

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Dryland Cotton - Herbicide Tolerant**  
**South Plains Extension District - 2**

Crop Acres		160				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	375.00	Pound	\$0.68	\$255.00	\$40,800.00	\$40,800.00
Cottonseed	0.27	Ton	\$160.00	\$42.56	\$6,809.60	\$6,809.60
<b>Total Revenue</b>				<b>\$297.56</b>	<b>\$47,609.60</b>	<b>\$47,609.60</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Custom						
Strip and Module - Cotton	375	Pound	\$0.08	\$30.00	\$4,800.00	\$4,800.00
Ginning - Cotton	14.42	CWT	\$2.90	\$41.82	\$6,690.88	\$6,690.88
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00	\$760.00
Scouting - Dryland Cotton	1	Acre	\$5.00	\$5.00	\$800.00	\$800.00
Fertilizer						
Fertilizer (N) - Liquid	35	Pound	\$0.39	\$13.67	\$2,187.50	\$2,187.50
Fertilizer (P) - Liquid	14	Pound	\$0.57	\$8.03	\$1,284.71	\$1,284.71
Herbicide						
Herbicide - Cotton Preplant	1	Acre	\$9.50	\$9.50	\$1,520.00	\$1,520.00
Herbicide - Cotton At Plant	1	Acre	\$4.50	\$4.50	\$720.00	\$720.00
Herbicide - Cotton Postplant Dryland	1	Acre	\$12.50	\$12.50	\$2,000.00	\$2,000.00
Spot Spray and Chemical	0.1	Acre	\$15.00	\$1.50	\$240.00	\$240.00
Insecticide						
Boll Weevil Assessment Dryland	0.8	Bale	\$1.00	\$0.80	\$128.00	\$128.00
Insecticide and Apply Cotton Dryland	1	Acre	\$6.00	\$6.00	\$960.00	\$960.00
Miscellaneous						
Crop Insurance Cotton - Dryland	1	Acre	\$32.00	\$32.00	\$5,120.00	\$5,120.00
Seed						
Seed - Cotton Dryland HT	30	Thousand	\$1.06	\$31.80	\$5,088.00	\$5,088.00
Other Chemicals						
Harvest Aid Apply Cotton Dryland	1	Acre	\$10.00	\$10.00	\$1,600.00	\$1,600.00
Other Labor						
Hoing	0.1	Acre	\$15.00	\$1.50	\$240.00	\$240.00
Machinery Labor						
Tractors/Self-Propelled	0.65	Hour	\$12.00	\$7.80	\$1,248.00	\$1,248.00
Other Labor	0.75	Hour	\$12.00	\$9.00	\$1,440.00	\$1,440.00
Diesel Fuel						
Tractors/Self-Propelled	3.4	Gallon	\$2.30	\$7.82	\$1,251.20	\$1,251.20
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.00	\$6.00	\$960.00	\$960.00
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00	\$80.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00	\$960.00
Implements	1	Acre	\$3.00	\$3.00	\$480.00	\$480.00
Interest on Credit Line			6.00%	\$6.91	\$1,104.85	\$1,104.85
<b>Total Variable Costs</b>				<b>\$260.39</b>	<b>\$41,663.14</b>	<b>\$41,663.14</b>
Planned Returns Above Variable Costs:				\$37.17	\$5,946.46	\$5,946.46
Breakeven Price to Cover Variable Costs			\$0.58	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Equipment Fixed Costs						
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00	\$200.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00	\$1,920.00
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00	\$1,600.00
Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$4,000.00	\$4,000.00
Cash Rent - Cotton Dryland	1	Acre	\$50.00	\$50.00	\$8,000.00	\$8,000.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00	\$320.00
<b>Total Fixed Costs</b>				<b>\$100.25</b>	<b>\$16,040.00</b>	<b>\$16,040.00</b>
<b>Total Specified Costs</b>				<b>\$360.64</b>	<b>\$57,703.14</b>	<b>\$57,703.14</b>
Returns Above Specified Costs				(\$63.08)	(\$10,093.54)	(\$10,093.54)
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.85</b>	<b>Pound</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	281.25	\$0.77	\$1.13
90%	337.50	\$0.65	\$0.94
100%	375.00	\$0.58	\$0.85
110%	412.50	\$0.53	\$0.77
125%	468.75	\$0.46	\$0.68

Developed by Jackie Smith, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-746-6101.

**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.**