

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 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
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Custom					
Soil Test-Irrigated	1	Acre	\$0.50	\$0.50	\$61.00
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
Fertilizer					
N-32	140	Pound	\$0.50	\$70.00	\$8,540.00
Phosphate 0-46-0	90	Pound	\$0.38	\$34.20	\$4,172.40
Nitrogen - Dry (Urea 45-0-0)	11	Pound	\$0.43	\$4.76	\$581.09
Herbicide					
Glyphosate	2	Pint	\$1.37	\$2.74	\$334.28
Trifluralin Pint	1.5	Pint	\$2.81	\$4.22	\$514.69
Glyphosate Ounce Generic 4lb	32	Ounce	\$0.13	\$4.00	\$488.00
Miscellaneous					
IRR Cotton RP 70% ent, SE, Glassc	1	Acre	\$23.63	\$23.63	\$2,882.86
Seed					
Cotton Seed BIRRF	40	Thousand	\$1.65	\$66.00	\$8,052.00
Other Chemicals					
Mepiquat Chloride-PGR	16	Ounce	\$0.08	\$1.25	\$152.50
Cotton Harvest					
Ethephon 6 Pint	1.5	Pint	\$2.56	\$3.84	\$468.48
Adios	5	Ounce	\$0.84	\$4.22	\$514.69
Firestorm (3lb Paraquat)	28	Ounce	\$0.21	\$5.80	\$707.22
Irrigation					
Energy Cost	17.99	AcreInch	\$12.58	\$226.25	\$27,602.74
Irrigation Labor	3.04	Hour	\$12.00	\$36.47	\$4,449.68
Machinery Labor					
Tractors/Self-Propelled	2.53	Hour	\$12.00	\$30.36	\$3,703.92
Diesel Fuel					
Tractors/Self-Propelled	15.6	Gallon	\$1.50	\$23.40	\$2,854.80
Gasoline					
Pickup/General Use Equipment	1	Acre	\$5.36	\$5.36	\$654.00
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%	\$14.20	\$1,732.81
Total Variable Costs				\$801.21	\$97,747.79
Planned Returns Above Variable Costs:				\$248.79	\$30,352.21
Breakeven Price to Cover Variable Costs			\$0.39	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	\$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	\$22.11	Dollars	6.50%	\$1.44	\$175.35
Irrigation Equipment	\$978.57	Dollars	6.50%	\$63.61	\$7,760.09
Tractors/Self-Propelled	\$273.78	Dollars	6.50%	\$17.80	\$2,171.08
Implements	\$122.12	Dollars	6.50%	\$7.94	\$968.43
Lease value - Drip	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$292.33	\$35,664.51
Total Specified Costs				\$1,093.54	\$133,412.30
Returns Above Specified Costs				(\$43.54)	(\$5,312.30)
Breakeven Price to Cover Total Costs			\$0.59	Pound	

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	1125.00	\$0.53	\$0.79
90%	1350.00	\$0.44	\$0.65
100%	1500.00	\$0.39	\$0.59
110%	1650.00	\$0.36	\$0.54
125%	1875.00	\$0.32	\$0.47

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.