

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Dryland Cotton, B2XF, Follow Wheat
West Central Extension District - 7

Crop Acres		2700					
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total	
Cotton Lint		375.00	Pound	\$0.59	\$221.25	\$597,375.00	
Cotton Seed		0.27	Ton	\$225.00	\$61.04	\$164,814.75	
Total Revenue					\$282.29	\$762,189.75	
VARIABLE COSTS		Quantity	Units	\$/Unit	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	
Herbicide							
Trifluralin		1.5	Pint	\$2.75	\$4.13	\$11,137.50	
Glyphosate		160	Ounce	\$0.13	\$21.25	\$57,375.00	
2-4D Amine 4		1.25	Pint	\$1.60	\$2.00	\$5,400.00	
Caparol		24	Ounce	\$0.25	\$6.09	\$16,452.72	
Outlook		2	Ounce	\$1.05	\$2.09	\$5,653.13	
Extend Flex Dicamba		44	Ounce	\$0.50	\$22.00	\$59,400.00	
Miscellaneous							
Dry Cotton RP 70% SE, Ent		1	Acre	\$6.85	\$6.85	\$18,495.00	
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	
Fertilizer							
Phos (11-52-0 DRY MAT)		19	Pounds	\$0.39	\$7.40	\$19,977.25	
Nitrogen N32-liq		26	Pounds	\$0.41	\$10.77	\$29,069.82	
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		0.48	Hour	\$15.00	\$7.20	\$19,440.00	
Other Labor		0.3	Hour	\$15.00	\$4.50	\$12,150.00	
Diesel Fuel							
Tractors/Self-Propelled		6.11	Gallon	\$2.60	\$15.89	\$42,892.20	
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	\$12.91	\$12.91	\$34,865.53	
Implements		1	Acre	\$7.62	\$7.62	\$20,587.48	
Interest on Credit Line				6.00%	\$6.66	\$17,990.25	
Total Variable Costs					\$273.70	\$738,984.05	
Planned Returns Above Variable Costs:					\$8.59	\$23,205.70	
Breakeven Price to Cover Variable Costs					\$0.57	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	\$22.34	\$22.34	\$60,321.25	
Implements		1	Acre	\$10.46	\$10.46	\$28,239.76	
Equipment Investment							
Pickup/General Use Equipment		\$9.22	Dollars	6.00%	\$0.55	\$1,492.92	
Tractors/Self-Propelled		\$169.86	Dollars	6.00%	\$10.19	\$27,518.06	
Implements		\$51.44	Dollars	6.00%	\$3.09	\$8,333.74	
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					\$94.29	\$254,594.93	
Total Specified Costs					\$367.99	\$993,578.99	
Returns Above Specified Costs					(\$85.70)	(\$231,389.24)	
Breakeven Price to Cover Total Costs					\$0.82	Pound	

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	281.25	\$0.76	\$1.09
90%	337.50	\$0.63	\$0.91
100%	375.00	\$0.57	\$0.82
110%	412.50	\$0.52	\$0.74
125%	468.75	\$0.45	\$0.65

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.