

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Dryland Cotton, B2RF, Follow Wheat
West Central Extension District - 7

Crop Acres		2700				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	375.00	Pound	\$0.69	\$260.06		\$702,168.75
Cotton Seed	0.27	Ton	\$195.00	\$52.90		\$142,839.45
Total Revenue				\$312.97		\$845,008.20
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Soil Test-Dryland	1	Each	\$0.25	\$0.25		\$675.00
Custom Strip	375	Pounds	\$0.09	\$33.75		\$91,125.00
Gin and Haul	12.5	CWT	\$2.50	\$31.25		\$84,375.00
Custom Bag/Tie	0.75	Bales	\$5.00	\$3.75		\$10,125.00
Fertilizer						
Phos (11-52-0 DRY MAT)	19	Pounds	\$0.55	\$10.45		\$28,215.00
Nitrogen N32-liq	26	Pounds	\$0.42	\$10.97		\$29,610.36
Herbicide						
Glyphosate	160	Ounce	\$0.13	\$20.37		\$54,993.60
2-4D Amine 4	1.25	Pint	\$1.44	\$1.80		\$4,851.56
Trifluralin	1.5	Pint	\$2.81	\$4.22		\$11,390.63
Caparol	24	Ounce	\$0.25	\$6.09		\$16,452.72
Outlook	2	Ounce	\$1.06	\$2.13		\$5,737.50
Insecticide						
Macho 4F	1.5	Ounce	\$0.69	\$1.03		\$2,784.38
Miscellaneous						
Boll Weevil Eradication Program	0.75	Bale	\$1.00	\$0.75		\$2,025.00
Dry Cotton RP 70% SE, Ent	1	Acre	\$8.46	\$8.46		\$22,842.00
Seed						
Seed Cotton - B2RF	29	Thousand	\$1.17	\$33.94		\$91,626.66
Other Chemicals						
Paraquat, 3lb (Firestorm)	28	Ounce	\$0.18	\$5.03		\$13,577.76
Ethephon 6	1	Pint	\$2.49	\$2.49		\$6,716.25
Cutout (Adios)	4	Ounce	\$0.69	\$2.76		\$7,452.00
Machinery Labor						
Tractors/Self-Propelled	0.48	Hour	\$12.00	\$5.76		\$15,552.00
Other Labor	0.3	Hour	\$12.00	\$3.60		\$9,720.00
Diesel Fuel						
Tractors/Self-Propelled	6.11	Gallon	\$2.60	\$15.89		\$42,892.20
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.74	\$1.74		\$4,691.04
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.78	\$0.78		\$2,117.00
Tractors/Self-Propelled	1	Acre	\$11.78	\$11.78		\$31,797.49
Implements	1	Acre	\$7.20	\$7.20		\$19,442.19
Interest on Credit Line			6.00%	\$5.81		\$15,696.03
Total Variable Costs				\$232.03		\$626,483.36
Planned Returns Above Variable Costs:				\$80.94		\$218,524.84
Breakeven Price to Cover Variable Costs			\$0.48	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$1.66	\$1.66		\$4,489.20
Tractors/Self-Propelled	1	Acre	\$20.14	\$20.14		\$54,389.63
Implements	1	Acre	\$9.88	\$9.88		\$26,666.35
Equipment Investment						
Pickup/General Use Equipment	\$9.22	Dollars	6.00%	\$0.55		\$1,492.92
Tractors/Self-Propelled	\$153.23	Dollars	6.00%	\$9.19		\$24,822.49
Implements	\$48.95	Dollars	6.00%	\$2.94		\$7,929.89
Management Fee, Owner/Operator Labor	1	Acre	\$10.00	\$10.00		\$27,000.00
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00		\$94,500.00
Whole Farm Insurance	1	Acre	\$1.00	\$1.00		\$2,700.00
Total Fixed Costs				\$90.37		\$243,990.47
Total Specified Costs				\$322.40		\$870,473.83
Returns Above Specified Costs						(\$9.43) (\$25,465.63)
Breakeven Price to Cover Total Costs			\$0.72	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	281.25	\$0.64	\$0.96
90%	337.50	\$0.53	\$0.80
100%	375.00	\$0.48	\$0.72
110%	412.50	\$0.43	\$0.65
125%	468.75	\$0.38	\$0.57

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.