

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Dryland Cotton - Herbicide Tolerant
South Plains Extension District - 2

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Cotton Lint	400.00	Pound	\$0.63	\$252.00	\$40,320.00	
Cottonseed	0.28	Ton	\$165.00	\$46.86	\$7,497.60	
Total Revenue				\$298.86	\$47,817.60	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Custom						
Strip and Module - Cotton	400	Pound	\$0.08	\$32.00	\$5,120.00	
Ginning - Cotton	13.333333	CWT	\$2.90	\$38.67	\$6,186.67	
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00	
Scouting - Dryland Cotton	1	Acre	\$5.00	\$5.00	\$800.00	
Fertilizer						
Fertilizer (N) - Liquid	35	Pound	\$0.38	\$13.30	\$2,128.00	
Fertilizer (P) - Liquid	14	Pound	\$0.64	\$8.96	\$1,433.60	
Herbicide						
Herbicide - Cotton Preplant	1	Acre	\$9.50	\$9.50	\$1,520.00	
Herbicide - Cotton At Plant	1	Acre	\$4.50	\$4.50	\$720.00	
Herbicide - Cotton Postplant Dryland	1	Acre	\$12.50	\$12.50	\$2,000.00	
Spot Spray and Chemical	0.1	Acre	\$15.00	\$1.50	\$240.00	
Insecticide						
Boll Weevil Assessment Dryland	0.8	Bale	\$0.00	\$0.00	\$0.00	
Insecticide and Apply Cotton Dryland	1	Acre	\$6.00	\$6.00	\$960.00	
Miscellaneous						
Crop Insurance Cotton - Dryland	1	Acre	\$32.00	\$32.00	\$5,120.00	
Seed						
Seed - Cotton Dryland HT	35	Thousand	\$1.06	\$37.10	\$5,936.00	
Other Chemicals						
Harvest Aid Apply Cotton Dryland	1	Acre	\$10.00	\$10.00	\$1,600.00	
Other Labor						
Hoing	0.1	Acre	\$15.00	\$1.50	\$240.00	
Machinery Labor						
Tractors/Self-Propelled	0.65	Hour	\$12.00	\$7.80	\$1,248.00	
Other Labor	0.75	Hour	\$12.00	\$9.00	\$1,440.00	
Diesel Fuel						
Tractors/Self-Propelled	3.4	Gallon	\$1.90	\$6.46	\$1,033.60	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.40	\$4.40	\$704.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00	
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00	
Implements	1	Acre	\$3.00	\$3.00	\$480.00	
Interest on Credit Line			6.00%	\$7.09	\$1,134.13	
Total Variable Costs				\$261.52	\$41,843.99	
Planned Returns Above Variable Costs:				\$37.34	\$5,973.61	
Breakeven Price to Cover Variable Costs			\$0.54	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Equipment Fixed Costs						
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00	
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00	
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00	
Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$4,000.00	
Cash Rent - Cotton Dryland	1	Acre	\$50.00	\$50.00	\$8,000.00	
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00	
Total Fixed Costs				\$100.25	\$16,040.00	
Total Specified Costs				\$361.77	\$57,883.99	
Returns Above Specified Costs				(\$62.91)	(\$10,066.39)	
Breakeven Price to Cover Total Costs			\$0.79	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	300.00	\$0.72	\$1.05
90%	360.00	\$0.60	\$0.87
100%	400.00	\$0.54	\$0.79
110%	440.00	\$0.49	\$0.72
125%	500.00	\$0.43	\$0.63

Developed by Agricultural Economists, Texas A&M AgriLife Extension.

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.