

Projections for Planning Purposes Only – Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Dryland Cotton, B2XF, Follow Wheat
West Central Extension District - 7

Crop Acres		2700				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Cotton Lint	375.00	Pound	\$0.63	\$236.25	\$637,875.00	
Cotton Seed	0.27	Ton	\$205.00	\$55.62	\$150,164.55	
Total Revenue				\$291.87	\$788,039.55	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Production Costs						
Custom						
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$675.00	
Custom Strip	375	Pounds	\$0.09	\$33.75	\$91,125.00	
Gin and Haul	12.5	CWT	\$2.50	\$31.25	\$84,375.00	
Custom Bag/Tie	0.75	Bales	\$5.00	\$3.75	\$10,125.00	
Fertilizer						
Phos (11-52-0 DRY MAT)	19	Pounds	\$0.44	\$8.40	\$22,674.60	
Nitrogen N32-liq	26	Pounds	\$0.35	\$9.10	\$24,570.00	
Herbicide						
Glyphosate	160	Ounce	\$0.13	\$20.80	\$56,160.00	
2-4D Amine 4	1.25	Pint	\$1.63	\$2.03	\$5,484.38	
Trifluralin	1.5	Pint	\$2.94	\$4.41	\$11,896.88	
Caparol	24	Ounce	\$0.22	\$5.34	\$14,428.13	
Outlook	2	Ounce	\$1.00	\$2.00	\$5,400.00	
Entend Flex Dicamba	44	Ounce	\$0.52	\$22.69	\$61,253.28	
Insecticide						
Macho 4F	1.5	Ounce	\$0.69	\$1.03	\$2,784.38	
Miscellaneous						
Dry Cotton RP 70% YE, SE, Ent	1	Acre	\$8.22	\$8.22	\$22,194.00	
Boll Weevil Eradication Program	0.75	Bale	\$1.00	\$0.75	\$2,025.00	
Seed						
Seed Cotton - B2XF	29	Thousand	\$1.74	\$50.46	\$136,242.00	
Other Chemicals						
Paraquat, 3lb (Firestorm)	28	Ounce	\$0.18	\$5.04	\$13,608.00	
Adios	4	Ounce	\$0.69	\$2.76	\$7,452.00	
Ethephon 6	1	Pint	\$2.38	\$2.38	\$6,426.00	
Machinery Labor						
Tractors/Self-Propelled	0.47	Hour	\$12.00	\$5.64	\$15,228.00	
Other Labor	0.3	Hour	\$12.00	\$3.60	\$9,720.00	
Diesel Fuel						
Tractors/Self-Propelled	6.11	Gallon	\$2.15	\$13.14	\$35,468.55	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.74	\$1.74	\$4,691.04	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.78	\$0.78	\$2,117.00	
Tractors/Self-Propelled	1	Acre	\$11.52	\$11.52	\$31,109.13	
Implements	1	Acre	\$7.03	\$7.03	\$18,973.03	
Interest on Credit Line			6.00%	\$6.52	\$17,612.39	
Total Variable Costs				\$264.38	\$713,817.78	
Planned Returns Above Variable Costs:				\$27.49	\$74,221.77	
Breakeven Price to Cover Variable Costs			\$0.56	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$1.66	\$1.66	\$4,489.20	
Tractors/Self-Propelled	1	Acre	\$19.46	\$19.46	\$52,551.40	
Implements	1	Acre	\$9.65	\$9.65	\$26,041.56	
Equipment Investment						
Pickup/General Use Equipment	\$9.22	Dollars	6.00%	\$0.55	\$1,492.92	
Tractors/Self-Propelled	\$148.12	Dollars	6.00%	\$8.89	\$23,994.68	
Implements	\$47.96	Dollars	6.00%	\$2.88	\$7,769.53	
Management Fee, Owner/Operator Labor						
Rent-Dryland Crop	1	Acre	\$10.00	\$10.00	\$27,000.00	
Whole Farm Insurance	1	Acre	\$35.00	\$35.00	\$94,500.00	
	1	Acre	\$1.00	\$1.00	\$2,700.00	
Total Fixed Costs				\$89.09	\$240,539.29	
Total Specified Costs				\$353.47	\$954,357.06	
Returns Above Specified Costs				(\$61.60)	(\$166,317.51)	
Breakeven Price to Cover Total Costs			\$0.79	Pound		

Example Breakeven Prices				
Example	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	Pound	Costs	Costs	
75%	281.25	\$0.74	\$1.06	
90%	337.50	\$0.62	\$0.88	
100%	375.00	\$0.56	\$0.79	
110%	412.50	\$0.51	\$0.72	
125%	468.75	\$0.45	\$0.64	

Developed by Bill Thompson, Associate 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.