

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

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Red Chiles	4,000.00	Pound	\$0.95	\$3,800.00	\$463,600.00
Total Revenue				\$3,800.00	\$463,600.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Urea, Solid (46% N)	1.97	CWT	\$31.15	\$61.37	\$7,486.59
Fertilizer 18-46-0	228	Pound	\$0.54	\$123.12	\$15,020.64
Fertilizer 0-0-22 Kmag	567	Pound	\$0.32	\$181.44	\$22,135.68
Herbicide					
Trifluralin	3	Pint	\$2.75	\$8.25	\$1,006.50
Seed					
Red Chile Seed Treated	10	Pound	\$30.00	\$300.00	\$36,600.00
Fungicides					
Quadris	15	Ounce	\$1.64	\$24.61	\$3,002.85
Other Chemicals					
Ethephon 6	16	Ounce	\$0.16	\$2.49	\$303.34
Sodium Chlorate 5L	1	Gallon	\$6.00	\$6.00	\$732.00
Irrigation					
Energy Cost	4.68	Mcf	\$4.70	\$22.00	\$2,683.51
Irrigation Labor	0.02	Hour	\$17.50	\$0.30	\$36.94
Machinery Labor					
Tractors/Self-Propelled	3.27	Hour	\$17.21	\$56.28	\$6,865.76
Other Labor	2.07	Hour	\$17.21	\$35.62	\$4,346.21
Diesel Fuel					
Tractors/Self-Propelled	18.98	Gallon	\$2.24	\$42.52	\$5,186.85
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	\$7.97	\$7.97	\$972.40
Tractors/Self-Propelled	1	Acre	\$57.21	\$57.21	\$6,979.92
Implements	1	Acre	\$21.76	\$21.76	\$2,654.83
Interest on Credit Line			8.00%	\$40.69	\$4,964.34
Total Variable Costs				\$999.96	\$121,994.67
Planned Returns Above Variable Costs:				\$2,800.04	\$341,605.33
Breakeven Price to Cover Variable Costs			\$0.25	Pound	
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	\$45.37	\$45.37	\$5,535.60
Tractors/Self-Propelled	1	Acre	\$86.34	\$86.34	\$10,533.47
Implements	1	Acre	\$28.74	\$28.74	\$3,506.74
Equipment Investment					
Pickup/General Use Equipment	\$25.13	Dollars	8.00%	\$2.01	\$245.25
Irrigation Equipment	\$340.30	Dollars	8.00%	\$27.22	\$3,321.36
Tractors/Self-Propelled	\$801.12	Dollars	8.00%	\$64.09	\$7,818.96
Implements	\$131.40	Dollars	8.00%	\$10.51	\$1,282.44
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$320.32	\$39,079.56
Total Specified Costs				\$1,320.28	\$161,074.23
Returns Above Specified Costs				\$2,479.72	\$302,525.77
Breakeven Price to Cover Total Costs			\$0.33	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	3000.00	\$0.33	\$0.44
90%	3600.00	\$0.28	\$0.37
100%	4000.00	\$0.25	\$0.33
110%	4400.00	\$0.23	\$0.30
125%	5000.00	\$0.20	\$0.26

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.