

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 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	\$0.66	\$825.00	\$100,650.00	
Cottonseed	2,120.00	Pound	\$0.14	\$286.20	\$34,916.40	
<b>Total Revenue</b>				<b>\$1,111.20</b>	<b>\$135,566.40</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
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	\$12.95	\$64.75	\$7,899.50	
Fertilizer 18-46-0	217	Pound	\$0.25	\$53.17	\$6,486.13	
Herbicide						
Glyphosate	4.2	Pint	\$1.63	\$6.85	\$835.98	
Prowl H2O	2	Pint	\$6.02	\$12.04	\$1,468.64	
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	\$1.68	\$87.32	\$10,653.13	
Other Chemicals						
GinStar	5	Ounce	\$1.37	\$6.84	\$833.98	
Ethephon 6	24	Ounce	\$0.20	\$4.78	\$583.31	
Surfactant	1	Ounce	\$0.42	\$0.42	\$50.99	
Gramoxone SL	24	Ounce	\$0.21	\$5.00	\$609.66	
Crop Oil Concentrate	0.25	Pint	\$1.62	\$0.40	\$49.38	
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	\$2.49	\$42.50	\$5,185.52	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$23.13	\$23.13	\$2,821.74	
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	\$40.27	\$40.27	\$4,913.03	
Implements	1	Acre	\$23.95	\$23.95	\$2,922.51	
Interest on Credit Line			6.50%	\$19.97	\$2,435.80	
<b>Total Variable Costs</b>				<b>\$745.54</b>	<b>\$90,955.71</b>	
<b>Planned Returns Above Variable Costs:</b>				<b>\$365.66</b>	<b>\$44,610.69</b>	
<b>Breakeven Price to Cover Variable Costs</b>			<b>\$0.37</b>	<b>Pound</b>		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Machinery Depreciation</b>						
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	\$48.71	\$48.71	\$5,942.58	
Implements	1	Acre	\$29.98	\$29.98	\$3,657.29	
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	\$410.95	Dollars	6.50%	\$26.71	\$3,258.84	
Implements	\$164.53	Dollars	6.50%	\$10.69	\$1,304.70	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00	
<b>Total Fixed Costs</b>				<b>\$320.70</b>	<b>\$39,125.08</b>	
<b>Total Specified Costs</b>				<b>\$1,066.24</b>	<b>\$130,080.80</b>	
<b>Returns Above Specified Costs</b>				<b>\$44.96</b>	<b>\$5,485.60</b>	
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.62</b>	<b>Pound</b>		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	937.50	\$0.49	\$0.83
90%	1125.00	\$0.41	\$0.69
100%	1250.00	\$0.37	\$0.62
110%	1375.00	\$0.33	\$0.57
125%	1562.50	\$0.29	\$0.50

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.**