

**Projections for Planning Purposes Only – Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Cotton, Dryland (Roundup Ready Flex)**  
**Panhandle Extension District - 1**

Crop Acres		160			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	400.00	Pound	\$0.67	\$268.00	\$42,880.00
Cottonseed	0.30	Ton	\$150.00	\$45.00	\$7,200.00
<b>Total Revenue</b>				<b>\$313.00</b>	<b>\$50,080.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Fertilizer Application	1	Acre	\$5.12	\$5.12	\$819.20
Strip and Module - Cotton	4	CWT	\$11.00	\$44.00	\$7,040.00
Ginning - Cotton	18	CWT	\$3.00	\$54.00	\$8,640.00
Fertilizer					
Fertilizer (P) - Dry	20	Pound	\$0.43	\$8.60	\$1,376.00
Fertilizer (N) - Dry	30	Pound	\$0.32	\$9.60	\$1,536.00
Herbicide					
Herbicide and Apply Preplant	1	Acre	\$23.00	\$23.00	\$3,680.00
Herbicide and Apply Postemerge Dry	1	Acre	\$14.54	\$14.54	\$2,326.40
Insecticide					
Insecticide and Apply Cotton	0.5	Acre	\$9.72	\$4.86	\$777.60
Boll Weevil Assessment Dryland	1	Acre	\$0.70	\$0.70	\$112.00
Miscellaneous					
Crop Insurance Cotton - Dryland	1	Acre	\$25.00	\$25.00	\$4,000.00
Seed					
Seed - Cotton Dryland	0.18	Bag	\$346.50	\$62.37	\$9,979.20
Other Chemicals					
Harvest Aid Apply Cotton Dryland	0.5	Acre	\$25.38	\$12.69	\$2,030.40
Machinery Labor					
Tractors/Self-Propelled	0.57	Hour	\$12.44	\$7.09	\$1,134.53
Other Labor	0.65	Hour	\$12.44	\$8.09	\$1,293.76
Diesel Fuel					
Tractors/Self-Propelled	3.03	Gallon	\$1.99	\$6.03	\$964.75
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.27	\$4.27	\$682.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$5.30	\$5.30	\$848.25
Implements	1	Acre	\$11.21	\$11.21	\$1,793.76
Interest on Credit Line			5.74%	\$7.08	\$1,132.94
<b>Total Variable Costs</b>				<b>\$316.03</b>	<b>\$50,565.09</b>
Planned Returns Above Variable Costs:					
Breakeven Price to Cover Variable Costs			\$0.68	Pound	
				<b>(\$3.03)</b>	<b>(\$485.09)</b>
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$5.05	\$5.05	\$808.06
Implements	1	Acre	\$13.86	\$13.86	\$2,216.80
Equipment Investment					
Pickup/General Use Equipment	\$18.03	Dollars	6.01%	\$1.08	\$173.33
Tractors/Self-Propelled	\$39.34	Dollars	6.01%	\$2.36	\$378.33
Implements	\$59.68	Dollars	6.01%	\$3.59	\$573.91
Cash Rent - Cotton Dryland	1	Acre	\$26.50	\$26.50	\$4,240.00
<b>Total Fixed Costs</b>				<b>\$55.05</b>	<b>\$8,808.12</b>
<b>Total Specified Costs</b>				<b>\$371.08</b>	<b>\$59,373.22</b>
Returns Above Specified Costs				<b>(\$58.08)</b>	<b>(\$9,293.22)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.82</b>	<b>Pound</b>	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	300.00	\$0.90	\$1.09
90%	360.00	\$0.75	\$0.91
100%	400.00	\$0.68	\$0.82
110%	440.00	\$0.62	\$0.74
125%	500.00	\$0.54	\$0.65

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

**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.**