

Projections for Planning Purposes Only -- Not to be Used without Updating
2022 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	\$0.84	\$315.00	\$850,500.00	
Cotton Seed	0.27	Ton	\$250.00	\$67.83	\$183,127.50	
Total Revenue				\$382.83	\$1,033,627.50	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Seed Cotton - B2RF (dryland)	29	Thousand	\$1.30	\$37.63	\$101,594.25	
Fertilizer						
Phos (11-52-0 DRY MAT)	19	Pounds	\$0.66	\$12.54	\$33,858.00	
Nitrogen N32-liq	26	Pounds	\$0.69	\$17.94	\$48,438.00	
Custom						
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$675.00	
Gin and Haul	12.5	CWT	\$2.50	\$31.25	\$84,375.00	
Custom Strip	375	Pounds	\$0.11	\$41.25	\$111,375.00	
Custom Bag/Tie	0.75	Bales	\$5.00	\$3.75	\$10,125.00	
Herbicide						
Glyphosate	160	Ounce	\$0.13	\$21.25	\$57,375.00	
2-4D Amine 4	1.25	Pint	\$1.61	\$2.02	\$5,442.19	
Trifluralin	1.5	Pint	\$2.75	\$4.13	\$11,137.50	
Caparol	24	Ounce	\$0.26	\$6.30	\$17,010.00	
Outlook	2	Ounce	\$1.04	\$2.08	\$5,619.38	
Miscellaneous						
Boll Weevil Eradication Program	0.75	Bale	\$1.00	\$0.75	\$2,025.00	
Dry Cotton RP 70% SE, Ent	1	Acre	\$6.21	\$6.21	\$16,767.00	
Insecticide						
Macho 4F	1.5	Ounce	\$0.71	\$1.07	\$2,895.12	
Other Chemicals						
Paraquat, 3lb (Firestorm)	28	Ounce	\$0.18	\$5.03	\$13,577.76	
Cutout (Adios)	4	Ounce	\$0.92	\$3.69	\$9,956.52	
Ethephon 6	1	Pint	\$3.81	\$3.81	\$10,293.75	
Machinery Labor						
Tractors/Self-Propelled	0.23	Hour	\$16.12	\$3.71	\$10,010.52	
Other Labor	0.07	Hour	\$16.12	\$1.13	\$3,046.68	
Diesel Fuel						
Tractors/Self-Propelled	3.12	Gallon	\$2.67	\$8.33	\$22,492.08	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.78	\$1.78	\$4,814.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.78	\$0.78	\$2,117.00	
Tractors/Self-Propelled	1	Acre	\$7.88	\$7.88	\$21,278.83	
Implements	1	Acre	\$2.42	\$2.42	\$6,521.29	
Interest on Credit Line			6.30%	\$5.85	\$15,795.30	
Total Variable Costs				\$232.82	\$628,615.16	
Planned Returns Above Variable Costs:				\$150.00	\$405,012.34	
Breakeven Price to Cover Variable Costs			\$0.44	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	\$12.28	\$12.28	\$33,163.22	
Implements	1	Acre	\$3.88	\$3.88	\$10,488.25	
Equipment Investment						
Pickup/General Use Equipment	\$9.22	Dollars	6.30%	\$0.58	\$1,567.57	
Tractors/Self-Propelled	\$93.76	Dollars	6.30%	\$5.91	\$15,949.07	
Implements	\$23.87	Dollars	6.30%	\$1.50	\$4,060.17	
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				\$71.82	\$193,917.47	
Total Specified Costs				\$304.64	\$822,532.63	
Returns Above Specified Costs				\$78.18	\$211,094.87	
Breakeven Price to Cover Total Costs			\$0.63	Pound		

Example Breakeven Prices

Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	281.25	\$0.59	\$0.84
90%	337.50	\$0.49	\$0.70
100%	375.00	\$0.44	\$0.63
110%	412.50	\$0.40	\$0.57
125%	468.75	\$0.35	\$0.51

Developed by Bill Thompson, Assistant 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.