

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Trans Pecos Cotton, Center Pivot 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		1.40	Ton	\$175.00	\$245.00	\$29,890.00
Total Revenue					\$1,085.00	\$132,370.00
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
	Soil Test-Irrigated	1	Acre	\$0.50	\$0.50	\$61.00
	Bag, Tie	2.5	Bale	\$15.00	\$37.50	\$4,575.00
	Gin and Haul	53.57	CWT	\$2.50	\$133.93	\$16,338.85
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
	Caparol 4L Ounce	24	Ounce	\$0.24	\$5.81	\$709.16
	Glyphosate Ounce	64	Ounce	\$0.12	\$7.37	\$899.48
	Direx 4L	2	Pint	\$4.00	\$8.00	\$976.00
	Mepiquat Chloride-PGR	22	Ounce	\$0.08	\$1.72	\$209.69
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	20.52	Mcf	\$3.72	\$76.28	\$9,305.61
	Irrigation Labor	0.12	Hour	\$11.00	\$1.30	\$158.62
Machinery Labor						
	Tractors/Self-Propelled	2.32	Hour	\$12.00	\$27.84	\$3,396.48
Diesel Fuel						
	Tractors/Self-Propelled	15.37	Gallon	\$2.15	\$33.05	\$4,031.55
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	\$54.12	\$54.12	\$6,602.57
	Tractors/Self-Propelled	1	Acre	\$25.78	\$25.78	\$3,145.26
	Implements	1	Acre	\$15.57	\$15.57	\$1,899.17
	Interest on Credit Line			6.50%	\$11.05	\$1,347.49
Total Variable Costs					\$677.64	\$82,672.51
Planned Returns Above Variable Costs:					\$407.36	\$49,697.49
Breakeven Price to Cover Variable Costs				\$0.29	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	\$59.23	\$59.23	\$7,226.00
	Tractors/Self-Propelled	1	Acre	\$30.56	\$30.56	\$3,728.37
	Implements	1	Acre	\$19.36	\$19.36	\$2,361.79
Equipment Investment						
	Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83
	Irrigation Equipment	\$888.44	Dollars	6.50%	\$57.75	\$7,045.35
	Tractors/Self-Propelled	\$388.84	Dollars	6.50%	\$25.27	\$3,083.47
	Implements	\$191.47	Dollars	6.50%	\$12.45	\$1,518.39
	Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$250.85	\$30,603.64
Total Specified Costs					\$928.49	\$113,276.15
Returns Above Specified Costs					\$156.51	\$19,093.85
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	\$0.38	\$0.38	\$0.61	\$0.61	\$0.00
90%	1350.00	\$0.32	\$0.32	\$0.51	\$0.51	\$0.00
100%	1500.00	\$0.29	\$0.29	\$0.46	\$0.46	\$0.00
110%	1650.00	\$0.26	\$0.26	\$0.41	\$0.41	\$0.00
125%	1875.00	\$0.23	\$0.23	\$0.36	\$0.36	\$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.