

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2017 Estimated Costs and Returns per Acre**  
**Cotton, Conventional Tillage, Furrow Irrigated, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Cotton Lint	975.00	Pound	\$0.56	\$546.00	\$54,600.00	
Cottonseed	0.80	Ton	\$175.00	\$140.77	\$14,076.56	
<b>Total Revenue</b>				<b>\$686.77</b>	<b>\$68,676.56</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
<b>Production Costs</b>						
Custom						
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00	
Apply by Air - 3 Gallons	3	Application	\$7.88	\$23.64	\$2,364.00	
Custom Harvest Cotton	975	Pound	\$0.12	\$117.00	\$11,700.00	
Custom Haul Cotton	975	Pound	\$0.15	\$146.25	\$14,625.00	
Gin	975	Pound	\$0.12	\$117.00	\$11,700.00	
Fertilizer						
UAN (32% N)	2.5	CWT	\$14.00	\$35.00	\$3,500.00	
Herbicide						
Trifluralin 4EC	2	Pint	\$3.47	\$6.94	\$694.00	
2, 4-D Amine	1	Pint	\$2.63	\$2.63	\$263.00	
Insecticide						
Vydate C-LV	8.5	Ounce	\$0.93	\$7.91	\$790.50	
Oberon 4SC	11	Ounce	\$3.69	\$40.59	\$4,059.00	
Entrust	2	Ounce	\$12.50	\$25.00	\$2,500.00	
Miscellaneous						
Insurance, Cotton	1	Acre	\$13.00	\$13.00	\$1,300.00	
Seed						
Cotton Seed	50	Thousand	\$0.72	\$36.00	\$3,600.00	
Other Chemicals						
Mepiquat	12	Ounce	\$0.13	\$1.56	\$156.00	
Thidiazuron	5.4	Ounce	\$1.21	\$6.53	\$653.40	
Surfactant	1	Pint	\$5.35	\$5.35	\$535.00	
Other Labor						
Unallocated Labor	1.2856	Hour	\$12.00	\$15.43	\$1,542.72	
Irrigation						
Water Cost	0.80	Acre/Foot	\$20.00	\$16.00	\$1,600.00	
Irrigation Labor	1.10	Hour	\$12.00	\$13.20	\$1,320.00	
Machinery Labor						
Tractors/Self-Propelled	1.37	Hour	\$12.00	\$16.44	\$1,644.00	
Diesel Fuel						
Tractors/Self-Propelled	9.02	Gallon	\$2.10	\$18.94	\$1,894.20	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$18.05	\$18.05	\$1,805.07	
Implements	1	Acre	\$14.67	\$14.67	\$1,467.43	
Interest on Credit Line			5.00%	\$5.45	\$544.88	
<b>Total Variable Costs</b>				<b>\$712.58</b>	<b>\$71,258.19</b>	
Planned Returns Above Variable Costs:				<b>(\$25.82)</b>	<b>(\$2,581.63)</b>	
Breakeven Price to Cover Variable Costs			\$0.59	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$21.40	\$21.40	\$2,139.73	
Implements	1	Acre	\$17.87	\$17.87	\$1,786.91	
Equipment Investment						
Tractors/Self-Propelled	\$165.42	Dollars	7.00%	\$11.58	\$1,157.91	
Implements	\$82.25	Dollars	7.00%	\$5.76	\$575.75	
<b>Total Fixed Costs</b>				<b>\$56.60</b>	<b>\$5,660.30</b>	
<b>Total Specified Costs</b>				<b>\$769.18</b>	<b>\$76,918.49</b>	
Returns Above Specified Costs				<b>(\$82.42)</b>	<b>(\$8,241.93)</b>	
<b>Breakeven Price to Cover Total Costs</b>			\$0.64	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	731.25	\$0.78	\$0.86
90%	877.50	\$0.65	\$0.72
100%	975.00	\$0.59	\$0.64
110%	1072.50	\$0.53	\$0.59
125%	1218.75	\$0.47	\$0.52

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

**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.**