | \$899.12            |            |
| <b>Equipment Investment</b>                    |          |         |                 |                   |                     |            |
| Pickup/General Use Equipment                   | \$25.13  | Dollars | 8.00%           | \$2.01            | \$245.25            |            |
| Irrigation Equipment                           | \$337.61 | Dollars | 8.00%           | \$27.01           | \$3,295.06          |            |
| Tractors/Self-Propelled                        | \$678.76 | Dollars | 8.00%           | \$54.30           | \$6,624.72          |            |
| Implements                                     | \$53.37  | Dollars | 8.00%           | \$4.27            | \$520.85            |            |
| Allocated Establishment Cost                   | 1        | Acre    | \$117.83        | \$117.83          | \$14,375.57         |            |
| Trans Pecos Irrigated Land                     | 1        | Acre    | \$50.00         | \$50.00           | \$6,100.00          |            |
| <b>Total Fixed Costs</b>                       |          |         |                 | <b>\$405.07</b>   | <b>\$49,418.95</b>  |            |
| <b>Total Specified Costs</b>                   |          |         |                 | <b>\$1,199.42</b> | <b>\$146,329.13</b> |            |
| <b>Returns Above Specified Costs</b>           |          |         |                 | <b>\$1,455.58</b> | <b>\$177,580.87</b> |            |
| <b>Breakeven Price to Cover Total Costs</b>    |          |         | <b>\$159.92</b> | <b>Ton</b>        |                     |            |

| Example Breakeven Prices |         |          |          |  |
|--------------------------|---------|----------|----------|--|
| Example                  | Example | To Cover | To Cover |  |
| Yield                    | Yield   | Variable | Total    |  |
| Percent                  | Ton     | Costs    | Costs    |  |
| 75%                      | 5.63    | \$141.22 | \$213.23 |  |
| 90%                      | 6.75    | \$117.68 | \$177.69 |  |
| 100%                     | 7.50    | \$105.91 | \$159.92 |  |
| 110%                     | 8.25    | \$96.28  | \$145.38 |  |
| 125%                     | 9.38    | \$84.73  | \$127.94 |  |

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**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.**