

Projections for Planning Purposes Only -- Not to be Used without Updating

**2014 Estimated Costs and Returns per Acre
Drip Irrigated Cotton, Stacked Gene - 400 Acres**

West Central Extension District - 7

Crop Acres		400				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
Cotton Lint		1,326.00	Pound	\$0.71	\$941.46	\$376,584.00
Cotton Seed		0.96	Ton	\$275.00	\$264.00	\$105,600.00
Total Revenue					\$1,205.46	\$482,184.00
VARIABLE COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Seed Cotton		38.5	Thousand	\$1.40	\$53.90	\$21,560.00
Fertilizer						
Nitrogen Dry		11	Pounds	\$0.53	\$5.86	\$2,343.44
Phosphate		58	Pounds	\$0.55	\$32.07	\$12,827.28
Nitrogen N32		42	Pounds	\$0.58	\$24.28	\$9,713.76
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Herbicide						
Glyphosate		32	Ounce	\$0.13	\$4.25	\$1,701.12
2-4D Amine 4		1.25	Pint	\$2.09	\$2.61	\$1,043.75
Mepiquat Chloride		11	Ounce	\$0.11	\$1.21	\$484.00
Glyphosate		32	Ounce	\$0.13	\$4.25	\$1,701.12
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Mepiquat Chloride		11	Ounce	\$0.11	\$1.21	\$484.00
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Insecticide						
Boll Weevil Eradication Program		1	Acre	\$5.00	\$5.00	\$2,000.00
Intruder 70wsp		1	Ounce	\$9.20	\$9.20	\$3,680.00
Other Chemicals						
Ethephon 6		1.5	Pint	\$2.75	\$4.13	\$1,650.00
Adios		5	Ounce	\$1.00	\$5.00	\$2,000.00
Firestorm		28	Ounce	\$0.21	\$5.91	\$2,363.20
Miscellaneous						
RP 65% W/ SE Crop Ins. Cot. Irr.		1	Acre	\$25.02	\$25.02	\$10,008.00
Custom						
Apply Harvest Aid		1	Acre	\$7.00	\$7.00	\$2,800.00
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Custom Strip		1326	Pounds	\$0.09	\$119.34	\$47,736.00
Gin and Haul		47.36	CWT	\$2.50	\$118.40	\$47,360.00
Custom Bag/Tie		2.41	Bales	\$12.00	\$28.92	\$11,568.00
Irrigation						
Energy or Water Cost		18.00	Acre/Inch	\$5.61	\$101.02	\$40,409.03
Irrigation Labor		0.80	Hour	\$12.00	\$9.60	\$3,840.00
Machinery Labor						
Tractors/Self-Propelled		0.91	Hour	\$12.00	\$10.92	\$4,368.00
Diesel Fuel						
Tractors/Self-Propelled		4.73	Gallon	\$3.20	\$15.14	\$6,054.40
Gasoline						
Pickup/General Use Equipment		1	Acre	\$2.30	\$2.30	\$918.72
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.82	\$0.82	\$328.50
Irrigation Equipment		1	Acre	\$5.50	\$5.50	\$2,200.00
Tractors/Self-Propelled		1	Acre	\$4.62	\$4.62	\$1,848.93
Implements		1	Acre	\$7.12	\$7.12	\$2,848.66
Interest on Credit Line				3.75%	\$6.85	\$2,738.48
Total Variable Costs					\$682.48	\$272,991.03
Planned Returns Above Variable Costs:					\$522.98	\$209,192.97
Breakeven Price to Cover Variable Costs				\$0.51	Pound	
FIXED COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.74	\$1.74	\$696.60
Irrigation Equipment		1	Acre	\$54.45	\$54.45	\$21,780.00
Tractors/Self-Propelled		1	Acre	\$19.96	\$19.96	\$7,982.09
Implements		1	Acre	\$7.13	\$7.13	\$2,850.39
Equipment Investment						
Pickup/General Use Equipment		\$17.55	Dollars	3.75%	\$0.66	\$263.25
Irrigation Equipment		\$1,100.00	Dollars	3.75%	\$41.25	\$16,500.00
Tractors/Self-Propelled		\$249.61	Dollars	3.75%	\$9.36	\$3,744.18
Implements		\$109.87	Dollars	3.75%	\$4.12	\$1,648.11
Rent-Irrigated Crop		1	Acre	\$70.00	\$70.00	\$28,000.00
Total Fixed Costs					\$208.66	\$83,464.63
Total Specified Costs					\$891.14	\$356,455.66
Returns Above Specified Costs					\$314.32	\$125,728.34
Breakeven Price to Cover Total Costs				\$0.67	Pound	

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	994.50	\$0.69	\$0.69	\$0.90	\$0.90	\$0.00
90%	1193.40	\$0.57	\$0.57	\$0.75	\$0.75	\$0.00
100%	1326.00	\$0.51	\$0.51	\$0.67	\$0.67	\$0.00
110%	1458.60	\$0.47	\$0.47	\$0.61	\$0.61	\$0.00
125%	1657.50	\$0.41	\$0.41	\$0.54	\$0.54	\$0.00

Developed by Bill Thompson, Assistant 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.