

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
St. Lawrence Reduced Tillage Cotton, Drip Irrigated, 40 Inch Rows - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		Total
Cotton Lint	1,500.00	Pound	\$0.63	\$945.00		\$115,290.00
Cotton Seed	1.20	Ton	\$220.00	\$264.00		\$32,208.00
Total Revenue				\$1,209.00		\$147,498.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Production Costs						
Custom						
Soil Test-Irrigated	1	Acre	\$0.50	\$0.50		\$61.00
Custom Spray	2	Acre	\$4.00	\$8.00		\$976.00
Bag, Tie	3	Bale	\$15.00	\$45.00		\$5,490.00
Gin and Haul	53.57	CWT	\$2.50	\$133.93		\$16,338.85
Fertilizer						
N-32	140	Pound	\$0.39	\$54.60		\$6,661.20
Nitrogen - Dry (Urea 45-0-0)	11	Pound	\$0.39	\$4.29		\$523.38
0-60-0	90	Pound	\$0.27	\$24.30		\$2,964.60
Herbicide						
Trifluralin Pint	1.5	Pint	\$2.94	\$4.41		\$538.02
Glyphosate Ounce Generic 4lb	64	Ounce	\$0.07	\$4.48		\$546.56
Miscellaneous						
IRR Cotton RP 70% ent, SE, Glassc	1	Acre	\$27.65	\$27.65		\$3,373.30
Seed						
Cotton Seed BIIRRF	40	Thousand	\$1.28	\$51.20		\$6,246.40
Other Chemicals						
Mepiquat Chloride-PGR	16	Ounce	\$0.08	\$1.25		\$152.50
Cotton Harvest						
Ethephon 6 Pint	1.5	Pint	\$2.50	\$3.75		\$457.50
Adios	5	Ounce	\$0.84	\$4.22		\$514.69
Firestorm (3lb Paraquat)	28	Ounce	\$0.13	\$3.64		\$444.08
Irrigation						
Energy Cost	17.99	AcreInch	\$12.58	\$226.25		\$27,602.74
Irrigation Labor	3.04	Hour	\$12.00	\$36.47		\$4,449.68
Machinery Labor						
Tractors/Self-Propelled	2.52	Hour	\$12.00	\$30.24		\$3,689.28
Diesel Fuel						
Tractors/Self-Propelled	15.57	Gallon	\$1.75	\$27.25		\$3,324.20
Gasoline						
Pickup/General Use Equipment	1	Acre	\$5.63	\$5.63		\$686.70
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.73	\$1.73		\$210.92
Irrigation Equipment	1	Acre	\$9.68	\$9.68		\$1,181.45
Tractors/Self-Propelled	1	Acre	\$28.29	\$28.29		\$3,450.89
Implements	1	Acre	\$16.26	\$16.26		\$1,983.41
Interest on Credit Line			6.50%	\$13.32		\$1,624.58
Total Variable Costs				\$766.33		\$93,491.92
Planned Returns Above Variable Costs:				\$442.67		\$54,006.08
Breakeven Price to Cover Variable Costs			\$0.33	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$3.62	\$3.62		\$441.45
Irrigation Equipment	1	Acre	\$95.92	\$95.92		\$11,702.20
Tractors/Self-Propelled	1	Acre	\$35.03	\$35.03		\$4,273.34
Implements	1	Acre	\$20.46	\$20.46		\$2,496.22
Equipment Investment						
Pickup/General Use Equipment	\$22.11	Dollars	6.50%	\$1.44		\$175.35
Irrigation Equipment	\$978.57	Dollars	6.50%	\$63.61		\$7,760.09
Tractors/Self-Propelled	\$303.58	Dollars	6.50%	\$19.73		\$2,407.42
Implements	\$123.56	Dollars	6.50%	\$8.03		\$979.87
Lease value - Drip	1	Acre	\$50.00	\$50.00		\$6,100.00
Total Fixed Costs				\$297.84		\$36,335.94
Total Specified Costs				\$1,064.16		\$129,827.86
Returns Above Specified Costs				\$144.84		\$17,670.14
Breakeven Price to Cover Total Costs			\$0.53	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	1125.00	\$0.45	\$0.71
90%	1350.00	\$0.37	\$0.59
100%	1500.00	\$0.33	\$0.53
110%	1650.00	\$0.30	\$0.48
125%	1875.00	\$0.27	\$0.43

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.