

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Irrigated Cotton
Southwest Extension District - 10

| Crop Acres | | 122 | | | | Enterprise |
|--|----------|----------|---------|-------------------|-------|---------------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total | Total |
| Cotton Lint | 1,250.00 | Pound | \$0.62 | \$775.00 | | \$94,550.00 |
| Cottonseed | 2,120.00 | Pound | \$0.11 | \$233.20 | | \$28,450.40 |
| Total Revenue | | | | \$1,008.20 | | \$123,000.40 |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Production Costs | | | | | | |
| Custom | | | | | | |
| Custom Apply Fertilizer | 1 | Acre | \$4.00 | \$4.00 | | \$488.00 |
| Gin, Bag, Tie - CWT | 33.7 | CWT | \$3.00 | \$101.10 | | \$12,334.20 |
| Fertilizer | | | | | | |
| UAN(32% N) | 5 | CWT | \$13.00 | \$65.00 | | \$7,930.00 |
| Fertilizer 18-46-0 | 217 | Pound | \$0.29 | \$62.93 | | \$7,677.46 |
| Herbicide | | | | | | |
| Glyphosate | 4.2 | Pint | \$2.25 | \$9.45 | | \$1,152.90 |
| Prowl H2O | 2 | Pint | \$5.75 | \$11.50 | | \$1,403.00 |
| Insecticide | | | | | | |
| Karate Z | 1 | Ounce | \$0.81 | \$0.81 | | \$98.82 |
| Miscellaneous | | | | | | |
| Crop Insurance - Cotton Irrigated | 1 | Acre | \$28.00 | \$28.00 | | \$3,416.00 |
| Boll Weevil Eradication Program | 1 | Acre | \$7.00 | \$7.00 | | \$854.00 |
| Seed | | | | | | |
| Cotton Seed BIIRRF | 52 | Thousand | \$1.52 | \$79.04 | | \$9,642.88 |
| Other Chemicals | | | | | | |
| GinStar | 5 | Ounce | \$1.17 | \$5.85 | | \$713.70 |
| Ethephon 6 | 24 | Ounce | \$0.54 | \$12.96 | | \$1,581.12 |
| Surfactant | 1 | Ounce | \$0.21 | \$0.21 | | \$25.62 |
| Gramoxone SL | 24 | Ounce | \$0.24 | \$5.76 | | \$702.72 |
| Crop Oil Concentrate | 0.25 | Pint | \$2.53 | \$0.63 | | \$77.17 |
| Irrigation | | | | | | |
| Energy Cost | 990.00 | kWh | \$0.17 | \$168.30 | | \$20,532.60 |
| Irrigation Labor | 0.12 | Hour | \$11.00 | \$1.32 | | \$161.04 |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | 2.1 | Hour | \$12.00 | \$25.20 | | \$3,074.40 |
| Other Labor | 0.5 | Hour | \$8.50 | \$4.25 | | \$518.50 |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | 17.07 | Gallon | \$2.99 | \$51.04 | | \$6,226.79 |
| Gasoline | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$27.97 | \$27.97 | | \$3,412.06 |
| Repairs & Maintenance | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$4.84 | \$4.84 | | \$590.37 |
| Irrigation Equipment | 1 | Acre | \$9.33 | \$9.33 | | \$1,138.47 |
| Tractors/Self-Propelled | 1 | Acre | \$37.92 | \$37.92 | | \$4,626.83 |
| Implements | 1 | Acre | \$22.83 | \$22.83 | | \$2,784.86 |
| Interest on Credit Line | | | 6.50% | \$20.59 | | \$2,511.63 |
| Total Variable Costs | | | | \$767.83 | | \$93,675.15 |
| Planned Returns Above Variable Costs: | | | | \$240.37 | | \$29,325.25 |
| Breakeven Price to Cover Variable Costs | | | \$0.43 | Pound | | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Machinery Depreciation | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$25.20 | \$25.20 | | \$3,074.85 |
| Irrigation Equipment | 1 | Acre | \$80.58 | \$80.58 | | \$9,831.25 |
| Tractors/Self-Propelled | 1 | Acre | \$45.76 | \$45.76 | | \$5,583.01 |
| Implements | 1 | Acre | \$28.55 | \$28.55 | | \$3,482.69 |
| Equipment Investment | | | | | | |
| Pickup/General Use Equipment | \$105.02 | Dollars | 6.50% | \$6.83 | | \$832.77 |
| Irrigation Equipment | \$646.00 | Dollars | 6.50% | \$41.99 | | \$5,122.81 |
| Tractors/Self-Propelled | \$388.23 | Dollars | 6.50% | \$25.24 | | \$3,078.69 |
| Implements | \$158.40 | Dollars | 6.50% | \$10.30 | | \$1,256.15 |
| Irrigated Winter Garden Rent | 1 | Acre | \$50.00 | \$50.00 | | \$6,100.00 |
| Total Fixed Costs | | | | \$314.44 | | \$38,362.22 |
| Total Specified Costs | | | | \$1,082.27 | | \$132,037.37 |
| Returns Above Specified Costs | | | | | | (\$9,036.97) |
| Breakeven Price to Cover Total Costs | | | \$0.68 | Pound | | |

| Example Breakeven Prices | | | |
|--------------------------|---------|----------|----------|
| Example | Example | To Cover | To Cover |
| Yield | Yield | Variable | Total |
| Percent | Pound | Costs | Costs |
| 75% | 937.50 | \$0.57 | \$0.91 |
| 90% | 1125.00 | \$0.48 | \$0.75 |
| 100% | 1250.00 | \$0.43 | \$0.68 |
| 110% | 1375.00 | \$0.39 | \$0.62 |
| 125% | 1562.50 | \$0.34 | \$0.54 |

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.