

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, Dell City
Far West Extension District - 6

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise 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	Enterprise 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
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
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	25.71	Mcf	\$4.70	\$120.84	\$14,742.11
Irrigation Labor	0.10	Hour	\$17.50	\$1.67	\$203.89
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	\$43.80	\$43.80	\$5,343.23
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%	\$15.89	\$1,939.17
Total Variable Costs				\$580.77	\$70,854.44
Planned Returns Above Variable Costs:				\$2,074.23	\$253,055.56
Breakeven Price to Cover Variable Costs			\$77.44	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment	1	Acre	\$57.32	\$57.32	\$6,993.62
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	\$429.94	Dollars	8.00%	\$34.39	\$4,196.17
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	\$117.83	\$117.83	\$14,375.57
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$422.55	\$51,550.70
Total Specified Costs				\$1,003.32	\$122,405.14
Returns Above Specified Costs				\$1,651.68	\$201,504.86
Breakeven Price to Cover Total Costs			\$133.78	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$103.25	\$178.37
90%	6.75	\$86.04	\$148.64
100%	7.50	\$77.44	\$133.78
110%	8.25	\$70.40	\$121.61
125%	9.38	\$61.95	\$107.02

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.