

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Acre
Irrigated Cotton - Pivot
South Plains Extension District - 2

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	1,250.00	Pound	\$0.68	\$850.00		\$103,700.00
Cottonseed	0.89	Ton	\$160.00	\$142.00		\$17,324.00
Total Revenue				\$992.00		\$121,024.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
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	\$0.57	\$28.68		\$3,498.53
Fertilizer (N) - Liquid	125	Pound	\$0.39	\$48.83		\$5,957.03
Herbicide						
Herbicide - Cotton Preplant	1	Acre	\$9.50	\$9.50		\$1,159.00
Herbicide - Cotton At Plant	1	Acre	\$4.50	\$4.50		\$549.00
Herbicide - Cotton Postplant	1	Acre	\$25.00	\$25.00		\$3,050.00
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	2.5	Bale	\$1.00	\$2.50		\$305.00
Miscellaneous						
Crop Insurance Cotton - Irrigated	1	Acre	\$40.00	\$40.00		\$4,880.00
Seed						
Seed - Cotton Irrigated	45	Thousand	\$1.59	\$71.55		\$8,729.10
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	\$10.00	\$120.00		\$14,640.00
Irrigation Labor	1.00	Hour	\$12.00	\$12.00		\$1,464.00
Machinery Labor						
Tractors/Self-Propelled	0.74	Hour	\$12.00	\$8.88		\$1,083.36
Other Labor	0.86	Hour	\$12.00	\$10.32		\$1,259.04
Diesel Fuel						
Tractors/Self-Propelled	4	Gallon	\$2.30	\$9.20		\$1,122.40
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.00	\$6.00		\$732.00
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%	\$15.62		\$1,905.39
Total Variable Costs				\$729.28		\$88,971.98
Planned Returns Above Variable Costs:				\$262.72		\$32,052.02
Breakeven Price to Cover Variable Costs			\$0.47	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
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	\$25.00	\$25.00		\$3,050.00
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				\$205.25		\$25,040.50
Total Specified Costs				\$934.53		\$114,012.48
Returns Above Specified Costs				\$57.47		\$7,011.52
Breakeven Price to Cover Total Costs			\$0.63	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	937.50	\$0.63	\$0.85
90%	1125.00	\$0.52	\$0.70
100%	1250.00	\$0.47	\$0.63
110%	1375.00	\$0.43	\$0.58
125%	1562.50	\$0.38	\$0.51

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.