

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Drip Irrigated Cotton, Stacked Gene - 400 Acres
West Central Extension District - 7

Crop Acres		400		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	1,326.00	Pound	\$0.56	\$741.90	\$296,758.80
Cotton Seed	0.96	Ton	\$175.00	\$168.00	\$67,200.00
Total Revenue				\$909.90	\$363,958.80
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	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					
Phosphate	58	Pounds	\$0.37	\$21.27	\$8,506.67
Nitrogen N32	126	Pounds	\$0.42	\$53.41	\$21,365.22
Nitrogen Dry-Urea	11	Pounds	\$0.42	\$4.66	\$1,865.22
Herbicide					
Glyphosate	96	Ounce	\$0.12	\$11.06	\$4,423.68
2-4D Amine 4	1.25	Pint	\$1.81	\$2.27	\$906.25
Trifluralin	1.5	Pint	\$3.13	\$4.69	\$1,875.00
Caparol	24	Ounce	\$0.22	\$5.34	\$2,137.50
Mepiquat Chloride	33	Ounce	\$0.08	\$2.58	\$1,030.92
Parrot (Generic Direx)	2	Pint	\$2.41	\$4.81	\$1,925.00
Insecticide					
Intruder 70wsp	1	Ounce	\$9.45	\$9.45	\$3,780.00
Miscellaneous					
Boll Weevil Eradication Program	1	Acre	\$1.50	\$1.50	\$600.00
Irr Cotton-RP 70% SE	1	Acre	\$14.28	\$14.28	\$5,712.00
IRR Cotton STAX	0	Acre	\$11.86	\$0.00	\$0.00
Seed					
Seed Cotton - BIIRRF	38.5	Thousand	\$1.49	\$57.34	\$22,936.17
Other Chemicals					
Ethephon 6	1.5	Pint	\$2.50	\$3.75	\$1,500.00
Adios	5	Ounce	\$0.84	\$4.22	\$1,687.50
Paraquat, 3lb (Firestorm)	28	Ounce	\$0.21	\$5.80	\$2,318.40
Fungicides					
Topguard-2lb	24	Ounce	\$0.78	\$18.66	\$7,462.08
Irrigation					
Energy Cost	18.00	AcreInch	\$3.68	\$66.29	\$26,514.39
Irrigation Labor	0.80	Hour	\$12.00	\$9.60	\$3,840.00
Machinery Labor					
Tractors/Self-Propelled	1.36	Hour	\$12.00	\$16.32	\$6,528.00
Diesel Fuel					
Tractors/Self-Propelled	7.4	Gallon	\$1.50	\$11.10	\$4,440.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$1.63	\$1.63	\$651.60
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	\$14.40	\$14.40	\$5,758.05
Implements	1	Acre	\$11.25	\$11.25	\$4,498.28
Interest on Credit Line			6.50%	\$10.85	\$4,338.40
Total Variable Costs				\$637.11	\$254,845.13
Planned Returns Above Variable Costs:				\$272.78	\$109,113.67
Breakeven Price to Cover Variable Costs			\$0.35	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	\$19.50	\$19.50	\$7,801.84
Implements	1	Acre	\$14.33	\$14.33	\$5,731.78
Equipment Investment					
Pickup/General Use Equipment	\$9.65	Dollars	6.50%	\$0.63	\$250.97
Irrigation Equipment	\$555.50	Dollars	6.50%	\$36.11	\$14,443.00
Tractors/Self-Propelled	\$149.77	Dollars	6.50%	\$9.73	\$3,893.89
Implements	\$68.32	Dollars	6.50%	\$4.44	\$1,776.31
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$28,000.00
Total Fixed Costs				\$210.94	\$84,374.38
Total Specified Costs				\$848.05	\$339,219.52
Returns Above Specified Costs				\$61.85	\$24,739.28
Breakeven Price to Cover Total Costs			\$0.51	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	0.00	\$0.47	\$0.68
90%	0.00	\$0.39	\$0.57
100%	0.00	\$0.35	\$0.51
110%	0.00	\$0.32	\$0.47
125%	0.00	\$0.28	\$0.41

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

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.