

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Irrigated Cotton - Drip
South Plains Extension District - 2

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	1,500.00	Pound	\$0.63	\$945.00	\$115,290.00	\$115,290.00
Cottonseed	1.07	Ton	\$165.00	\$175.73	\$21,438.45	\$21,438.45
Total Revenue				\$1,120.73	\$136,728.45	\$136,728.45
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$579.50	\$579.50
Scouting	1	Acre	\$9.00	\$9.00	\$1,098.00	\$1,098.00
Strip and Module - Cotton	1500	Pound	\$0.08	\$120.00	\$14,640.00	\$14,640.00
Ginning - Cotton	46.875	CWT	\$2.90	\$135.94	\$16,584.38	\$16,584.38
Fertilizer						
Fertilizer (P) - Liquid	70	Pound	\$0.64	\$44.80	\$5,465.60	\$5,465.60
Fertilizer (N) - Liquid	175	Pound	\$0.38	\$66.50	\$8,113.00	\$8,113.00
Herbicide						
Herbicide - Cotton Preplant	1	Acre	\$9.50	\$9.50	\$1,159.00	\$1,159.00
Herbicide - Cotton At Plant	1	Acre	\$4.50	\$4.50	\$549.00	\$549.00
Herbicide - Cotton Postplant	1	Acre	\$25.00	\$25.00	\$3,050.00	\$3,050.00
Spot Spray and Chemical	0.2	Acre	\$15.00	\$3.00	\$366.00	\$366.00
Insecticide						
Insecticide and Apply Cotton	1	Acre	\$12.00	\$12.00	\$1,464.00	\$1,464.00
Boll Weevil Assessment Irrigated	3	Bale	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous						
Crop Insurance Cotton - Drip	1	Acre	\$56.00	\$56.00	\$6,832.00	\$6,832.00
Crop Insurance Hail	4	100	\$2.25	\$9.00	\$1,098.00	\$1,098.00
Seed						
Seed - Cotton Irrigated	40	Thousand	\$1.59	\$63.60	\$7,759.20	\$7,759.20
Other Chemicals						
Acid	24	Pound	\$0.50	\$12.00	\$1,464.00	\$1,464.00
Harvest Aid Apply Cotton Drip	1	Acre	\$30.00	\$30.00	\$3,660.00	\$3,660.00
Other Labor						
Hoeing	0.2	Acre	\$15.00	\$3.00	\$366.00	\$366.00
Irrigation						
Energy Cost	14.00	AcreInch	\$10.00	\$140.00	\$17,080.00	\$17,080.00
Irrigation Labor	1.25	Hour	\$12.00	\$15.00	\$1,830.00	\$1,830.00
Machinery Labor						
Tractors/Self-Propelled	0.75	Hour	\$12.00	\$9.00	\$1,098.00	\$1,098.00
Other Labor	0.85	Hour	\$12.00	\$10.20	\$1,244.40	\$1,244.40
Diesel Fuel						
Tractors/Self-Propelled	4	Gallon	\$1.90	\$7.60	\$927.20	\$927.20
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.40	\$4.40	\$536.80	\$536.80
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$61.00	\$61.00
Irrigation Equipment	1	Acre	\$30.00	\$30.00	\$3,660.00	\$3,660.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$732.00	\$732.00
Implements	1	Acre	\$3.00	\$3.00	\$366.00	\$366.00
Interest on Credit Line			6.00%	\$18.98	\$2,315.79	\$2,315.79
Total Variable Costs				\$853.27	\$104,098.87	\$104,098.87
Planned Returns Above Variable Costs:				\$267.46	\$32,629.58	\$32,629.58
Breakeven Price to Cover Variable Costs			\$0.45	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Equipment Fixed Costs						
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$152.50	\$152.50
Irrigation Equipment	1	Acre	\$75.00	\$75.00	\$9,150.00	\$9,150.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,464.00	\$1,464.00
Implements	1	Acre	\$10.00	\$10.00	\$1,220.00	\$1,220.00
Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$3,050.00	\$3,050.00
Cash Rent - Cotton Drip	1	Acre	\$130.00	\$130.00	\$15,860.00	\$15,860.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$244.00	\$244.00
Total Fixed Costs				\$255.25	\$31,140.50	\$31,140.50
Total Specified Costs				\$1,108.52	\$135,239.37	\$135,239.37
Returns Above Specified Costs				\$12.21	\$1,489.08	\$1,489.08
Breakeven Price to Cover Total Costs			\$0.62	Pound		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	1125.00	\$0.60	\$0.83
90%	1350.00	\$0.50	\$0.69
100%	1500.00	\$0.45	\$0.62
110%	1650.00	\$0.41	\$0.57
125%	1875.00	\$0.36	\$0.50

Developed by Agricultural Economists, Texas A&M AgriLife Extension.

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.