

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Irrigated Guar
South Plains Extension District - 2

Crop Acres		122				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Guar		1,200.00	Pound	\$0.16	\$192.00	\$23,424.00
Total Revenue					\$192.00	\$23,424.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
	Fertilizer Application - Dry	1	Acre	\$4.00	\$4.00	\$488.00
	Harvest and Haul - Guar Acre	1	Acre	\$30.00	\$30.00	\$3,660.00
	Harvest and Haul - Guar CWT	12	CWT	\$0.20	\$2.40	\$292.80
Fertilizer						
	Fertilizer (P) - Dry	40	Pound	\$0.54	\$21.54	\$2,627.69
Herbicide						
	Herbicide and Apply Guar	1	Acre	\$4.00	\$4.00	\$488.00
Miscellaneous						
	Crop Insurance Guar	1	Acre	\$2.50	\$2.50	\$305.00
Seed						
	Seed - Guar	10	Pound	\$1.50	\$15.00	\$1,830.00
	Innoculant Guar	2	Pound	\$3.00	\$6.00	\$732.00
Irrigation						
	Energy Cost	4.00	AcreInch	\$10.00	\$40.00	\$4,880.00
	Irrigation Labor	0.75	Hour	\$12.00	\$9.00	\$1,098.00
Machinery Labor						
	Tractors/Self-Propelled	1	Hour	\$12.00	\$12.00	\$1,464.00
Diesel Fuel						
	Tractors/Self-Propelled	2.4	Gallon	\$2.40	\$5.76	\$702.72
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$4.00	\$4.00	\$488.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$61.00
	Irrigation Equipment	1	Acre	\$22.00	\$22.00	\$2,684.00
	Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$732.00
	Implements	1	Acre	\$3.00	\$3.00	\$366.00
	Interest on Credit Line			6.00%	\$4.21	\$513.72
Total Variable Costs					\$191.91	\$23,412.93
Planned Returns Above Variable Costs:					\$0.09	\$11.07
Breakeven Price to Cover Variable Costs				\$0.16	Pound	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs						
	Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$152.50
	Irrigation Equipment	1	Acre	\$55.00	\$55.00	\$6,710.00
	Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,464.00
	Implements	1	Acre	\$10.00	\$10.00	\$1,220.00
	Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$3,050.00
	Cash Rent - Irrigated	1	Acre	\$100.00	\$100.00	\$12,200.00
	Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$244.00
Total Fixed Costs					\$205.25	\$25,040.50
Total Specified Costs					\$397.16	\$48,453.43
Returns Above Specified Costs					(\$205.16)	(\$25,029.43)
Breakeven Price to Cover Total Costs				\$0.33	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	900.00	\$0.21	\$0.44
90%	1080.00	\$0.18	\$0.37
100%	1200.00	\$0.16	\$0.33
110%	1320.00	\$0.15	\$0.30
125%	1500.00	\$0.13	\$0.26

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.