

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Dryland Cotton, B2RF, Follow Wheat
West Central Extension District - 7

Crop Acres		2700				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	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	Total	Enterprise
Production Costs						
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	
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 - B2RF	29	Thousand	\$1.17	\$33.94	\$91,626.66	
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	\$0.39	\$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%	\$5.72	\$15,442.22	
Total Variable Costs				\$234.23	\$632,420.69	
Planned Returns Above Variable Costs:				\$48.06	\$129,769.06	
Breakeven Price to Cover Variable Costs			\$0.46	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	\$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				\$328.52	\$887,015.62	
Returns Above Specified Costs				(\$46.23)	(\$124,825.87)	
Breakeven Price to Cover Total Costs			\$0.71	Pound		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	281.25	\$0.62	\$0.95
90%	337.50	\$0.51	\$0.79
100%	375.00	\$0.46	\$0.71
110%	412.50	\$0.42	\$0.65
125%	468.75	\$0.37	\$0.57

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.