

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Red Chile Peppers, Dell City, Center Pivot Irrigated - 122 Acres**  
**Far West Extension District - 6**

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Red Chiles	4,000.00	Pound	\$0.89	\$3,560.00	\$434,320.00
<b>Total Revenue</b>				<b>\$3,560.00</b>	<b>\$434,320.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Seed					
Red Chile Seed Treated	10	Pound	\$12.00	\$120.00	\$14,640.00
Fertilizer					
Urea, Solid (46% N)	0.71	CWT	\$24.55	\$17.43	\$2,126.52
Fertilizer 18-46-0	163	Pound	\$0.25	\$40.75	\$4,971.50
Fertilizer 0-0-22 Kmag	341	Pound	\$0.23	\$78.43	\$9,568.46
Urea, Solid (46% N)	1.26	CWT	\$24.55	\$30.93	\$3,773.83
Fertilizer 18-46-0	65	Pound	\$0.25	\$16.25	\$1,982.50
Fertilizer 0-0-22 Kmag	226	Pound	\$0.23	\$51.98	\$6,341.56
Herbicide					
Trifluralin	3	Pint	\$3.25	\$9.75	\$1,189.50
Fungicides					
Quadris	15	Ounce	\$2.38	\$35.70	\$4,355.40
Other Chemicals					
Ethephon 6	16	Ounce	\$0.18	\$2.88	\$351.36
Sodium Chlorate 5L	1	Gallon	\$6.00	\$6.00	\$732.00
Irrigation					
Energy or Water Cost	4.67	Mcf	\$4.25	\$19.86	\$2,423.42
Irrigation Labor	0.02	Hour	\$11.00	\$0.19	\$23.22
Machinery Labor					
Tractors/Self-Propelled	4.6	Hour	\$12.00	\$55.20	\$6,734.40
Diesel Fuel					
Tractors/Self-Propelled	16.03	Gallon	\$2.85	\$45.69	\$5,573.63
Gasoline					
Pickup/General Use Equipment	1	Acre	\$7.88	\$7.88	\$961.38
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
Irrigation Equipment	1	Acre	\$7.96	\$7.96	\$971.12
Tractors/Self-Propelled	1	Acre	\$23.63	\$23.63	\$2,883.42
Implements	1	Acre	\$5.70	\$5.70	\$695.21
Interest on Credit Line			6.50%	\$12.42	\$1,515.73
<b>Total Variable Costs</b>				<b>\$590.25</b>	<b>\$72,010.34</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$2,969.75</b>	<b>\$362,309.66</b>
Breakeven Price to Cover Variable Costs			\$0.15	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	\$66.64	\$66.64	\$8,129.82
Implements	1	Acre	\$8.08	\$8.08	\$985.21
Equipment Investment					
Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
Irrigation Equipment	\$680.61	Dollars	6.50%	\$44.24	\$5,397.21
Tractors/Self-Propelled	\$905.03	Dollars	6.50%	\$58.83	\$7,176.89
Implements	\$109.33	Dollars	6.50%	\$7.11	\$866.97
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
<b>Total Fixed Costs</b>				<b>\$278.90</b>	<b>\$34,026.28</b>
<b>Total Specified Costs</b>				<b>\$869.15</b>	<b>\$106,036.62</b>
<b>Returns Above Specified Costs</b>				<b>\$2,690.85</b>	<b>\$328,283.38</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.22</b>	<b>Pound</b>	

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	3000.00	\$0.20	\$0.20	\$0.29	\$0.29	\$0.00
90%	3600.00	\$0.16	\$0.16	\$0.24	\$0.24	\$0.00
100%	4000.00	\$0.15	\$0.15	\$0.22	\$0.22	\$0.00
110%	4400.00	\$0.13	\$0.13	\$0.20	\$0.20	\$0.00
125%	5000.00	\$0.12	\$0.12	\$0.17	\$0.17	\$0.00

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

**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.**