

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Cotton, Conventional Tillage, Dryland, Rio Grande Valley**  
**South Extension District - 12**

Crop Acres		100			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	720.00	Pound	\$0.69	\$496.80	\$49,680.00
Cottonseed	0.51	Ton	\$152.50	\$78.18	\$7,817.76
Total Revenue				\$574.98	\$57,497.76
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
Custom					
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00
Apply by Air - 3 Gallons	2	Application	\$7.88	\$15.76	\$1,576.00
Custom Harvest Cotton	720	Pound	\$0.12	\$86.40	\$8,640.00
Custom Haul Cotton	720	Pound	\$0.15	\$108.00	\$10,800.00
Gin	720	Pound	\$0.12	\$86.40	\$8,640.00
Fertilizer					
UAN (32% N)	1.5	CWT	\$15.08	\$22.62	\$2,261.70
Herbicide					
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$730.09
Insecticide					
Vydate C-LV	8.5	Ounce	\$0.97	\$8.22	\$822.12
Oberon 4SC	2	Ounce	\$3.84	\$7.68	\$767.52
Seed					
Cotton Seed	30	Thousand	\$0.71	\$21.44	\$2,144.02
Other Chemicals					
Thidiazuron	5.4	Ounce	\$1.21	\$6.53	\$653.40
Surfactant	1	Pint	\$5.35	\$5.35	\$535.00
Other Labor					
Unallocated Labor	1.2432	Hour	\$12.00	\$14.92	\$1,491.84
Machinery Labor					
Tractors/Self-Propelled	1.6	Hour	\$12.00	\$19.20	\$1,920.00
Other Labor	0.28	Hour	\$12.00	\$3.36	\$336.00
Diesel Fuel					
Tractors/Self-Propelled	10.57	Gallon	\$2.10	\$22.20	\$2,219.70
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$22.23	\$22.23	\$2,222.89
Implements	1	Acre	\$17.03	\$17.03	\$1,703.14
Interest on Credit Line			5.00%	\$4.26	\$425.59
Total Variable Costs				\$488.89	\$48,889.00
Planned Returns Above Variable Costs:				\$86.09	\$8,608.76
Breakeven Price to Cover Variable Costs			\$0.57	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$24.88	\$24.88	\$2,487.54
Implements	1	Acre	\$20.89	\$20.89	\$2,088.84
Equipment Investment					
Tractors/Self-Propelled	\$192.90	Dollars	7.00%	\$13.50	\$1,350.31
Implements	\$115.93	Dollars	7.00%	\$8.12	\$811.51
Cash Rent, Dryland	1	Acre	\$60.00	\$60.00	\$6,000.00
Total Fixed Costs				\$127.38	\$12,738.21
Total Specified Costs				\$616.27	\$61,627.21
Returns Above Specified Costs				(\$41.29)	(\$4,129.45)
Breakeven Price to Cover Total Costs			\$0.75	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	540.00	\$0.76	\$1.00
90%	648.00	\$0.63	\$0.83
100%	720.00	\$0.57	\$0.75
110%	792.00	\$0.52	\$0.68
125%	900.00	\$0.46	\$0.60

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

**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.**