

**2023 Estimated Costs and Returns per Acre  
Irrigated Alfalfa Hay  
Rolling Plains Extension District - 3**

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Alfalfa Hay	6.50	Ton	\$400.00	\$2,600.00	\$260,000.00
<b>Total Revenue</b>				<b>\$2,600.00</b>	<b>\$260,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Herbicide Application	2	Acre	\$5.50	\$11.00	\$1,100.00
Insecticide Application	3	Acre	\$5.50	\$16.50	\$1,650.00
Fertilizer Application	1	Acre	\$5.00	\$5.00	\$500.00
Custom Baling - Alfalfa	6.5	Ton	\$30.00	\$195.00	\$19,500.00
Fertilizer					
Fertilizer (N)	30	Pound	\$0.79	\$23.70	\$2,370.00
Fertilizer (P)	50	Pound	\$0.63	\$31.50	\$3,150.00
Sulfur	12	Pound	\$0.32	\$3.78	\$378.00
Herbicide					
Valpar	2	Pint	\$11.88	\$23.75	\$2,375.00
Butyrac	2	Pint	\$2.54	\$5.08	\$507.60
Insecticide					
Insecticide - Alfalfa 1	2	Pint	\$4.12	\$8.24	\$824.00
Insecticide - Alfalfa 2 Baythroid	3	Fluid Ounce	\$1.05	\$3.16	\$316.41
Irrigation					
Energy Cost	10.00	AcreInch	\$6.75	\$67.50	\$6,750.00
Irrigation Labor	0.96	Hour	\$15.00	\$14.40	\$1,440.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$6.75	\$6.75	\$675.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$26.25	\$26.25	\$2,625.00
Irrigation Equipment	1	Acre	\$20.00	\$20.00	\$2,000.00
Interest on Credit Line			7.50%	\$10.74	\$1,073.64
<b>Total Variable Costs</b>				<b>\$472.35</b>	<b>\$47,234.65</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$2,127.65</b>	<b>\$212,765.35</b>
Breakeven Price to Cover Variable Costs			\$72.67	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$38.11	\$38.11	\$3,811.38
Irrigation Equipment	1	Acre	\$18.00	\$18.00	\$1,800.00
Equipment Investment					
Pickup/General Use Equipment	\$296.93	Dollars	6.50%	\$19.30	\$1,930.05
Irrigation Equipment	\$525.00	Dollars	6.50%	\$34.13	\$3,412.50
Allocated Establishment Cost	1	Acre	\$85.66	\$85.66	\$8,566.00
Cash Rent - Irrigated Alfalfa	1	Acre	\$90.00	\$90.00	\$9,000.00
<b>Total Fixed Costs</b>				<b>\$285.20</b>	<b>\$28,519.93</b>
<b>Total Specified Costs</b>				<b>\$757.55</b>	<b>\$75,754.58</b>
<b>Returns Above Specified Costs</b>				<b>\$1,842.45</b>	<b>\$184,245.42</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$116.55</b>	Ton	

Francisco Abelló, Assistant Professor and Extension Specialist, Texas A&M AgriLife Extension, 940-647-3908

*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.*