

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Irrigated Cotton - Drip - 122 Acres**  
**South Plains Extension District - 2**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise
Cotton Lint	1,750.00	Pound	\$0.60	\$1,050.00	\$128,100.00	
Cottonseed	1.24	Ton	\$180.00	\$223.74	\$27,296.28	
<b>Total Revenue</b>				<b>\$1,273.74</b>	<b>\$155,396.28</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Custom						
Strip and Module - Cotton	1750	Pound	\$0.08	\$140.00	\$17,080.00	
Ginning - Cotton	62.5	CWT	\$3.10	\$193.75	\$23,637.50	
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$579.50	
Scouting	1	Acre	\$9.00	\$9.00	\$1,098.00	
Fertilizer						
Fertilizer (P) - Liquid	70	Pound	\$0.74	\$51.45	\$6,276.90	
Fertilizer (N) - Liquid	175	Pound	\$0.58	\$101.15	\$12,340.30	
Herbicide						
Herbicide - Cotton Preplant	1	Acre	\$8.75	\$8.75	\$1,067.50	
Herbicide - Cotton At Plant	1	Acre	\$5.75	\$5.75	\$701.50	
Herbicide - Cotton Postplant	1	Acre	\$26.75	\$26.75	\$3,263.50	
Spot Spray and Chemical	0.2	Acre	\$15.00	\$3.00	\$366.00	
Insecticide						
Insecticide and Apply Cotton	1	Acre	\$12.00	\$12.00	\$1,464.00	
Boll Weevil Assessment Irrigated	1	Acre	\$1.00	\$1.00	\$122.00	
Seed						
Seed - Cotton Irrigated	52	Thousand	\$0.63	\$32.76	\$3,996.72	
Seed - Cotton Irrigated Tech Fee	52	Thousand	\$0.78	\$40.56	\$4,948.32	
Miscellaneous						
Crop Insurance Cotton - Drip	1	Acre	\$56.00	\$56.00	\$6,832.00	
Crop Insurance Hail	4	\$100	\$2.25	\$9.00	\$1,098.00	
Other Chemicals						
Harvest Aid Apply Cotton Drip	1	Acre	\$30.00	\$30.00	\$3,660.00	
Acid	24	Pound	\$0.50	\$12.00	\$1,464.00	
Other Labor						
Hoeing	0.2	Acre	\$15.00	\$3.00	\$366.00	
Irrigation						
Energy Cost	18.00	AcresInch	\$9.00	\$162.00	\$19,764.00	
Irrigation Labor	1.20	Hour	\$12.00	\$14.40	\$1,756.80	
Machinery Labor						
Tractors/Self-Propelled	1.6	Hour	\$12.00	\$19.20	\$2,342.40	
Diesel Fuel						
Tractors/Self-Propelled	4	Gallon	\$3.00	\$12.00	\$1,464.00	
Gasoline						
Pickup/General Use Equipment	2	Gallon	\$2.25	\$4.50	\$549.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.75	\$0.50	\$61.00	
Irrigation Equipment	1	Acre	\$31.50	\$31.50	\$3,843.00	
Tractors/Self-Propelled	1	Acre	\$5.55	\$6.00	\$732.00	
Implements	1	Acre	\$16.64	\$3.00	\$366.00	
Interest on Credit Line			6.00%	\$20.24	\$2,469.65	
<b>Total Variable Costs</b>				<b>\$1,014.01</b>	<b>\$123,709.59</b>	
Planned Returns Above Variable Costs:				\$259.73	\$31,686.69	
Breakeven Price to Cover Variable Costs			\$0.45	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Equipment Investment						
Pickup/General Use Equipment	\$17.89	Dollars	7.00%	\$1.25	\$152.78	
Irrigation Equipment	\$1,071.43	Dollars	7.00%	\$75.00	\$9,150.05	
Tractors/Self-Propelled	\$171.40	Dollars	7.00%	\$12.00	\$1,463.76	
Implements	\$142.90	Dollars	7.00%	\$10.00	\$1,220.37	
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$244.00	
Cash Rent - Cotton Drip	1	Acre	\$130.00	\$130.00	\$15,860.00	
<b>Total Fixed Costs</b>				<b>\$230.25</b>	<b>\$28,090.95</b>	
<b>Total Specified Costs</b>				<b>\$1,244.27</b>	<b>\$151,800.54</b>	
Returns Above Specified Costs				\$29.47	\$3,595.74	
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.58</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	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	1312.50	\$0.60	\$0.60	\$0.78	\$0.78	\$0.00
90%	1575.00	\$0.50	\$0.50	\$0.65	\$0.65	\$0.00
100%	1750.00	\$0.45	\$0.45	\$0.58	\$0.58	\$0.00
110%	1925.00	\$0.41	\$0.41	\$0.53	\$0.53	\$0.00
125%	2187.50	\$0.36	\$0.36	\$0.47	\$0.47	\$0.00

Developed by Jackie Smith, 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.**