

**2024 Estimated Costs and Returns per Acre  
Alfalfa, Sprinkler Irrigated (NG)  
Panhandle Extension District - 1**

| Crop Acres                                   |          | 122      |                 |                   |                     |
|--|----------|----------|-----------------|-------------------|---------------------|
| REVENUE                                      | Quantity | Units    | \$/Unit         | Total             | Enterprise Total    |
| Hay - Alfalfa                                | 5.50     | Ton      | \$300.00        | \$1,650.00        | \$201,300.00        |
| <b>Total Revenue</b>                         |          |          |                 | <b>\$1,650.00</b> | <b>\$201,300.00</b> |
| VARIABLE COSTS                               | Quantity | Units    | \$/Unit         | Total             | Enterprise Total    |
| <b>Production Costs</b>                      |          |          |                 |                   |                     |
| Custom                                       |          |          |                 |                   |                     |
| Fertilizer Application                       | 1        | Acre     | \$7.50          | \$7.50            | \$915.00            |
| Custom Baling                                | 5.5      | Ton      | \$65.00         | \$357.50          | \$43,615.00         |
| Fertilizer                                   |          |          |                 |                   |                     |
| Fertilizer (P) - Liquid                      | 60       | Pound    | \$0.88          | \$52.92           | \$6,456.24          |
| Herbicide                                    |          |          |                 |                   |                     |
| Herbicide & Application Alfalfa              | 1        | Acre     | \$50.15         | \$50.15           | \$6,118.30          |
| Insecticide                                  |          |          |                 |                   |                     |
| Insecticide & Application Alfalfa            | 1        | Acre     | \$7.10          | \$7.10            | \$866.20            |
| Irrigation                                   |          |          |                 |                   |                     |
| Energy Cost                                  | 24.00    | AcreInch | \$3.80          | \$91.20           | \$11,126.40         |
| Irrigation Labor                             | 1.54     | Hour     | \$17.94         | \$27.56           | \$3,361.81          |
| Gasoline                                     |          |          |                 |                   |                     |
| Pickup/General Use Equipment                 | 1        | Acre     | \$4.92          | \$4.92            | \$600.00            |
| Repairs & Maintenance                        |          |          |                 |                   |                     |
| Pickup/General Use Equipment                 | 1        | Acre     | \$2.51          | \$2.51            | \$306.00            |
| Irrigation Equipment                         | 1        | Acre     | \$90.00         | \$90.00           | \$10,980.00         |
| Interest on Credit Line                      |          |          | 9.00%           | \$10.17           | \$1,240.77          |
| <b>Total Variable Costs</b>                  |          |          |                 | <b>\$701.52</b>   | <b>\$85,585.72</b>  |
| <b>Planned Returns Above Variable Costs:</b> |          |          |                 | <b>\$948.48</b>   | <b>\$115,714.28</b> |
| Breakeven Price to Cover Variable Costs      |          |          | \$127.55        | Ton               |                     |
| FIXED COSTS                                  | Quantity | Units    | \$/Unit         | Total             | Enterprise Total    |
| Machinery Depreciation                       |          |          |                 |                   |                     |
| Pickup/General Use Equipment                 | 1        | Acre     | \$2.63          | \$2.63            | \$321.30            |
| Irrigation Equipment                         | 1        | Acre     | \$47.34         | \$47.34           | \$5,775.00          |
| Equipment Investment                         |          |          |                 |                   |                     |
| Pickup/General Use Equipment                 | \$18.18  | Dollars  | 9.00%           | \$1.64            | \$199.67            |
| Irrigation Equipment                         | \$571.72 | Dollars  | 9.00%           | \$51.45           | \$6,277.50          |
| Allocated Establishment Cost                 | 1        | Acre     | \$90.00         | \$90.00           | \$10,980.00         |
| Cash Rent - Alfalfa                          | 1        | Acre     | \$200.00        | \$200.00          | \$24,400.00         |
| <b>Total Fixed Costs</b>                     |          |          |                 | <b>\$393.06</b>   | <b>\$47,953.47</b>  |
| <b>Total Specified Costs</b>                 |          |          |                 | <b>\$1,094.58</b> | <b>\$133,539.18</b> |
| <b>Returns Above Specified Costs</b>         |          |          |                 | <b>\$555.42</b>   | <b>\$67,760.82</b>  |
| <b>Breakeven Price to Cover Total Costs</b>  |          |          | <b>\$199.02</b> | Ton               |                     |

Developed by Justin Benavidez, Assistant Professor, Texas A&M AgriLife Extension, 806-677-5600.

**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.**