

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Alfalfa Establishment, Sprinkler Irrigated (NG), Fall Seeding Only - 122 Acres**  
**Panhandle Extension District - 1**

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Total Revenue					\$0.00	\$0.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Fertilizer Application		1	Acre	\$5.50	\$5.50	\$671.00
Fertilizer						
Fertilizer (P) - Dry		80	Pound	\$0.60	\$48.00	\$5,856.00
Herbicide						
Herbicide and Application Alfalfa		1	Acre	\$22.40	\$22.40	\$2,732.80
Seed						
Seed - Alfalfa		18	Pound	\$5.80	\$104.40	\$12,736.80
Irrigation						
Energy Cost		6.00	AcreInch	\$4.30	\$25.80	\$3,147.60
Irrigation Labor		0.38	Hour	\$11.75	\$4.51	\$550.46
Machinery Labor						
Tractors/Self-Propelled		1.37	Hour	\$11.75	\$16.10	\$1,963.90
Diesel Fuel						
Tractors/Self-Propelled		2.97	Gallon	\$3.30	\$9.80	\$1,195.72
Gasoline						
Pickup/General Use Equipment		1	Acre	\$6.13	\$6.13	\$747.50
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment		1	Acre	\$24.24	\$24.24	\$2,957.28
Tractors/Self-Propelled		1	Acre	\$4.03	\$4.03	\$491.46
Implements		1	Acre	\$10.49	\$10.49	\$1,280.37
Interest on Credit Line				4.90%	\$5.11	\$623.49
Total Variable Costs					\$289.02	\$35,260.38
Planned Returns Above Variable Costs:					(\$289.02)	(\$35,260.38)
Breakeven Price to Cover Variable Costs				n/a		
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	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled		1	Acre	\$3.91	\$3.91	\$477.27
Implements		1	Acre	\$12.61	\$12.61	\$1,537.83
Equipment Investment						
Pickup/General Use Equipment		\$31.35	Dollars	5.40%	\$1.69	\$206.55
Irrigation Equipment		\$703.28	Dollars	5.40%	\$37.98	\$4,633.20
Tractors/Self-Propelled		\$44.17	Dollars	5.40%	\$2.39	\$290.98
Implements		\$98.04	Dollars	5.40%	\$5.29	\$645.89
Cash Rent - Alfalfa		1	Acre	\$133.00	\$133.00	\$16,226.00
Total Fixed Costs					\$222.00	\$27,084.61
Total Specified Costs					\$511.02	\$62,344.99
Returns Above Specified Costs					(\$511.02)	(\$62,344.99)
Breakeven Price to Cover Total Costs				n/a		

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Developed by Steve Amosson, Regents Fellow, 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.**