

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Dryland Cotton - Conventional - 160 Acres**  
**South Plains Extension District - 2**

Crop Acres		160				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Cotton Lint		350.00	Pound	\$0.60	\$210.00	\$33,600.00
Cottonseed		0.25	Ton	\$180.00	\$44.82	\$7,171.20
Total Revenue					\$254.82	\$40,771.20
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Strip and Module - Cotton		350	Pound	\$0.08	\$28.00	\$4,480.00
Ginning - Cotton		13.46	CWT	\$3.10	\$41.73	\$6,676.16
Fertilizer Application - Liquid High		1	Acre	\$4.75	\$4.75	\$760.00
Scouting - Dryland Cotton		1	Acre	\$5.00	\$5.00	\$800.00
Fertilizer						
Fertilizer (N) - Liquid		30	Pound	\$0.58	\$17.34	\$2,774.40
Fertilizer (P) - Liquid		12	Pound	\$0.74	\$8.82	\$1,411.20
Herbicide						
Herbicide - Cotton Preplant		1	Acre	\$8.75	\$8.75	\$1,400.00
Herbicide - Cotton At Plant		1	Acre	\$5.75	\$5.75	\$920.00
Herbicide - Cotton Postplant Dryland		1	Acre	\$17.00	\$17.00	\$2,720.00
Spot Spray and Chemical		1	Acre	\$15.00	\$15.00	\$2,400.00
Insecticide						
Boll Weevil Assessment Dryland		1	Acre	\$1.00	\$1.00	\$160.00
Insecticide and Apply Cotton Dryland		1	Acre	\$6.00	\$6.00	\$960.00
Seed						
Seed - Cotton Dryland		39	Thousand	\$0.26	\$10.14	\$1,622.40
Miscellaneous						
Crop Insurance Cotton - Dryland		1	Acre	\$32.00	\$32.00	\$5,120.00
Other Chemicals						
Harvest Aid Apply Cotton Dryland		1	Acre	\$10.00	\$10.00	\$1,600.00
Other Labor						
Hoeing		1	Acre	\$15.00	\$15.00	\$2,400.00
Machinery Labor						
Tractors/Self-Propelled		2.5	Hour	\$12.00	\$30.00	\$4,800.00
Diesel Fuel						
Tractors/Self-Propelled		6	Gallon	\$3.00	\$18.00	\$2,880.00
Gasoline						
Pickup/General Use Equipment		2	Gallon	\$2.25	\$4.50	\$720.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.50	\$0.50	\$80.00
Tractors/Self-Propelled		1	Acre	\$6.00	\$6.00	\$960.00
Implements		1	Acre	\$3.00	\$3.00	\$480.00
Interest on Credit Line				6.00%	\$6.25	\$999.52
Total Variable Costs					\$294.52	\$47,123.68
Planned Returns Above Variable Costs:					(\$39.70)	(\$6,352.48)
Breakeven Price to Cover Variable Costs				\$0.71	Pound	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Investment						
Pickup/General Use Equipment		\$17.84	Dollars	7.00%	\$1.25	\$199.85
Tractors/Self-Propelled		\$171.40	Dollars	7.00%	\$12.00	\$1,919.68
Implements		\$142.90	Dollars	7.00%	\$10.00	\$1,600.48
Whole Farm Insurance		1	Acre	\$2.00	\$2.00	\$320.00
Cash Rent - Cotton Dryland		1	Acre	\$30.00	\$30.00	\$4,800.00
Total Fixed Costs					\$55.25	\$8,840.01
Total Specified Costs					\$349.77	\$55,963.69
Returns Above Specified Costs					(\$94.95)	(\$15,192.49)
Breakeven Price to Cover Total Costs				\$0.87	Pound	

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	262.50	\$0.95	\$0.95	\$1.16	\$1.16	\$0.00
90%	315.00	\$0.79	\$0.79	\$0.97	\$0.97	\$0.00
100%	350.00	\$0.71	\$0.71	\$0.87	\$0.87	\$0.00
110%	385.00	\$0.65	\$0.65	\$0.79	\$0.79	\$0.00
125%	437.50	\$0.57	\$0.57	\$0.70	\$0.70	\$0.00

Developed by Jackie Smith, 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.**