

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Cotton - GMO Seed, Conv. Till-12 Row, Dryland, 750 lb. Yield Goal - 500 Acres**  
**Upper Coastal Bend Extension District - 11**

Crop Acres		500				
		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>REVENUE</b>						
Cotton Lint		750.00	Pound	\$0.58	\$435.00	\$217,500.00
Cottonseed		0.60	Ton	\$285.00	\$171.00	\$85,500.00
<b>Total Revenue</b>					<b>\$606.00</b>	<b>\$303,000.00</b>
<b>VARIABLE COSTS</b>						
<b>Production Costs</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Herbicide</b>						
Glyphosate (gal.)		0.375	Quart	\$5.13	\$1.92	\$961.88
Cotton PreEmerge Herb-Grass		0.625	Pint	\$7.50	\$4.69	\$2,343.75
Cotton PreEmerge Herb-BrodLf		1	Pint	\$4.40	\$4.40	\$2,200.00
Roundup		3	Pint	\$3.66	\$10.98	\$5,490.00
2, 4D Amine		2	Pint	\$1.75	\$3.50	\$1,750.00
<b>Miscellaneous</b>						
Crop Insurance -Cotton UC		1	Acre	\$9.50	\$9.50	\$4,750.00
G&A Overhead		1	Acre	\$10.50	\$10.50	\$5,250.00
<b>Insecticide</b>						
Boll Weevil Program UC		1	Acre	\$20.20	\$20.20	\$10,100.00
Cutworm Control		1	Ounce	\$0.70	\$0.70	\$350.00
Fleahopper Control UC		1.6	Ounce	\$3.30	\$5.28	\$2,640.00
Worm Control		0.0281	Gallon	\$153.00	\$4.30	\$2,149.65
Stinkbug Control		8	Ounce	\$0.43	\$3.44	\$1,720.00
<b>Custom</b>						
Cotton Scout		1	Acre	\$7.00	\$7.00	\$3,500.00
Pick and Module		750	Pound	\$0.14	\$105.00	\$52,500.00
Ginning - Picker		750	Pound	\$0.13	\$93.75	\$46,875.00
<b>Fertilizer</b>						
24-6-2		0.208	Ton	\$375.18	\$78.04	\$39,018.72
<b>Other Chemicals</b>						
Surfactant		0.3	Pint	\$1.61	\$0.48	\$241.50
Mepiquat Chloride UC		24	Ounce	\$0.05	\$1.20	\$600.00
Thidazuron		0.1	Pound	\$23.44	\$2.34	\$1,172.00
Silicone Surfactant UC		0.025	Gallon	\$46.00	\$1.15	\$575.00
<b>Seed</b>						
Cotton Seed - B2RF		54	Thousand	\$0.76	\$41.04	\$20,520.00
Tech Fee - B2RF		1	Acre	\$43.16	\$43.16	\$21,580.00
<b>Other Labor</b>						
Hand Labor		0.46	Hour	\$13.75	\$6.33	\$3,162.50
<b>Machinery Labor</b>						
Tractors/Self-Propelled		0.73	Hour	\$19.50	\$14.24	\$7,117.50
<b>Diesel Fuel</b>						
Tractors/Self-Propelled		7.86	Gallon	\$3.30	\$25.94	\$12,969.00
<b>Repairs &amp; Maintenance</b>						
Tractors/Self-Propelled		1	Acre	\$17.71	\$17.71	\$8,855.51
Implements		1	Acre	\$14.25	\$14.25	\$7,127.42
<b>Interest on Credit Line</b>						
				5.00%	\$11.63	\$5,813.60
<b>Total Variable Costs</b>					<b>\$542.67</b>	<b>\$271,333.02</b>
<b>Planned Returns Above Variable Costs:</b>					<b>\$63.33</b>	<b>\$31,666.98</b>
<b>Breakeven Price to Cover Variable Costs</b>				<b>\$0.50</b>	<b>Pound</b>	
<b>FIXED COSTS</b>						
<b>Machinery Depreciation</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Tractors/Self-Propelled		1	Acre	\$23.14	\$23.14	\$11,569.92
Implements		1	Acre	\$17.81	\$17.81	\$8,903.30
<b>Equipment Investment</b>						
Tractors/Self-Propelled		\$262.99	Dollars	7.00%	\$18.41	\$9,204.66
Implements		\$148.89	Dollars	7.00%	\$10.42	\$5,211.24
<b>Management Fee, Owner/Operator Labor</b>						
UCB - Land Charge		1	Acre	\$30.30	\$30.30	\$15,150.00
UCB - Land Charge		1	Acre	\$85.00	\$85.00	\$42,500.00
<b>Total Fixed Costs</b>					<b>\$185.08</b>	<b>\$92,539.12</b>
<b>Total Specified Costs</b>					<b>\$727.74</b>	<b>\$363,872.14</b>
<b>Returns Above Specified Costs</b>					<b>(\$121.74)</b>	<b>(\$60,872.14)</b>
<b>Breakeven Price to Cover Total Costs</b>				<b>\$0.74</b>	<b>Pound</b>	

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	562.50	\$0.66	\$0.66	\$0.99	\$0.99	\$0.00
90%	675.00	\$0.55	\$0.55	\$0.82	\$0.82	\$0.00
100%	750.00	\$0.50	\$0.50	\$0.74	\$0.74	\$0.00
110%	825.00	\$0.45	\$0.45	\$0.67	\$0.67	\$0.00
125%	937.50	\$0.40	\$0.40	\$0.59	\$0.59	\$0.00

Developed by Levi Russell, Assistant 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.**