## Revenues

<table>
<thead>
<tr>
<th></th>
<th>Quantity</th>
<th>Units</th>
<th>$/Unit</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton Lint</td>
<td>400.00</td>
<td>Pound</td>
<td>$0.58</td>
<td>$232.00</td>
<td>$37,120.00</td>
</tr>
<tr>
<td>Cottonseed</td>
<td>0.30</td>
<td>Ton</td>
<td>$230.00</td>
<td>$69.00</td>
<td>$11,040.00</td>
</tr>
</tbody>
</table>

Total Revenue: $301.00 Enterprise Total: $48,160.00

## Production Costs

### Custom
- **Fertilizer Application**
  - 1 Acre
  - $5.65

- **Strip and Module - Cotton**
  - 4 CWT
  - $9.25

- **Ginning - Cotton**
  - 18 CWT
  - $3.00

### Herbicide
- **Herbicide and Apply Preplant**
  - 1 Acre
  - $14.40

- **Herbicide and Apply Postemerge Dry**
  - 1 Acre
  - $14.20

### Insecticide
- **Insecticide and Apply Cotton**
  - 0.5 Acre
  - $9.55

- **Boll Weevil Assessment Dryland**
  - 1 Acre
  - $0.72

### Miscellaneous
- **Crop Insurance Cotton - Dryland**
  - 1 Acre
  - $25.00

- **Seed - Cotton Dryland**
  - 0.18 Bag
  - $363.17

- **Herbicide**
  - 1 Acre
  - $14.40

- **Tractors/Self-Propelled**
  - 1 Acre
  - $2.61

- **Equipment Investment**
  - Pickup/General Use Equipment
    - $18.03 Dollars
    - 5.40%
    - $0.97

- **Cash Rent - Cotton Dryland**
  - 1 Acre
  - $27.50

### Other Chemicals
- **Harvest Aid Apply Cotton Dryland**
  - 0.5 Acre
  - $25.78

- **Machinery Labor**
  - 1.2 Hour
  - $11.97

- **Diesel Fuel**
  - 2.97 Gallon
  - $1.97

- **Gasoline**
  - 1 Acre
  - $4.18

- **Repairs & Maintenance**
  - Pickup/General Use Equipment
    - 1 Acre
    - $2.61

- **Tractors/Self-Propelled**
  - 1 Acre
  - $2.61

- **Implements**
  - 1 Acre
  - $14.41

- **Interest on Credit Line**
  - 5.15%
  - $5.73

Total Variable Costs: $305.12 Enterprise Total: $48,819.73

## Fixed Costs

### Machinery Depreciation
- **Pickup/General Use Equipment**
  - 1 Acre
  - $2.61

- **Tractors/Self-Propelled**
  - 1 Acre
  - $3.82

- **Implements**
  - 1 Acre
  - $14.41

### Equipment Investment
- **Pickup/General Use Equipment**
  - $18.03 Dollars
  - 5.40%
  - $0.97

- **Tractors/Self-Propelled**
  - $29.73 Dollars
  - 5.40%
  - $1.61

- **Implements**
  - $62.15 Dollars
  - 5.40%
  - $3.36

- **Cash Rent - Cotton Dryland**
  - 1 Acre
  - $27.50

Total Fixed Costs: $54.27 Enterprise Total: $8,683.52

Total Specified Costs: $359.40 Enterprise Total: $97,503.25

Returns Above Specified Costs: ($58.40) ($9,343.25)

Breakeven Price to Cover Total Costs: $0.73 Pound

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### Example Breakeven Prices

<table>
<thead>
<tr>
<th>Example Yield Percent</th>
<th>Example Yield Pound</th>
<th>Price Needed to Cover Your Variable Costs</th>
<th>Price Needed to Cover Your Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>75%</td>
<td>300.00</td>
<td>$0.79</td>
<td>$0.97</td>
</tr>
<tr>
<td>90%</td>
<td>360.00</td>
<td>$0.66</td>
<td>$0.81</td>
</tr>
<tr>
<td>100%</td>
<td>400.00</td>
<td>$0.59</td>
<td>$0.73</td>
</tr>
<tr>
<td>110%</td>
<td>440.00</td>
<td>$0.54</td>
<td>$0.66</td>
</tr>
<tr>
<td>125%</td>
<td>500.00</td>
<td>$0.47</td>
<td>$0.58</td>
</tr>
</tbody>
</table>

Developed by Steve Amossen, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

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.