

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, Dell City - 122 Acres
Far West Extension District - 6

Crop Acres	122					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Alfalfa Hay - 3X4	7.50	Ton	\$178.00	\$1,335.00	\$162,870.00	\$162,870.00
Total Revenue				\$1,335.00	\$162,870.00	\$162,870.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00	\$488.00
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00	\$305.00
Fertilizer						
Fertilizer 11-52-0	73	Pound	\$0.22	\$16.06	\$1,959.32	\$1,959.32
Herbicide						
Crop Oil Concentrate	5	Pint	\$1.98	\$9.90	\$1,207.80	\$1,207.80
Trifluralin	2	Pint	\$3.13	\$6.25	\$762.50	\$762.50
Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64	\$2,040.64
Insecticide						
Warrior Z	7.04	Ounce	\$1.36	\$9.57	\$1,168.08	\$1,168.08
Intrepid	2.31	Ounce	\$1.98	\$4.57	\$558.14	\$558.14
Irrigation						
Energy Cost	21.52	Mcf	\$4.00	\$86.08	\$10,501.76	\$10,501.76
Irrigation Labor	0.30	Hour	\$12.00	\$3.59	\$437.44	\$437.44
Machinery Labor						
Tractors/Self-Propelled	7.82	Hour	\$12.00	\$93.84	\$11,448.48	\$11,448.48
Diesel Fuel						
Tractors/Self-Propelled	34.39	Gallon	\$1.83	\$62.93	\$7,677.91	\$7,677.91
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$820.12	\$820.12
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20	\$196.20
Irrigation Equipment	1	Acre	\$28.48	\$28.48	\$3,474.24	\$3,474.24
Tractors/Self-Propelled	1	Acre	\$60.00	\$60.00	\$7,319.47	\$7,319.47
Implements	1	Acre	\$2.63	\$2.63	\$320.47	\$320.47
Interest on Credit Line			6.50%	\$7.74	\$943.73	\$943.73
Total Variable Costs				\$423.19	\$51,629.30	\$51,629.30
Planned Returns Above Variable Costs:				\$911.81	\$111,240.70	\$111,240.70
Breakeven Price to Cover Variable Costs			\$56.43	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75	\$735.75
Irrigation Equipment	1	Acre	\$37.28	\$37.28	\$4,548.34	\$4,548.34
Tractors/Self-Propelled	1	Acre	\$77.14	\$77.14	\$9,411.48	\$9,411.48
Implements	1	Acre	\$6.40	\$6.40	\$781.18	\$781.18
Equipment Investment						
Pickup/General Use Equipment	\$25.13	Dollars	6.50%	\$1.63	\$199.27	\$199.27
Irrigation Equipment	\$279.61	Dollars	6.50%	\$18.17	\$2,217.31	\$2,217.31
Tractors/Self-Propelled	\$578.60	Dollars	6.50%	\$37.61	\$4,588.28	\$4,588.28
Implements	\$46.79	Dollars	6.50%	\$3.04	\$371.03	\$371.03
Allocated Establishment Cost	1	Acre	\$104.83	\$104.83	\$12,789.26	\$12,789.26
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00	\$4,880.00
Total Fixed Costs				\$332.15	\$40,521.90	\$40,521.90
Total Specified Costs				\$755.34	\$92,151.21	\$92,151.21
Returns Above Specified Costs				\$579.66	\$70,718.79	\$70,718.79
Breakeven Price to Cover Total Costs			\$100.71	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$75.23	\$134.28
90%	6.75	\$62.69	\$111.90
100%	7.50	\$56.43	\$100.71
110%	8.25	\$51.30	\$91.56
125%	9.38	\$45.14	\$80.57

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.