

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Alfalfa, RoundUp Ready, Full Season, Baled - 6.5 ton, Center Pivot Irrigated - 122 Acres**  
**West Central Extension District - 7**

Crop Acres		122				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Alfalfa Hay - Baled 3X4		6.50	Ton	\$243.00	\$1,579.50	\$192,699.00
Total Revenue					\$1,579.50	\$192,699.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
	Apply Dry Fertilizer	1	Acre	\$4.50	\$4.50	\$549.00
	Swath, Rake and Bale	9.24	Bale	\$25.20	\$232.85	\$28,407.46
	Soil Test-Irrigated	1	Each	\$0.50	\$0.50	\$61.00
Fertilizer						
	11-52-0	73	Pounds	\$0.26	\$18.98	\$2,315.56
Herbicide						
	Trifluralin	2	Pint	\$2.81	\$5.63	\$686.25
	Glyphosate	110	Ounce	\$0.12	\$12.67	\$1,545.98
Insecticide						
	Warrior Z	7.04	Ounce	\$1.99	\$14.01	\$1,709.17
	Intrepid	2.3	Ounce	\$1.67	\$3.84	\$468.60
Irrigation						
	Energy Cost	36.00	AcreInch	\$10.97	\$394.84	\$48,170.70
	Irrigation Labor	0.80	Hour	\$12.00	\$9.60	\$1,171.20
Machinery Labor						
	Tractors/Self-Propelled	3.67	Hour	\$12.00	\$44.04	\$5,372.88
Diesel Fuel						
	Tractors/Self-Propelled	22.7	Gallon	\$2.75	\$62.43	\$7,615.85
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$5.73	\$5.73	\$699.30
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$2.69	\$2.69	\$328.50
	Irrigation Equipment	1	Acre	\$94.87	\$94.87	\$11,574.24
	Tractors/Self-Propelled	1	Acre	\$42.39	\$42.39	\$5,171.45
	Implements	1	Acre	\$9.37	\$9.37	\$1,143.25
	Interest on Credit Line			3.75%	\$11.93	\$1,454.86
Total Variable Costs					\$970.86	\$118,445.24
Planned Returns Above Variable Costs:					\$608.64	\$74,253.76
Breakeven Price to Cover Variable Costs				\$149.36	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$5.71	\$5.71	\$696.60
	Irrigation Equipment	1	Acre	\$60.11	\$60.11	\$7,333.33
	Tractors/Self-Propelled	1	Acre	\$50.32	\$50.32	\$6,139.20
	Implements	1	Acre	\$12.18	\$12.18	\$1,486.23
Equipment Investment						
	Pickup/General Use Equipment	\$57.54	Dollars	3.75%	\$2.16	\$263.25
	Irrigation Equipment	\$901.64	Dollars	3.75%	\$33.81	\$4,125.00
	Tractors/Self-Propelled	\$569.30	Dollars	3.75%	\$21.35	\$2,604.56
	Implements	\$187.42	Dollars	3.75%	\$7.03	\$857.44
	Allocated Establishment Cost	1	Acre	\$121.69	\$121.69	\$14,846.18
	Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00
Total Fixed Costs					\$384.36	\$46,891.78
Total Specified Costs					\$1,355.22	\$165,337.03
Returns Above Specified Costs					\$224.28	\$27,361.97
Breakeven Price to Cover Total Costs				\$208.50	Ton	

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	4.88	\$199.15	\$199.15	\$277.99	\$277.99	\$0.00
90%	5.85	\$165.96	\$165.96	\$231.66	\$231.66	\$0.00
100%	6.50	\$149.36	\$149.36	\$208.50	\$208.50	\$0.00
110%	7.15	\$135.78	\$135.78	\$189.54	\$189.54	\$0.00
125%	8.13	\$119.49	\$119.49	\$166.80	\$166.80	\$0.00

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

**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.**