

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 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				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise 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 Total
Production Costs						
Herbicide						
	Trifluralin Pint	2	Pint	\$2.81	\$5.63	\$686.25
	Caparol 4L Ounce	24	Ounce	\$0.22	\$5.34	\$651.94
	Glyphosate Ounce Generic 4lb	64	Ounce	\$0.13	\$8.00	\$976.00
	Direx 4L	2	Pint	\$3.69	\$7.38	\$899.75
	Mepiquat Chloride-PGR	22	Ounce	\$0.08	\$1.72	\$209.69
Seed						
	Cotton Seed BIIRRF	40	Thousand	\$1.65	\$66.00	\$8,052.00
Fertilizer						
	N-32	140	Pound	\$0.50	\$70.00	\$8,540.00
	Phosphoric Acid	32	Pound	\$0.29	\$9.28	\$1,132.16
	Phosphate 0-46-0	75	Pound	\$0.38	\$28.50	\$3,477.00
Custom						
	Soil Test-Irrigated	1	Acre	\$0.50	\$0.50	\$61.00
	Custom Spray	2	Acre	\$4.00	\$8.00	\$976.00
	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, Pecos Co.	1	Acre	\$19.87	\$19.87	\$2,424.14
Other Chemicals						
	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	20.52	AcreInch	\$2.70	\$55.47	\$6,767.71
	Irrigation Labor	0.12	Hour	\$12.00	\$1.42	\$173.04
Machinery Labor						
	Tractors/Self-Propelled	2.32	Hour	\$12.00	\$27.84	\$3,396.48
Diesel Fuel						
	Tractors/Self-Propelled	15.37	Gallon	\$1.50	\$23.06	\$2,812.71
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$11.26	\$11.26	\$1,374.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$3.20	\$3.20	\$390.92
	Irrigation Equipment	1	Acre	\$54.12	\$54.12	\$6,602.57
	Tractors/Self-Propelled	1	Acre	\$33.66	\$33.66	\$4,106.66
	Implements	1	Acre	\$15.57	\$15.57	\$1,899.17
	Interest on Credit Line			6.50%	\$10.79	\$1,316.54
Total Variable Costs					\$651.88	\$79,529.96
Planned Returns Above Variable Costs:					\$433.12	\$52,840.04
Breakeven Price to Cover Variable Costs				\$0.27	Pound	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$9.15	\$9.15	\$1,116.45
	Irrigation Equipment	1	Acre	\$59.23	\$59.23	\$7,226.00
	Tractors/Self-Propelled	1	Acre	\$38.80	\$38.80	\$4,734.04
	Implements	1	Acre	\$19.36	\$19.36	\$2,361.79
Equipment Investment						
	Pickup/General Use Equipment	\$45.17	Dollars	6.50%	\$2.94	\$358.17
	Irrigation Equipment	\$444.22	Dollars	6.50%	\$28.87	\$3,522.68
	Tractors/Self-Propelled	\$334.68	Dollars	6.50%	\$21.75	\$2,653.98
	Implements	\$115.82	Dollars	6.50%	\$7.53	\$918.45
	Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$227.64	\$27,771.56
Total Specified Costs					\$879.52	\$107,301.52
Returns Above Specified Costs					\$205.48	\$25,068.48
Breakeven Price to Cover Total Costs				\$0.42	Pound	

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	1125.00	\$0.36	\$0.56
90%	1350.00	\$0.30	\$0.47
100%	1500.00	\$0.27	\$0.42
110%	1650.00	\$0.25	\$0.38
125%	1875.00	\$0.22	\$0.34

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.