

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Trans Pecos Cotton, Center Pivot Irrigated, 40 Inch Rows
Far West Extension District - 6

Crop Acres		122			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	1,500.00	Pound	\$0.63	\$945.00	\$115,290.00
Cotton Seed	1.40	Ton	\$185.00	\$259.00	\$31,598.00
Total Revenue				\$1,204.00	\$146,888.00
VARIABLE COSTS					
				Total	Enterprise Total
Production Costs					
Herbicide					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Trifluralin Pint	2	Pint	\$2.94	\$5.88	\$717.36
Caparol 4L Ounce	24	Ounce	\$0.22	\$5.34	\$651.94
Direx 4L	2	Pint	\$2.41	\$4.82	\$588.04
Mepiquat Chloride-PGR	22	Ounce	\$0.06	\$1.38	\$167.75
Glyphosate Ounce Generic	64	Ounce	\$0.13	\$8.00	\$976.00
Seed					
Cotton Seed BIIRRF	40	Thousand	\$1.28	\$51.20	\$6,246.40
Fertilizer					
0-60-0	75	Pound	\$0.27	\$20.25	\$2,470.50
N-32	140	Pound	\$0.35	\$49.21	\$6,003.62
Phosphoric Acid	32	Pound	\$0.29	\$9.28	\$1,132.16
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 C	1	Acre	\$21.64	\$21.64	\$2,640.08
Boll Weevil Eradication Program	3	Bale	\$1.00	\$3.00	\$366.00
Other Chemicals					
Ethephon 6 Pint	1.5	Pint	\$2.38	\$3.57	\$435.54
Adios	5	Ounce	\$0.69	\$3.44	\$419.38
Firestorm (3lb Paraquat)	28	Ounce	\$0.18	\$4.99	\$608.48
Irrigation					
Energy Cost	27.00	AcreInch	\$6.71	\$181.28	\$22,115.56
Irrigation Labor	0.12	Hour	\$12.00	\$1.42	\$173.04
Machinery Labor					
Tractors/Self-Propelled	2.31	Hour	\$12.00	\$27.72	\$3,381.84
Diesel Fuel					
Tractors/Self-Propelled	15.48	Gallon	\$2.14	\$33.13	\$4,041.52
Gasoline					
Pickup/General Use Equipment	1	Acre	\$13.46	\$13.46	\$1,641.93
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$3.20	\$3.20	\$390.92
Irrigation Equipment	1	Acre	\$71.21	\$71.21	\$8,687.60
Tractors/Self-Propelled	1	Acre	\$39.95	\$39.95	\$4,874.46
Implements	1	Acre	\$18.15	\$18.15	\$2,214.14
Interest on Credit Line			6.50%	\$13.12	\$1,600.96
Total Variable Costs				\$774.56	\$94,496.05
Planned Returns Above Variable Costs:				\$429.44	\$52,391.95
Breakeven Price to Cover Variable Costs			\$0.34	Pound	
FIXED COSTS					
				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	\$43.87	\$43.87	\$5,352.54
Implements	1	Acre	\$22.96	\$22.96	\$2,801.52
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	\$374.17	Dollars	6.50%	\$24.32	\$2,967.17
Implements	\$155.81	Dollars	6.50%	\$10.13	\$1,235.54
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$241.48	\$29,460.06
Total Specified Costs				\$1,016.03	\$123,956.11
Returns Above Specified Costs				\$187.97	\$22,931.89
Breakeven Price to Cover Total Costs			\$0.50	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	1125.00	\$0.46	\$0.67
90%	1350.00	\$0.38	\$0.56
100%	1500.00	\$0.34	\$0.50
110%	1650.00	\$0.31	\$0.46
125%	1875.00	\$0.27	\$0.40

Developed by Bill Thompson, Assistant 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.