

Projections for Planning Purposes Only -- Not to be Used without Updating
2023 Estimated Costs and Returns per Acre
Dryland Cotton, Auxin Technology, Follow Wheat
West Central Extension District - 7

Crop Acres		2700		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	375.00	Pound	\$0.90	\$337.50	\$911,250.00
Cotton Seed	0.27	Ton	\$360.00	\$97.67	\$263,703.60
Total Revenue				\$435.17	\$1,174,953.60
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
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
Auxin based herbicide	44	Ounce	\$0.50	\$22.00	\$59,400.00
Seed					
Seed Cotton - B2 Auxin technology (I	29	Thousand	\$1.44	\$41.76	\$112,752.00
Fertilizer					
Phos (11-52-0 DRY MAT)	19	Pounds	\$1.29	\$24.51	\$66,177.00
Nitrogen N32-liq	26	Pounds	\$2.69	\$69.94	\$188,838.00
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
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	\$17.21	\$3.96	\$10,687.41
Other Labor	0.07	Hour	\$17.21	\$1.20	\$3,252.69
Diesel Fuel					
Tractors/Self-Propelled	3.12	Gallon	\$2.24	\$6.99	\$18,869.76
Gasoline					
Pickup/General Use Equipment	1	Acre	\$1.60	\$1.60	\$4,309.86
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			8.00%	\$11.09	\$29,938.50
Total Variable Costs				\$326.96	\$882,791.55
Planned Returns Above Variable Costs:				\$108.21	\$292,162.05
Breakeven Price to Cover Variable Costs			\$0.61	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
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	8.00%	\$0.74	\$1,990.56
Tractors/Self-Propelled	\$93.76	Dollars	8.00%	\$7.50	\$20,252.79
Implements	\$23.87	Dollars	8.00%	\$1.91	\$5,155.77
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
Total Fixed Costs				\$72.98	\$197,039.79
Total Specified Costs				\$399.94	\$1,079,831.34
Returns Above Specified Costs				\$35.23	\$95,122.26
Breakeven Price to Cover Total Costs			\$0.81	Pound	

Example Breakeven Prices

Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	281.25	\$0.82	\$1.07
90%	337.50	\$0.68	\$0.90
100%	375.00	\$0.61	\$0.81
110%	412.50	\$0.56	\$0.73
125%	468.75	\$0.49	\$0.64

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.