

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 Estimated Costs and Returns per Acre
Irrigated Cotton - Pivot - 122 Acres
South Plains Extension District - 2

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	1,250.00	Pound	\$0.65	\$812.50	\$99,125.00
Cottonseed	0.89	Ton	\$200.00	\$177.50	\$21,655.00
Total Revenue				\$990.00	\$120,780.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Strip and Module - Cotton	1250	Pound	\$0.08	\$100.00	\$12,200.00
Ginning - Cotton	44.64	CWT	\$2.90	\$129.46	\$15,793.63
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	\$0.52	\$26.10	\$3,184.56
Fertilizer (N) - Liquid	125	Pound	\$0.40	\$49.80	\$6,076.17
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	\$11.00	\$132.00	\$16,104.00
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	\$1.84	\$7.36	\$897.92
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.88	\$3.88	\$472.88
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%	\$15.29	\$1,865.22
Total Variable Costs				\$736.71	\$89,878.42
Planned Returns Above Variable Costs:				\$253.29	\$30,901.58
Breakeven Price to Cover Variable Costs			\$0.45	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs					
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
Total Fixed Costs				\$210.25	\$25,650.50
Total Specified Costs				\$946.96	\$115,528.92
Returns Above Specified Costs				\$43.04	\$5,251.08
Breakeven Price to Cover Total Costs			\$0.62	Pound	

Example Breakeven Prices			
Examp	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	937.50	\$0.60	\$0.82
90%	1125.00	\$0.50	\$0.68
100%	1250.00	\$0.45	\$0.62
110%	1375.00	\$0.41	\$0.56
125%	1562.50	\$0.36	\$0.49

Developed by Jackie Smith, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-746-6101.

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.