

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, El Paso Irrigation District - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Alfalfa Hay - 3X4		7.50	Ton	\$178.00	\$1,335.00	\$162,870.00
Total Revenue					\$1,335.00	\$162,870.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Production Costs						Total
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	\$0.22	\$16.06	\$1,959.32
Herbicide						
	Trifluralin	2	Pint	\$3.13	\$6.25	\$762.50
	Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64
	Crop Oil Concentrate	5	Pint	\$1.98	\$9.90	\$1,207.80
Insecticide						
	Warrior Z	7.04	Ounce	\$1.36	\$9.57	\$1,168.08
	Intrepid	2.31	Ounce	\$1.98	\$4.57	\$558.14
Irrigation						
	Water Cost	48.00	AcreInch	\$1.75	\$84.00	\$10,248.00
Machinery Labor						
	Tractors/Self-Propelled	7.82	Hour	\$12.00	\$93.84	\$11,448.48
Diesel Fuel						
	Tractors/Self-Propelled	34.39	Gallon	\$1.83	\$62.93	\$7,677.91
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$820.12
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
	Tractors/Self-Propelled	1	Acre	\$60.00	\$60.00	\$7,319.47
	Implements	1	Acre	\$2.63	\$2.63	\$320.47
	Interest on Credit Line			6.50%	\$7.18	\$875.70
Total Variable Costs					\$388.49	\$47,395.82
Planned Returns Above Variable Costs:					\$946.51	\$115,474.18
Breakeven Price to Cover Variable Costs				\$51.80	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Machinery Depreciation						Total
	Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
	Tractors/Self-Propelled	1	Acre	\$77.14	\$77.14	\$9,411.48
	Implements	1	Acre	\$6.40	\$6.40	\$781.18
Equipment Investment						
	Pickup/General Use Equipment	\$25.13	Dollars	6.50%	\$1.63	\$199.27
	Tractors/Self-Propelled	\$578.60	Dollars	6.50%	\$37.61	\$4,588.28
	Implements	\$46.79	Dollars	6.50%	\$3.04	\$371.03
Allocated Establishment Cost						
	Trans Pecos Irrigated Land	1	Acre	\$104.83	\$104.83	\$12,789.26
		1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$276.69	\$33,756.25
Total Specified Costs					\$665.18	\$81,152.07
Returns Above Specified Costs					\$669.82	\$81,717.93
Breakeven Price to Cover Total Costs				\$88.69	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$69.06	\$118.25
90%	6.75	\$57.55	\$98.55
100%	7.50	\$51.80	\$88.69
110%	8.25	\$47.09	\$80.63
125%	9.38	\$41.44	\$70.95

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.