

Projections for Planning Purposes Only – Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Drip Irrigated Cotton, RF
West Central Extension District - 7

| Crop Acres | | 400 | | | | |
|---|--|----------|----------|----------|------------|------------------|
| | | Quantity | Units | \$/Unit | Total | Enterprise Total |
| REVENUE | | | | | | |
| Cotton Lint | | 1,326.00 | Pound | \$0.63 | \$835.38 | \$334,152.00 |
| Cotton Seed | | 0.96 | Ton | \$205.00 | \$196.80 | \$78,720.00 |
| Total Revenue | | | | | \$1,032.18 | \$412,872.00 |
| VARIABLE COSTS | | | | | | |
| | | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Production Costs | | | | | | |
| Custom | | | | | | |
| Soil Test-Irrigated | | 1 | Each | \$0.50 | \$0.50 | \$200.00 |
| Apply Harvest Aid | | 2 | Acre | \$7.00 | \$14.00 | \$5,600.00 |
| Custom Strip | | 1326 | Pounds | \$0.09 | \$119.34 | \$47,736.00 |
| Gin and Haul | | 47.36 | CWT | \$2.50 | \$118.40 | \$47,360.00 |
| Custom Bag/Tie | | 2.41 | Bales | \$5.00 | \$12.05 | \$4,820.00 |
| Fertilizer | | | | | | |
| Nitrogen Dry-Urea | | 11 | Pounds | \$0.37 | \$4.07 | \$1,628.00 |
| Phos (11-52-0 DRY MAT) | | 58 | Pounds | \$0.44 | \$25.64 | \$10,254.40 |
| Nitrogen N32-liq | | 60 | Pounds | \$0.35 | \$21.00 | \$8,400.00 |
| Herbicide | | | | | | |
| Glyphosate | | 96 | Ounce | \$0.13 | \$12.48 | \$4,992.00 |
| 2-4D Amine 4 | | 1.25 | Pint | \$1.63 | \$2.03 | \$812.50 |
| Trifluralin | | 1.5 | Pint | \$2.94 | \$4.41 | \$1,762.50 |
| Caparol | | 24 | Ounce | \$0.22 | \$5.34 | \$2,137.50 |
| Mepiquat Chloride | | 22 | Ounce | \$0.06 | \$1.32 | \$528.00 |
| pentia | | 6 | Ounce | \$0.35 | \$2.08 | \$832.80 |
| Outlook | | 15 | Ounce | \$1.00 | \$15.00 | \$6,000.00 |
| Insecticide | | | | | | |
| Spider Mite treatment | | 1.5 | Acre | \$8.00 | \$12.00 | \$4,800.00 |
| flea hopper Treatment | | 1 | Acre | \$5.50 | \$5.50 | \$2,200.00 |
| Miscellaneous | | | | | | |
| Irr Cotton-RP 70% SE | | 1 | Acre | \$22.42 | \$22.42 | \$8,968.00 |
| Boil Weevil Eradication Program | | 2.652 | Bale | \$1.00 | \$2.65 | \$1,060.80 |
| Seed | | | | | | |
| Seed Cotton - B2RF | | 38.5 | Thousand | \$1.28 | \$49.15 | \$19,659.57 |
| Other Chemicals | | | | | | |
| Ethephon 6 | | 1.5 | Pint | \$2.38 | \$3.57 | \$1,428.00 |
| Adios | | 5 | Ounce | \$0.69 | \$3.45 | \$1,380.00 |
| Paraquat, 3lb (Firestorm) | | 28 | Ounce | \$0.18 | \$5.04 | \$2,016.00 |
| Fungicides | | | | | | |
| Topguard-4lb | | 7 | Ounce | \$4.53 | \$31.71 | \$12,684.00 |
| Irrigation | | | | | | |
| Energy Cost | | 18.00 | AcreInch | \$6.02 | \$108.44 | \$43,375.68 |
| Irrigation Labor | | 0.80 | Hour | \$12.00 | \$9.60 | \$3,840.00 |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | | 0.79 | Hour | \$12.00 | \$9.48 | \$3,792.00 |
| Other Labor | | 0.19 | Hour | \$12.00 | \$2.28 | \$912.00 |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | | 7.58 | Gallon | \$2.15 | \$16.30 | \$6,518.80 |
| Gasoline | | | | | | |
| Pickup/General Use Equipment | | 1 | Acre | \$1.82 | \$1.82 | \$727.92 |
| Repairs & Maintenance | | | | | | |
| Pickup/General Use Equipment | | 1 | Acre | \$0.82 | \$0.82 | \$328.50 |
| Irrigation Equipment | | 1 | Acre | \$5.50 | \$5.50 | \$2,200.32 |
| Tractors/Self-Propelled | | 1 | Acre | \$15.80 | \$15.80 | \$6,319.46 |
| Implements | | 1 | Acre | \$10.52 | \$10.52 | \$4,208.07 |
| Interest on Credit Line | | | | 6.00% | \$12.10 | \$4,840.11 |
| Total Variable Costs | | | | | \$685.81 | \$274,322.93 |
| Planned Returns Above Variable Costs: | | | | | \$346.37 | \$138,549.07 |
| Breakeven Price to Cover Variable Costs | | | | | \$0.37 | Pound |
| FIXED COSTS | | | | | | |
| | | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Machinery Depreciation | | | | | | |
| Pickup/General Use Equipment | | 1 | Acre | \$1.74 | \$1.74 | \$696.60 |
| Irrigation Equipment | | 1 | Acre | \$54.45 | \$54.45 | \$21,780.00 |
| Tractors/Self-Propelled | | 1 | Acre | \$21.29 | \$21.29 | \$8,514.11 |
| Implements | | 1 | Acre | \$13.43 | \$13.43 | \$5,373.98 |
| Equipment Investment | | | | | | |
| Pickup/General Use Equipment | | \$9.65 | Dollars | 6.00% | \$0.58 | \$231.66 |
| Irrigation Equipment | | \$555.50 | Dollars | 6.00% | \$33.33 | \$13,332.00 |
| Tractors/Self-Propelled | | \$163.48 | Dollars | 6.00% | \$9.81 | \$3,923.48 |
| Implements | | \$66.05 | Dollars | 6.00% | \$3.96 | \$1,585.29 |
| Rent-Irrigated Crop | | 1 | Acre | \$70.00 | \$70.00 | \$28,000.00 |
| Total Fixed Costs | | | | | \$208.59 | \$83,437.13 |
| Total Specified Costs | | | | | \$894.40 | \$357,760.06 |
| Returns Above Specified Costs | | | | | \$137.78 | \$55,111.94 |
| Breakeven Price to Cover Total Costs | | | | | \$0.53 | Pound |

| Example Breakeven Prices | | | |
|--------------------------|---------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Pound | To Cover Variable Costs | To Cover Total Costs |
| 75% | 994.50 | \$0.49 | \$0.70 |
| 90% | 1193.40 | \$0.41 | \$0.58 |
| 100% | 1326.00 | \$0.37 | \$0.53 |
| 110% | 1458.60 | \$0.34 | \$0.48 |
| 125% | 1657.50 | \$0.30 | \$0.42 |

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.