

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Irrigated Cotton - 122 Acres**  
**Southwest Extension District - 10**

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	1,250.00	Pound	\$0.73	\$912.50	\$111,325.00
Cottonseed	2,120.00	Pound	\$0.14	\$292.56	\$35,692.32
<b>Total Revenue</b>				<b>\$1,205.06</b>	<b>\$147,017.32</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
Custom					
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00
Gin, Bag, Tie (Dryland)	1	Acre	\$12.73	\$12.73	\$1,553.06
Fertilizer					
UAN(32% N)	5	CWT	\$16.00	\$80.00	\$9,760.00
Fertilizer 18-46-0	217	Pound	\$0.28	\$60.76	\$7,412.72
Herbicide					
Glyphosate	4.2	Pint	\$2.03	\$8.53	\$1,040.17
Prowl H2O	2	Pint	\$5.06	\$10.12	\$1,234.64
Insecticide					
Karate Z	1	Ounce	\$0.81	\$0.81	\$98.82
Seed					
Cotton Seed BIRRF	52	Thousand	\$1.58	\$82.16	\$10,023.52
Miscellaneous					
Boll Weevil Eradication Program	1	Acre	\$17.50	\$17.50	\$2,135.00
Crop Insurance - Cotton Irrigated	1	Acre	\$21.00	\$21.00	\$2,562.00
Other Chemicals					
GinStar	5	Ounce	\$1.25	\$6.25	\$762.50
Ethephon 6	24	Ounce	\$0.18	\$4.32	\$527.04
Surfactant	1	Ounce	\$0.21	\$0.21	\$25.62
Gramoxone SL	24	Ounce	\$0.23	\$5.52	\$673.44
Crop Oil Concentrate	0.25	Pint	\$2.03	\$0.51	\$61.92
Irrigation					
Energy Cost	975.00	kWh	\$0.17	\$165.75	\$20,221.50
Machinery Labor					
Tractors/Self-Propelled	2.59	Hour	\$12.00	\$31.08	\$3,791.76
Diesel Fuel					
Tractors/Self-Propelled	17.1	Gallon	\$2.15	\$36.77	\$4,485.33
Gasoline					
Pickup/General Use Equipment	1	Acre	\$29.44	\$29.44	\$3,591.42
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$819.96
Irrigation Equipment	1	Acre	\$10.13	\$10.13	\$1,235.50
Tractors/Self-Propelled	1	Acre	\$32.81	\$32.81	\$4,002.36
Implements	1	Acre	\$23.04	\$23.04	\$2,810.91
Interest on Credit Line			6.50%	\$20.23	\$2,468.54
<b>Total Variable Costs</b>				<b>\$670.37</b>	<b>\$81,785.73</b>
Planned Returns Above Variable Costs:				\$534.69	\$65,231.59
Breakeven Price to Cover Variable Costs			\$0.30	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85
Irrigation Equipment	1	Acre	\$46.33	\$46.33	\$5,652.72
Tractors/Self-Propelled	1	Acre	\$41.32	\$41.32	\$5,040.51
Implements	1	Acre	\$28.11	\$28.11	\$3,429.88
Equipment Investment					
Pickup/General Use Equipment	\$168.02	Dollars	6.50%	\$10.92	\$1,332.44
Irrigation Equipment	\$695.01	Dollars	6.50%	\$45.18	\$5,511.40
Tractors/Self-Propelled	\$510.88	Dollars	6.50%	\$33.21	\$4,051.32
Implements	\$246.46	Dollars	6.50%	\$16.02	\$1,954.46
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
<b>Total Fixed Costs</b>				<b>\$296.29</b>	<b>\$36,147.57</b>
<b>Total Specified Costs</b>				<b>\$966.67</b>	<b>\$117,933.30</b>
Returns Above Specified Costs				\$238.39	\$29,084.02
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.54</b>	<b>Pound</b>	

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%	937.50	\$0.40	\$0.40	\$0.72	\$0.72	\$0.00
90%	1125.00	\$0.34	\$0.34	\$0.60	\$0.60	\$0.00
100%	1250.00	\$0.30	\$0.30	\$0.54	\$0.54	\$0.00
110%	1375.00	\$0.27	\$0.27	\$0.49	\$0.49	\$0.00
125%	1562.50	\$0.24	\$0.24	\$0.43	\$0.43	\$0.00

Developed by Rob Hogan, 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.**