

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Dryland Cotton (Solid 40" Rows) - 640 Acres
Rolling Plains Extension District - 3

Crop Acres		640			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	480.00	Pound	\$0.62	\$297.60	\$190,464.00
Cottonseed	0.40	Ton	\$205.00	\$81.18	\$51,955.20
Total Revenue				\$378.78	\$242,419.20
VARIABLE COSTS					
				Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	Acre	\$5.50	\$5.50	\$3,520.00
Insecticide Application	1	Acre	\$5.50	\$5.50	\$3,520.00
Gin, Bag, Ties	480	Pound	\$0.12	\$57.60	\$36,864.00
Custom Stripping	480	Pound	\$0.10	\$48.00	\$30,720.00
Fertilizer					
Fertilizer (N)	57	Pound	\$0.35	\$19.95	\$12,768.00
Herbicide					
Roundup	2	Pint	\$2.00	\$4.00	\$2,560.00
Insecticide					
Insecticide - Cotton	0.5	Pound	\$7.20	\$3.60	\$2,304.00
Bollweevil Eradication	1	Acre	\$2.50	\$2.50	\$1,600.00
Miscellaneous					
Insurance - Dryland Cotton	1	Acre	\$15.00	\$15.00	\$9,600.00
Seed					
Cotton Seed	5	Pound	\$6.00	\$30.00	\$19,200.00
Machinery Labor					
Tractors/Self-Propelled	2.22	Hour	\$10.00	\$22.20	\$14,208.00
Diesel Fuel					
Tractors/Self-Propelled	6.88	Gallon	\$1.65	\$11.35	\$7,265.28
Gasoline					
Pickup/General Use Equipment	1	Acre	\$1.05	\$1.05	\$675.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.28	\$0.28	\$181.13
Tractors/Self-Propelled	1	Acre	\$13.66	\$13.66	\$8,739.32
Implements	1	Acre	\$14.32	\$14.32	\$9,166.03
Interest on Credit Line			5.75%	\$3.63	\$2,323.80
Total Variable Costs				\$258.15	\$165,214.55
Planned Returns Above Variable Costs:				\$120.63	\$77,204.65
Breakeven Price to Cover Variable Costs			\$0.37	Pound	
FIXED COSTS					
				Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$0.39	\$0.39	\$251.46
Tractors/Self-Propelled	1	Acre	\$14.11	\$14.11	\$9,030.63
Implements	1	Acre	\$17.98	\$17.98	\$11,508.40
Equipment Investment					
Pickup/General Use Equipment	\$2.75	Dollars	5.50%	\$0.15	\$96.88
Tractors/Self-Propelled	\$109.92	Dollars	5.50%	\$6.05	\$3,869.33
Implements	\$76.92	Dollars	5.50%	\$4.23	\$2,707.67
Cash Rent - Dryland Cotton	1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs				\$74.91	\$47,944.38
Total Specified Costs				\$333.06	\$213,158.93
Returns Above Specified Costs				\$45.72	\$29,260.27
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%	360.00	\$0.49	\$0.70
90%	432.00	\$0.41	\$0.58
100%	480.00	\$0.37	\$0.52
110%	528.00	\$0.34	\$0.48
125%	600.00	\$0.29	\$0.42

Developed by Extension Economists, 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.