

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 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	\$0.68	\$272.00	\$43,520.00
Cottonseed	0.30	Ton	\$150.00	\$45.00	\$7,200.00
Total Revenue				\$317.00	\$50,720.00
VARIABLE COSTS					
Production Costs					
Custom					
Fertilizer Application	1	Acre	\$5.12	\$5.12	\$819.20
Strip and Module - Cotton	4	CWT	\$12.00	\$48.00	\$7,680.00
Ginning - Cotton	18	CWT	\$3.00	\$54.00	\$8,640.00
Fertilizer					
Fertilizer (P) - Dry	20	Pound	\$0.49	\$9.80	\$1,568.00
Fertilizer (N) - Dry	30	Pound	\$0.38	\$11.40	\$1,824.00
Herbicide					
Herbicide and Apply Preplant	1	Acre	\$23.49	\$23.49	\$3,758.40
Herbicide and Apply Postemerge Dry	1	Acre	\$14.85	\$14.85	\$2,376.00
Insecticide					
Insecticide and Apply Cotton	0.5	Acre	\$9.91	\$4.96	\$792.80
Boll Weevil Assessment Dryland	1	Acre	\$0.73	\$0.73	\$116.80
Miscellaneous					
Crop Insurance Cotton - Dryland	1	Acre	\$25.00	\$25.00	\$4,000.00
Seed					
Seed - Cotton Dryland	0.18	Bag	\$340.00	\$61.20	\$9,792.00
Other Chemicals					
Harvest Aid Apply Cotton Dryland	0.5	Acre	\$25.95	\$12.98	\$2,076.00
Machinery Labor					
Tractors/Self-Propelled	0.57	Hour	\$13.03	\$7.43	\$1,188.34
Other Labor	0.65	Hour	\$13.03	\$8.47	\$1,355.12
Diesel Fuel					
Tractors/Self-Propelled	3.03	Gallon	\$2.33	\$7.06	\$1,129.58
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.77	\$4.77	\$763.75
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$5.35	\$5.35	\$855.57
Implements	1	Acre	\$11.39	\$11.39	\$1,821.98
Interest on Credit Line			6.04%	\$7.67	\$1,226.78
Total Variable Costs				\$326.14	\$52,182.13
Planned Returns Above Variable Costs:				(\$9.14)	(\$1,462.13)
Breakeven Price to Cover Variable Costs			\$0.70	Pound	
FIXED COSTS					
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$5.08	\$5.08	\$812.49
Implements	1	Acre	\$14.07	\$14.07	\$2,250.86
Equipment Investment					
Pickup/General Use Equipment	\$18.03	Dollars	6.32%	\$1.14	\$182.27
Tractors/Self-Propelled	\$39.56	Dollars	6.32%	\$2.50	\$400.03
Implements	\$60.62	Dollars	6.32%	\$3.83	\$612.98
Cash Rent - Cotton Dryland	1	Acre	\$26.50	\$26.50	\$4,240.00
Total Fixed Costs				\$55.73	\$8,916.32
Total Specified Costs				\$381.87	\$61,098.45
Returns Above Specified Costs				(\$64.87)	(\$10,378.45)
Breakeven Price to Cover Total Costs			\$0.84	Pound	

Example Breakeven Prices			
Exmpl Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	300.00	\$0.94	\$1.12
90%	360.00	\$0.78	\$0.94
100%	400.00	\$0.70	\$0.84
110%	440.00	\$0.64	\$0.77
125%	500.00	\$0.56	\$0.67

Developed by DeDe Jones, Extension Risk Management Specialist III, 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.