

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, Dell City - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Alfalfa Hay - 3X4		7.50	Ton	\$243.00	\$1,822.50	\$222,345.00
Total Revenue					\$1,822.50	\$222,345.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Herbicide						
	Trifluralin	2	Pint	\$3.13	\$6.26	\$763.72
	Pursuit	5	Ounce	\$2.65	\$13.25	\$1,616.50
	Crop Oil Concentrate	5	Pint	\$2.03	\$10.15	\$1,238.30
Custom						
	Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00
	Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00
Fertilizer						
	Fertilizer 11-52-0	73	Pound	\$0.34	\$24.82	\$3,028.04
Insecticide						
	Warrior Z	7.04	Ounce	\$1.36	\$9.57	\$1,168.08
	Intrepid	2.31	Ounce	\$1.67	\$3.86	\$470.64
Irrigation						
	Energy Cost	21.52	Mcf	\$4.00	\$86.08	\$10,501.76
	Irrigation Labor	0.30	Hour	\$11.00	\$3.29	\$400.99
Machinery Labor						
	Tractors/Self-Propelled	2.48	Hour	\$12.00	\$29.76	\$3,630.72
Diesel Fuel						
	Tractors/Self-Propelled	13.49	Gallon	\$2.15	\$29.00	\$3,538.43
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$7.04	\$7.04	\$859.36
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
	Irrigation Equipment	1	Acre	\$28.48	\$28.48	\$3,474.24
	Tractors/Self-Propelled	1	Acre	\$14.29	\$14.29	\$1,743.04
	Implements	1	Acre	\$2.09	\$2.09	\$254.72
	Interest on Credit Line			6.50%	\$5.99	\$730.81
Total Variable Costs					\$282.04	\$34,408.54
Planned Returns Above Variable Costs:					\$1,540.46	\$187,936.46
Breakeven Price to Cover Variable Costs				\$37.60	Ton	
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	\$37.28	\$37.28	\$4,548.34
	Tractors/Self-Propelled	1	Acre	\$26.25	\$26.25	\$3,202.59
	Implements	1	Acre	\$5.45	\$5.45	\$664.74
Equipment Investment						
	Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
	Irrigation Equipment	\$559.22	Dollars	6.50%	\$36.35	\$4,434.63
	Tractors/Self-Propelled	\$282.65	Dollars	6.50%	\$18.37	\$2,241.41
	Implements	\$64.99	Dollars	6.50%	\$4.22	\$515.36
Allocated Establishment Cost		1	Acre	\$104.83	\$104.83	\$12,789.26
Trans Pecos Irrigated Land		1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$281.40	\$34,330.91
Total Specified Costs					\$563.44	\$68,739.44
Returns Above Specified Costs					\$1,259.06	\$153,605.56
Breakeven Price to Cover Total Costs				\$75.13	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%	5.63	\$50.14	\$50.14	\$100.17	\$100.17	\$0.00
90%	6.75	\$41.78	\$41.78	\$83.47	\$83.47	\$0.00
100%	7.50	\$37.60	\$37.60	\$75.13	\$75.13	\$0.00
110%	8.25	\$34.19	\$34.19	\$68.30	\$68.30	\$0.00
125%	9.38	\$30.08	\$30.08	\$60.10	\$60.10	\$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.