

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

| Crop Acres | | 122 | | | | Enterprise |
|--|----------|----------|---------------|-----------------|-------|---------------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total | Total |
| Cotton Lint | 1,250.00 | Pound | \$0.63 | \$787.50 | | \$96,075.00 |
| Cottonseed | 0.89 | Ton | \$165.00 | \$146.44 | | \$17,865.38 |
| Total Revenue | | | | \$933.94 | | \$113,940.38 |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Production Costs | | | | | | |
| Custom | | | | | | |
| Strip and Module - Cotton | 1250 | Pound | \$0.08 | \$100.00 | | \$12,200.00 |
| Ginning - Cotton | 39.0625 | CWT | \$2.90 | \$113.28 | | \$13,820.31 |
| Fertilizer Application - Liquid High | 1 | Acre | \$4.75 | \$4.75 | | \$579.50 |
| Scouting | 1 | Acre | \$9.00 | \$9.00 | | \$1,098.00 |
| Fertilizer | | | | | | |
| Fertilizer (P) - Liquid | 50 | Pound | \$0.64 | \$32.00 | | \$3,904.00 |
| Fertilizer (N) - Liquid | 125 | Pound | \$0.38 | \$47.50 | | \$5,795.00 |
| Herbicide | | | | | | |
| Herbicide - Cotton Preplant | 1 | Acre | \$9.50 | \$9.50 | | \$1,159.00 |
| Herbicide - Cotton At Plant | 1 | Acre | \$4.50 | \$4.50 | | \$549.00 |
| Herbicide - Cotton Postplant | 1 | Acre | \$25.00 | \$25.00 | | \$3,050.00 |
| Spot Spray and Chemical | 0.2 | Acre | \$15.00 | \$3.00 | | \$366.00 |
| Insecticide | | | | | | |
| Insecticide and Apply Cotton | 1 | Acre | \$12.00 | \$12.00 | | \$1,464.00 |
| Boll Weevil Assessment Irrigated | 2.5 | Bale | \$0.00 | \$0.00 | | \$0.00 |
| Miscellaneous | | | | | | |
| Crop Insurance Cotton - Irrigated | 1 | Acre | \$40.00 | \$40.00 | | \$4,880.00 |
| Seed | | | | | | |
| Seed - Cotton Irrigated | 40 | Thousand | \$1.59 | \$63.60 | | \$7,759.20 |
| Other Chemicals | | | | | | |
| Harvest Aid Apply Cotton Irrigated | 1 | Acre | \$25.00 | \$25.00 | | \$3,050.00 |
| Other Labor | | | | | | |
| Hoeing | 0.2 | Acre | \$15.00 | \$3.00 | | \$366.00 |
| Irrigation | | | | | | |
| Energy Cost | 12.00 | AcreInch | \$10.00 | \$120.00 | | \$14,640.00 |
| Irrigation Labor | 1.00 | Hour | \$12.00 | \$12.00 | | \$1,464.00 |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | 0.74 | Hour | \$12.00 | \$8.88 | | \$1,083.36 |
| Other Labor | 0.86 | Hour | \$12.00 | \$10.32 | | \$1,259.04 |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | 4 | Gallon | \$1.90 | \$7.60 | | \$927.20 |
| Gasoline | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$4.40 | \$4.40 | | \$536.80 |
| Repairs & Maintenance | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$0.50 | \$0.50 | | \$61.00 |
| Irrigation Equipment | 1 | Acre | \$21.00 | \$21.00 | | \$2,562.00 |
| Tractors/Self-Propelled | 1 | Acre | \$6.00 | \$6.00 | | \$732.00 |
| Implements | 1 | Acre | \$3.00 | \$3.00 | | \$366.00 |
| Interest on Credit Line | | | 6.00% | \$15.42 | | \$1,881.37 |
| Total Variable Costs | | | | \$701.25 | | \$85,552.78 |
| Planned Returns Above Variable Costs: | | | | \$232.69 | | \$28,387.60 |
| Breakeven Price to Cover Variable Costs | | | \$0.44 | Pound | | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Equipment Fixed Costs | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$1.25 | \$1.25 | | \$152.50 |
| Irrigation Equipment | 1 | Acre | \$55.00 | \$55.00 | | \$6,710.00 |
| Tractors/Self-Propelled | 1 | Acre | \$12.00 | \$12.00 | | \$1,464.00 |
| Implements | 1 | Acre | \$10.00 | \$10.00 | | \$1,220.00 |
| Management Fee, Owner/Operator Labor | 1 | Acre | \$25.00 | \$25.00 | | \$3,050.00 |
| Cash Rent - Cotton Irrigated | 1 | Acre | \$100.00 | \$100.00 | | \$12,200.00 |
| Whole Farm Insurance | 1 | Acre | \$2.00 | \$2.00 | | \$244.00 |
| Total Fixed Costs | | | | \$205.25 | | \$25,040.50 |
| Total Specified Costs | | | | \$906.50 | | \$110,593.28 |
| Returns Above Specified Costs | | | | \$27.44 | | \$3,347.10 |
| Breakeven Price to Cover Total Costs | | | \$0.61 | Pound | | |

| Example Breakeven Prices | | | |
|--------------------------|---------|----------|----------|
| Example | Example | To Cover | To Cover |
| Yield | Yield | Variable | Total |
| Percent | Pound | Costs | Costs |
| 75% | 937.50 | \$0.59 | \$0.81 |
| 90% | 1125.00 | \$0.49 | \$0.68 |
| 100% | 1250.00 | \$0.44 | \$0.61 |
| 110% | 1375.00 | \$0.40 | \$0.55 |
| 125% | 1562.50 | \$0.36 | \$0.49 |

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.