

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Trans Pecos Cotton, Furrow Irrigated, 40 Inch Rows
Far West Extension District - 6

Crop Acres		122			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	1,400.00	Pound	\$0.63	\$882.00	\$107,604.00
Cotton Seed	1.01	Ton	\$185.00	\$187.39	\$22,861.15
Total Revenue				\$1,069.39	\$130,465.15
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Fertilizer					
0-60-0	75	Pound	\$0.27	\$20.25	\$2,470.50
N-32	140	Pound	\$0.35	\$49.21	\$6,003.62
Phosphoric Acid	32	Pound	\$0.29	\$9.28	\$1,132.16
Herbicide					
Trifluralin Pint	2	Pint	\$2.94	\$5.88	\$717.36
Mepiquat Chloride-PGR	22	Ounce	\$0.06	\$1.38	\$167.75
Glyphosate Ounce Generic	64	Ounce	\$0.13	\$8.00	\$976.00
Miscellaneous					
IRR Cotton RP, 70% Ent, SE, Pecos	1	Acre	\$21.64	\$21.64	\$2,640.08
Boll Weevil Eradication Program	2.8	Bale	\$1.00	\$2.80	\$341.60
Seed					
Cotton Seed BIIRRF	40	Thousand	\$1.28	\$51.20	\$6,246.40
Other Labor					
Hand Labor TP	0.7764	Hour	\$10.00	\$7.76	\$947.21
Other Chemicals					
Ethephon 6 Pint	1.5	Pint	\$2.38	\$3.57	\$435.54
Adios	5	Ounce	\$0.69	\$3.44	\$419.38
Firestorm (3lb Paraquat)	28	Ounce	\$0.18	\$4.99	\$608.48
Custom					
Custom Spray	2	Acre	\$4.00	\$8.00	\$976.00
Gin and Haul	53.57	CWT	\$2.50	\$133.93	\$16,338.85
Bag, Tie	3	Bale	\$15.00	\$45.00	\$5,490.00
Soil Test-Irrigated	1	Acre	\$0.50	\$0.50	\$61.00
Irrigation					
Energy Cost	28.00	AcreInch	\$5.09	\$142.51	\$17,386.31
Irrigation Labor	1.00	Hour	\$12.00	\$12.00	\$1,464.00
Machinery Labor					
Tractors/Self-Propelled	2.39	Hour	\$12.00	\$28.68	\$3,498.96
Diesel Fuel					
Tractors/Self-Propelled	16.06	Gallon	\$2.14	\$34.37	\$4,192.94
Gasoline					
Pickup/General Use Equipment	1	Acre	\$13.46	\$13.46	\$1,641.93
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$3.20	\$3.20	\$390.92
Irrigation Equipment	1	Acre	\$13.05	\$13.05	\$1,591.51
Tractors/Self-Propelled	1	Acre	\$32.16	\$32.16	\$3,923.58
Implements	1	Acre	\$19.30	\$19.30	\$2,354.92
Interest on Credit Line			6.50%	\$10.65	\$1,299.62
Total Variable Costs				\$686.20	\$83,716.60
Planned Returns Above Variable Costs:				\$383.18	\$46,748.55
Breakeven Price to Cover Variable Costs			\$0.36	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$9.15	\$9.15	\$1,116.45
Irrigation Equipment	1	Acre	\$54.37	\$54.37	\$6,633.33
Tractors/Self-Propelled	1	Acre	\$35.91	\$35.91	\$4,381.22
Implements	1	Acre	\$24.26	\$24.26	\$2,959.89
Equipment Investment					
Pickup/General Use Equipment	\$45.17	Dollars	6.50%	\$2.94	\$358.17
Irrigation Equipment	\$407.79	Dollars	6.50%	\$26.51	\$3,233.75
Tractors/Self-Propelled	\$313.30	Dollars	6.50%	\$20.36	\$2,484.44
Implements	\$161.36	Dollars	6.50%	\$10.49	\$1,279.57
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$223.99	\$27,326.82
Total Specified Costs				\$910.19	\$111,043.42
Returns Above Specified Costs				\$159.19	\$19,421.73
Breakeven Price to Cover Total Costs			\$0.52	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	1050.00	\$0.48	\$0.69
90%	1260.00	\$0.40	\$0.57
100%	1400.00	\$0.36	\$0.52
110%	1540.00	\$0.32	\$0.47
125%	1750.00	\$0.29	\$0.41

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.