

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Cotton, Reduced Tillage, GMO, Furrow Irrigated, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Cotton Lint		950.00	Pound	\$0.69	\$655.50	\$65,550.00
Cottonseed		0.78	Ton	\$220.00	\$172.26	\$17,226.00
Total Revenue					\$827.76	\$82,776.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Cotton Seed	GMO	15	Pound	\$5.35	\$80.25	\$8,025.00
Fertilizer						
UAN	(32% N)	2.5	CWT	\$25.27	\$63.18	\$6,317.50
Herbicide						
Glyphosate		1.25	Pint	\$1.79	\$2.24	\$223.75
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Harmony Extra		0.6	Ounce	\$13.27	\$7.96	\$796.20
2, 4-D Amine		2	Pint	\$2.54	\$5.08	\$508.00
Insecticide						
Vydate C-LV		8	Ounce	\$0.83	\$6.64	\$664.00
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Oberon 4SC		3	Ounce	\$1.90	\$5.70	\$570.00
Oberon 4SC		4	Ounce	\$1.90	\$7.60	\$760.00
Oberon 4SC		4	Ounce	\$1.90	\$7.60	\$760.00
Tracer		2	Ounce	\$8.45	\$16.90	\$1,690.00
Other Chemicals						
Pix		12	Ounce	\$0.25	\$3.00	\$300.00
Dropp SC		0.2	Pound	\$37.44	\$7.49	\$748.80
Surfactant		1	Pint	\$3.29	\$3.29	\$329.00
Surfactant		2	Pint	\$3.29	\$6.58	\$658.00
Miscellaneous						
MPCI: Irrigated Cotton		1	Acre	\$13.00	\$13.00	\$1,300.00
Custom						
Insect Scouting		1	Acre	\$8.00	\$8.00	\$800.00
Apply by Air - 3 Gallons		1	Application	\$6.25	\$6.25	\$625.00
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Custom Haul Cotton		950	Pound	\$0.15	\$142.50	\$14,250.00
Gin		950	Pound	\$0.12	\$114.00	\$11,400.00
Irrigation						
Energy or Water Cost		0.40	Acre/Foot	\$20.00	\$8.00	\$800.00
Irrigation Labor		1.10	Hour	\$9.00	\$9.90	\$990.00
Other Labor						
Unallocated Labor		0.88	Hour	\$9.00	\$7.92	\$792.00
Machinery Labor						
Tractors/Self-Propelled		1.5	Hour	\$9.00	\$13.50	\$1,350.00
Diesel Fuel						
Tractors/Self-Propelled		5.94	Gallon	\$3.25	\$19.31	\$1,930.50
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$21.72	\$21.72	\$2,172.50
Implements		1	Acre	\$6.03	\$6.03	\$602.86
Interest on Credit Line				9.00%	\$23.26	\$2,325.55
Total Variable Costs					\$640.50	\$64,050.16
Planned Returns Above Variable Costs:					\$187.26	\$18,725.84
Breakeven Price to Cover Variable Costs					\$0.49	Pound
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$27.97	\$27.97	\$2,797.30
Implements		1	Acre	\$10.05	\$10.05	\$1,004.63
Equipment Investment						
Tractors/Self-Propelled		\$321.21	Dollars	9.00%	\$28.91	\$2,890.92
Implements		\$102.77	Dollars	9.00%	\$9.25	\$924.89
Total Fixed Costs					\$76.18	\$7,617.75
Total Specified Costs					\$716.68	\$71,667.90
Returns Above Specified Costs					\$111.08	\$11,108.10
Breakeven Price to Cover Total Costs					\$0.57	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%	712.50	\$0.66	\$0.88	\$0.76	\$1.02	\$0.00
90%	855.00	\$0.55	\$0.73	\$0.64	\$0.85	\$0.00
100%	950.00	\$0.49	\$0.66	\$0.57	\$0.76	\$0.00
110%	1045.00	\$0.45	\$0.60	\$0.52	\$0.69	\$0.00
125%	1187.50	\$0.39	\$0.53	\$0.46	\$0.61	\$0.00

Developed by Luis Ribera, 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.**