

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**St. Lawrence Reduced Tillage Cotton, Drip Irrigated, 40 Inch Rows - 122 Acres**  
**Far West Extension District - 6**

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Cotton Lint		1,500.00	Pound	\$0.56	\$840.00	\$102,480.00
Cotton Seed		1.20	Ton	\$175.00	\$210.00	\$25,620.00
Total Revenue					\$1,050.00	\$128,100.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Cotton Seed BIIRRF	40	Thousand	\$1.45	\$58.00	\$7,076.00
Fertilizer						
	Nitrogen - Dry	11	Pound	\$0.55	\$6.10	\$743.93
	Phosphate	90	Pound	\$0.42	\$37.50	\$4,575.00
	N-32	140	Pound	\$0.55	\$76.55	\$9,339.34
Custom						
	Custom Spray	2	Acre	\$4.00	\$8.00	\$976.00
	Bag, Tie	3	Bale	\$15.00	\$45.00	\$5,490.00
	Gin and Haul	53.57	CWT	\$2.50	\$133.93	\$16,338.85
	Soil Test-Irrigated	1	Acre	\$0.50	\$0.50	\$61.00
Miscellaneous						
	IRR Cotton RP 70% ent, SE, Glas:	1	Acre	\$31.16	\$31.16	\$3,801.52
Herbicide						
	Glyphosate Ounce	34	Ounce	\$0.12	\$3.92	\$477.85
	Trifluralin Pint	1.5	Pint	\$2.81	\$4.22	\$514.69
Other Chemicals						
	Mepiquat Chloride-PGR	16	Ounce	\$0.08	\$1.25	\$152.50
Cotton Harvest						
	Ethephon 6 Pint	1.5	Pint	\$2.75	\$4.13	\$503.25
	Adios	5	Ounce	\$1.00	\$5.00	\$610.00
	Firestorm	28	Ounce	\$0.25	\$7.00	\$854.00
Irrigation						
	Energy Cost	17.99	AcreInch	\$11.55	\$207.84	\$25,356.30
	Irrigation Labor	3.04	Hour	\$11.00	\$33.43	\$4,078.87
Machinery Labor						
	Tractors/Self-Propelled	2.53	Hour	\$12.00	\$30.36	\$3,703.92
Diesel Fuel						
	Tractors/Self-Propelled	15.6	Gallon	\$2.15	\$33.54	\$4,091.88
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$5.87	\$5.87	\$716.13
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$1.73	\$1.73	\$210.92
	Irrigation Equipment	1	Acre	\$9.68	\$9.68	\$1,181.45
	Tractors/Self-Propelled	1	Acre	\$24.87	\$24.87	\$3,034.01
	Implements	1	Acre	\$16.80	\$16.80	\$2,049.42
	Interest on Credit Line			6.50%	\$14.18	\$1,730.16
Total Variable Costs					\$800.55	\$97,667.00
Planned Returns Above Variable Costs:					\$249.45	\$30,433.00
Breakeven Price to Cover Variable Costs					\$0.39	Pound
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$3.62	\$3.62	\$441.45
	Irrigation Equipment	1	Acre	\$95.92	\$95.92	\$11,702.20
	Tractors/Self-Propelled	1	Acre	\$31.18	\$31.18	\$3,804.38
	Implements	1	Acre	\$20.83	\$20.83	\$2,541.53
Equipment Investment						
	Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
	Irrigation Equipment	\$1,937.77	Dollars	6.50%	\$125.96	\$15,366.52
	Tractors/Self-Propelled	\$396.15	Dollars	6.50%	\$25.75	\$3,141.46
	Implements	\$202.93	Dollars	6.50%	\$13.19	\$1,609.26
	Lease value - Drip	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$369.06	\$45,025.61
Total Specified Costs					\$1,169.61	\$142,692.61
Returns Above Specified Costs					(\$119.61)	(\$14,592.61)
Breakeven Price to Cover Total Costs					\$0.64	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	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	1125.00	\$0.52	\$0.52	\$0.85	\$0.85	\$0.00
90%	1350.00	\$0.44	\$0.44	\$0.71	\$0.71	\$0.00
100%	1500.00	\$0.39	\$0.39	\$0.64	\$0.64	\$0.00
110%	1650.00	\$0.36	\$0.36	\$0.58	\$0.58	\$0.00
125%	1875.00	\$0.31	\$0.31	\$0.51	\$0.51	\$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.**