

Projections for Planning Purposes Only -- Not to be Used without Updating

**2015 Estimated Costs and Returns per Acre
Dryland Cotton, Stacked Gene, Follow Wheat - 2700 Acres
West Central Extension District - 7**

Crop Acres		2700				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	350.00	Pound	\$0.56	\$195.83		\$528,727.50
Cotton Seed	0.25	Ton	\$175.00	\$43.75		\$118,125.00
Total Revenue				\$239.58		\$646,852.50
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Custom Strip	350	Pounds	\$0.09	\$31.50		\$85,050.00
Gin and Haul	12.5	CWT	\$2.50	\$31.25		\$84,375.00
Custom Bag/Tie	0.7	Bales	\$12.00	\$8.40		\$22,680.00
Soil Test-Dryland	1	Each	\$0.25	\$0.25		\$675.00
Fertilizer						
Phosphate	19	Pounds	\$0.42	\$7.92		\$21,376.71
N at Planting	19	Pounds	\$0.62	\$11.78		\$31,806.00
Herbicide						
Glyphosate	160	Ounce	\$0.12	\$18.43		\$49,766.40
2-4D Amine 4	1.25	Pint	\$1.94	\$2.42		\$6,539.06
Trifluralin	1.5	Pint	\$2.81	\$4.22		\$11,390.63
Caparol	24	Ounce	\$0.24	\$5.81		\$15,694.56
Direx	2	Pints	\$3.62	\$7.24		\$19,548.00
Insecticide						
Boll Weevil Eradication Program	1	Acre	\$1.50	\$1.50		\$4,050.00
Seed						
Seed Cotton	29	Thousand	\$1.40	\$40.60		\$109,620.00
Miscellaneous						
Dry Cotton RP 70% YA, SE	1	Acre	\$15.57	\$15.57		\$42,039.00
Dry Cotton Stax	1	Acre	\$5.82	\$5.82		\$15,714.00
Other Chemicals						
Firestorm	28	Ounce	\$0.25	\$7.00		\$18,900.00
Machinery Labor						
Tractors/Self-Propelled	0.98	Hour	\$12.00	\$11.76		\$31,752.00
Diesel Fuel						
Tractors/Self-Propelled	4.6	Gallon	\$2.75	\$12.65		\$34,155.00
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.67	\$1.67		\$4,506.60
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.78	\$0.78		\$2,117.00
Tractors/Self-Propelled	1	Acre	\$8.37	\$8.37		\$22,606.58
Implements	1	Acre	\$1.68	\$1.68		\$4,523.43
Interest on Credit Line			3.75%	\$2.85		\$7,694.96
Total Variable Costs				\$239.47		\$646,579.93
Planned Returns Above Variable Costs:				\$0.10		\$272.57
Breakeven Price to Cover Variable Costs			\$0.56	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	\$14.13	\$14.13		\$38,152.62
Implements	1	Acre	\$2.55	\$2.55		\$6,888.15
Equipment Investment						
Pickup/General Use Equipment	\$16.76	Dollars	3.75%	\$0.63		\$1,696.50
Tractors/Self-Propelled	\$160.51	Dollars	3.75%	\$6.02		\$16,251.83
Implements	\$25.63	Dollars	3.75%	\$0.96		\$2,595.27
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00		\$94,500.00
Total Fixed Costs				\$60.95		\$164,573.57
Total Specified Costs				\$300.43		\$811,153.50
Returns Above Specified Costs						(\$60.85) (\$164,301.00)
Breakeven Price to Cover Total Costs			\$0.73	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	262.50	\$0.75	\$0.75	\$0.98	\$0.98	\$0.00
90%	315.00	\$0.62	\$0.62	\$0.81	\$0.81	\$0.00
100%	350.00	\$0.56	\$0.56	\$0.73	\$0.73	\$0.00
110%	385.00	\$0.51	\$0.51	\$0.67	\$0.67	\$0.00
125%	437.50	\$0.45	\$0.45	\$0.59	\$0.59	\$0.00

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.