

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Dryland Guar - Herbicide Tolerant**  
**South Plains Extension District - 2**

Crop Acres		160		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Guar	600.00	Pound	\$0.16	\$96.00	\$15,360.00
<b>Total Revenue</b>				<b>\$96.00</b>	<b>\$15,360.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Fertilizer Application - Dry	1	Acre	\$4.00	\$4.00	\$640.00
Harvest and Haul - Guar CWT	6	CWT	\$0.20	\$1.20	\$192.00
Harvest and Haul - Guar Dryland	1	Acre	\$25.00	\$25.00	\$4,000.00
Fertilizer					
Fertilizer (P) - Dry	20	Pound	\$0.39	\$7.80	\$1,248.00
Herbicide					
Herbicide - Guar Dryland	1	Acre	\$2.34	\$2.34	\$374.40
Miscellaneous					
Crop Insurance Guar	1	Acre	\$2.50	\$2.50	\$400.00
Seed					
Seed - Guar	8	Pound	\$1.50	\$12.00	\$1,920.00
Innoculant Guar	1	Pound	\$3.00	\$3.00	\$480.00
Machinery Labor					
Tractors/Self-Propelled	0.64	Hour	\$12.00	\$7.68	\$1,228.80
Other Labor	0.11	Hour	\$12.00	\$1.32	\$211.20
Diesel Fuel					
Tractors/Self-Propelled	2.4	Gallon	\$1.90	\$4.56	\$729.60
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.40	\$4.40	\$704.00
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%	\$2.62	\$418.46
<b>Total Variable Costs</b>				<b>\$87.92</b>	<b>\$14,066.46</b>
Planned Returns Above Variable Costs:				\$8.08	\$1,293.54
Breakeven Price to Cover Variable Costs			\$0.15	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs					
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00
Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$4,000.00
Cash Rent - Dryland	1	Acre	\$50.00	\$50.00	\$8,000.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00
<b>Total Fixed Costs</b>				<b>\$100.25</b>	<b>\$16,040.00</b>
<b>Total Specified Costs</b>				<b>\$188.17</b>	<b>\$30,106.46</b>
Returns Above Specified Costs				(\$92.17)	(\$14,746.46)
Breakeven Price to Cover Total Costs			\$0.31	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	450.00	\$0.20	\$0.42
90%	540.00	\$0.16	\$0.35
100%	600.00	\$0.15	\$0.31
110%	660.00	\$0.13	\$0.29
125%	750.00	\$0.12	\$0.25

Developed by Agricultural Economists, 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.**