

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Irrigated Cotton - Pivot - 122 Acres**  
**South Plains Extension District - 2**

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	1,250.00	Pound	\$0.60	\$750.00		\$91,500.00
Cottonseed	0.89	Ton	\$180.00	\$159.84		\$19,500.48
<b>Total Revenue</b>				<b>\$909.84</b>		<b>\$111,000.48</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Custom						
Strip and Module - Cotton	1250	Pound	\$0.08	\$100.00		\$12,200.00
Ginning - Cotton	44.64	CWT	\$3.10	\$138.38		\$16,882.85
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	50	Pound	\$0.74	\$36.75		\$4,483.50
Fertilizer (N) - Liquid	125	Pound	\$0.58	\$72.25		\$8,814.50
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
Miscellaneous						
Crop Insurance Cotton - Irrigated	1	Acre	\$40.00	\$40.00		\$4,880.00
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
Other Chemicals						
Harvest Aid Apply Cotton Irrigated	1	Acre	\$25.00	\$25.00		\$3,050.00
Other Labor						
Hoeing	0.2	Acre	\$15.00	\$3.00		\$366.00
Irrigation						
Energy Cost	12.00	AcreInch	\$9.00	\$108.00		\$13,176.00
Irrigation Labor	0.90	Hour	\$12.00	\$10.80		\$1,317.60
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	1	Acre	\$4.50	\$4.50		\$548.44
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50		\$61.00
Irrigation Equipment	1	Acre	\$21.00	\$21.00		\$2,562.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00		\$732.00
Implements	1	Acre	\$3.00	\$3.00		\$366.00
Interest on Credit Line			6.00%	\$16.28		\$1,986.07
<b>Total Variable Costs</b>				<b>\$760.98</b>		<b>\$92,839.40</b>
Planned Returns Above Variable Costs:						\$148.86
<b>Breakeven Price to Cover Variable Costs</b>			<b>\$0.48</b>	<b>Pound</b>		<b>\$18,161.08</b>
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Equipment Fixed Costs</b>						
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25		\$152.50
Irrigation Equipment	1	Acre	\$55.00	\$55.00		\$6,710.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00		\$1,464.00
Implements	1	Acre	\$10.00	\$10.00		\$1,220.00
Management Fee, Owner/Operator Labor	1	Acre	\$30.00	\$30.00		\$3,660.00
Cash Rent - Cotton Irrigated	1	Acre	\$100.00	\$100.00		\$12,200.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00		\$244.00
<b>Total Fixed Costs</b>				<b>\$210.25</b>		<b>\$25,650.50</b>
<b>Total Specified Costs</b>				<b>\$971.23</b>		<b>\$118,489.90</b>
Returns Above Specified Costs						<b>(\$61.39)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.65</b>	<b>Pound</b>		<b>(\$7,489.42)</b>

Example Breakeven Prices			
Example	Example	Price Needed to Cover	Price Needed to Cover
Yield	Yield	Your Variable Costs	Your Total Costs
Percent	Pound		
75%	937.50	\$0.64	\$0.87
90%	1125.00	\$0.53	\$0.72
100%	1250.00	\$0.48	\$0.65
110%	1375.00	\$0.44	\$0.59
125%	1562.50	\$0.38	\$0.52

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.**