

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, El Paso Irrigation District
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Alfalfa Hay - 3X4	7.50	Ton	\$277.00	\$2,077.50	\$253,455.00	
Total Revenue				\$2,077.50	\$253,455.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Custom						
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00	
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00	
Fertilizer						
Fertilizer 11-52-0	73	Pound	\$0.29	\$20.81	\$2,538.21	
Herbicide						
Crop Oil Concentrate	5	Pint	\$1.98	\$9.90	\$1,207.80	
Trifluralin	2	Pint	\$2.81	\$5.63	\$686.25	
Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64	
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	35.69	Gallon	\$2.99	\$106.71	\$13,019.00	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$9.30	\$9.30	\$1,134.04	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20	
Tractors/Self-Propelled	1	Acre	\$59.56	\$59.56	\$7,266.69	
Implements	1	Acre	\$2.80	\$2.80	\$341.64	
Interest on Credit Line			6.50%	\$9.75	\$1,189.19	
Total Variable Costs				\$441.27	\$53,835.35	
Planned Returns Above Variable Costs:				\$1,636.23	\$199,619.65	
Breakeven Price to Cover Variable Costs			\$58.84	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75	
Tractors/Self-Propelled	1	Acre	\$76.23	\$76.23	\$9,299.55	
Implements	1	Acre	\$6.81	\$6.81	\$830.26	
Equipment Investment						
Pickup/General Use Equipment	\$25.13	Dollars	6.50%	\$1.63	\$199.27	
Tractors/Self-Propelled	\$571.86	Dollars	6.50%	\$37.17	\$4,534.82	
Implements	\$49.42	Dollars	6.50%	\$3.21	\$391.91	
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				\$275.91	\$33,660.81	
Total Specified Costs				\$717.18	\$87,496.16	
Returns Above Specified Costs				\$1,360.32	\$165,958.84	
Breakeven Price to Cover Total Costs			\$95.62	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$78.45	\$127.50
90%	6.75	\$65.37	\$106.25
100%	7.50	\$58.84	\$95.62
110%	8.25	\$53.49	\$86.93
125%	9.38	\$47.07	\$76.50

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.