

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Dryland Cotton**  
**Southwest Extension District - 10**

Crop Acres		100			
				Total	Enterprise Total
<b>REVENUE</b>					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	400.00	Pound	\$0.66	\$264.00	\$26,400.00
Cottonseed	680.00	Pound	\$0.14	\$91.80	\$9,180.00
<b>Total Revenue</b>				<b>\$355.80</b>	<b>\$35,580.00</b>
<b>VARIABLE COSTS</b>					
	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$400.00
Gin, Bag, Tie - CWT	10.8	CWT	\$3.00	\$32.40	\$3,240.00
Fertilizer					
UAN(32% N)	1.26	CWT	\$12.95	\$16.32	\$1,631.70
Fertilizer 18-46-0	54	Pound	\$0.25	\$13.23	\$1,323.00
Herbicide					
Glyphosate	1.4	Pint	\$1.63	\$2.28	\$228.41
Prowl H2O	2	Pint	\$6.02	\$12.04	\$1,203.80
Insecticide					
Karate Z	1	Ounce	\$0.81	\$0.81	\$81.00
Miscellaneous					
Crop Insurance - Cotton Dry	1	Acre	\$19.00	\$19.00	\$1,900.00
Boll Weevil Eradication Program	1	Acre	\$7.00	\$7.00	\$700.00
Seed					
Cotton Seed BIIRRF	35	Thousand	\$1.68	\$58.77	\$5,877.36
Other Chemicals					
Gramoxone SL	24	Ounce	\$0.21	\$5.00	\$499.73
Aim	0.75	Ounce	\$5.72	\$4.29	\$428.91
Crop Oil Concentrate	0.25	Pint	\$1.62	\$0.40	\$40.48
Machinery Labor					
Tractors/Self-Propelled	1.55	Hour	\$12.00	\$18.60	\$1,860.00
Other Labor	0.5	Hour	\$8.50	\$4.25	\$425.00
Diesel Fuel					
Tractors/Self-Propelled	12.97	Gallon	\$2.49	\$32.30	\$3,229.53
Gasoline					
Pickup/General Use Equipment	1	Acre	\$23.13	\$23.13	\$2,312.56
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$483.84
Tractors/Self-Propelled	1	Acre	\$30.16	\$30.16	\$3,016.42
Implements	1	Acre	\$16.06	\$16.06	\$1,605.82
Interest on Credit Line			6.50%	\$8.51	\$851.25
<b>Total Variable Costs</b>				<b>\$313.39</b>	<b>\$31,338.80</b>
<b>Planned Returns Above Variable Costs:</b>				\$42.41	\$4,241.20
<b>Breakeven Price to Cover Variable Costs</b>			\$0.55	Pound	
<b>FIXED COSTS</b>					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
Tractors/Self-Propelled	1	Acre	\$37.16	\$37.16	\$3,716.50
Implements	1	Acre	\$20.66	\$20.66	\$2,065.63
Equipment Investment					
Pickup/General Use Equipment	\$105.00	Dollars	6.50%	\$6.83	\$682.50
Tractors/Self-Propelled	\$321.53	Dollars	6.50%	\$20.90	\$2,089.91
Implements	\$124.65	Dollars	6.50%	\$8.10	\$810.23
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
<b>Total Fixed Costs</b>				<b>\$138.85</b>	<b>\$13,884.78</b>
<b>Total Specified Costs</b>				<b>\$452.24</b>	<b>\$45,223.57</b>
<b>Returns Above Specified Costs</b>				<b>(\$96.44)</b>	<b>(\$9,643.57)</b>
<b>Breakeven Price to Cover Total Costs</b>			\$0.90	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	300.00	\$0.74	\$1.20
90%	360.00	\$0.62	\$1.00
100%	400.00	\$0.55	\$0.90
110%	440.00	\$0.50	\$0.82
125%	500.00	\$0.44	\$0.72

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

**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.**