

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Trans Pecos Cotton, Furrow 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
Production Costs						
Seed						
	Cotton Seed BIIRRF	40	Thousand	\$1.45	\$58.00	\$7,076.00
Fertilizer						
	Phosphoric Acid	32	Pound	\$0.29	\$9.28	\$1,132.16
	Phosphate	75	Pound	\$0.42	\$31.25	\$3,812.50
	N-32	140	Pound	\$0.55	\$76.55	\$9,339.34
Custom						
	Custom Spray	2	Acre	\$4.00	\$8.00	\$976.00
	Gin and Haul	53.57	CWT	\$2.50	\$133.93	\$16,338.85
	Bag, Tie	3	Bale	\$15.00	\$45.00	\$5,490.00
	Soil Test-Irrigated	1	Acre	\$0.50	\$0.50	\$61.00
Miscellaneous						
	IRR Cotton RP, 70% Ent, SE, Pec	1	Acre	\$25.41	\$25.41	\$3,100.02
Herbicide						
	Trifluralin Pint	2	Pint	\$2.81	\$5.63	\$686.25
	Mepiquat Chloride-PGR	22	Ounce	\$0.08	\$1.72	\$209.69
	Glyphosate Ounce	64	Ounce	\$0.12	\$7.37	\$899.48
Other Labor						
	Hand Labor TP	0.7764	Hour	\$10.00	\$7.76	\$947.21
Other Chemicals						
	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	27.00	AcreInch	\$4.83	\$130.47	\$15,917.49
	Irrigation Labor	0.48	Hour	\$11.00	\$5.28	\$644.16
Machinery Labor						
	Tractors/Self-Propelled	2.39	Hour	\$12.00	\$28.68	\$3,498.96
Diesel Fuel						
	Tractors/Self-Propelled	15.95	Gallon	\$2.15	\$34.29	\$4,183.69
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	\$12.58	\$12.58	\$1,534.67
	Tractors/Self-Propelled	1	Acre	\$26.69	\$26.69	\$3,255.91
	Implements	1	Acre	\$16.74	\$16.74	\$2,041.77
	Interest on Credit Line			6.50%	\$10.76	\$1,312.81
Total Variable Costs					\$699.61	\$85,352.25
Planned Returns Above Variable Costs:					\$350.39	\$42,747.75
Breakeven Price to Cover Variable Costs				\$0.33	Pound	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$3.62	\$3.62	\$441.45
	Irrigation Equipment	1	Acre	\$32.79	\$32.79	\$4,000.00
	Tractors/Self-Propelled	1	Acre	\$31.50	\$31.50	\$3,842.71
	Implements	1	Acre	\$20.67	\$20.67	\$2,522.22
Equipment Investment						
	Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
	Irrigation Equipment	\$491.80	Dollars	6.50%	\$31.97	\$3,900.00
	Tractors/Self-Propelled	\$399.42	Dollars	6.50%	\$25.96	\$3,167.38
	Implements	\$201.70	Dollars	6.50%	\$13.11	\$1,599.49
	Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$202.23	\$24,672.08
Total Specified Costs					\$901.84	\$110,024.33
Returns Above Specified Costs					\$148.16	\$18,075.67
Breakeven Price to Cover Total Costs				\$0.46	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	\$0.44	\$0.44	\$0.61	\$0.61	\$0.00
90%	1350.00	\$0.36	\$0.36	\$0.51	\$0.51	\$0.00
100%	1500.00	\$0.33	\$0.33	\$0.46	\$0.46	\$0.00
110%	1650.00	\$0.30	\$0.30	\$0.42	\$0.42	\$0.00
125%	1875.00	\$0.26	\$0.26	\$0.37	\$0.37	\$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.