

Circle Four Farms

Milford, Utah

Clean Utah Presentation

11/5/07

Company Overview

- Formed in 1993
- Joint venture of four hog producers
 - Smithfield Foods
 - Murphy Family Farms
 - Prestage Farms
 - Carroll's Foods

Today, Circle Four is a wholly owned subsidiary of **Smithfield** Foods.



Commercial Market

- Raise over 1.2 million market hogs a year.
- Customers:
 - Farmer John, Los Angeles, CA
(1,000,000 hogs/yr)
 - Yosemite Meats, Modesto, CA
(100,000 hogs/yr)
 - Miscellaneous Markets
(100,000 hogs/yr)



Groundwater Protection

- DEQ Regulated
- County Conditional Use Permits
- Lagoon Liners
- Monitor Well Network
- Environmental Management System



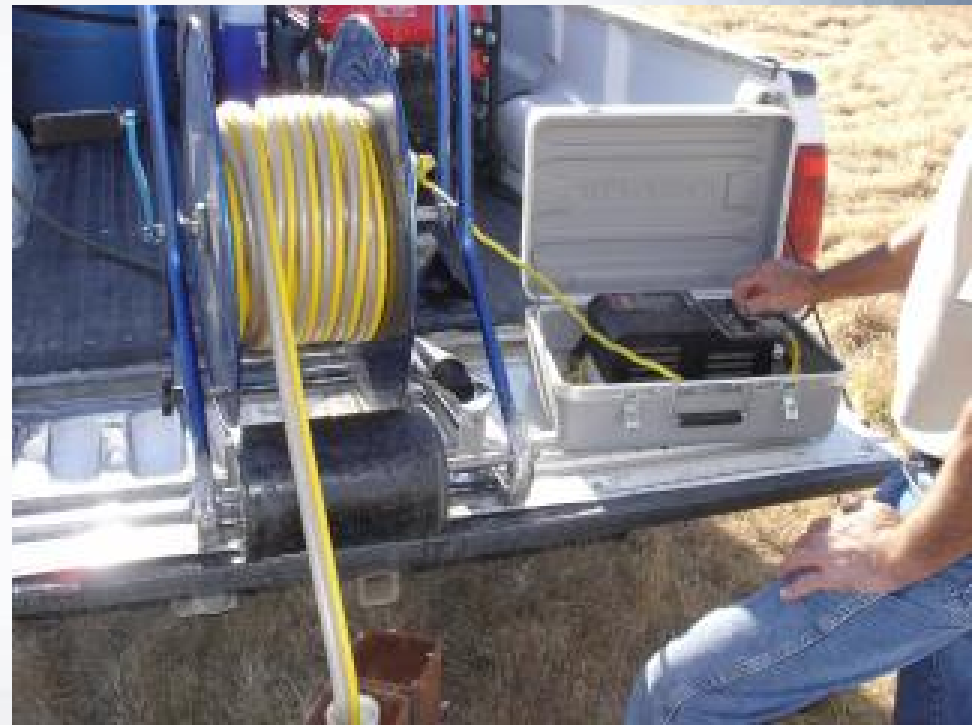
Circle Waste Handling System

- Waste is handled by approximately 120 lagoons
- Primary lagoon (60) is designed to anaerobically treat waste and contain 20 years of sludge accumulation.
- Secondary lagoon (60) is designed to store waste through the winter and evaporate the stored waste in the summer.



Monitor Well Sampling

- Currently have 140 Monitor wells
- Have done nearly 6,000 samples since 1993
- Required to sample twice a year
- Sampling is done by Circle Four
- State also samples once per year to verify results



Environmental Management System

- ISO 14001 Certified
- EMS Policy Commitments
 - Commitment to Continuous Improvement
 - Legal & Regulatory Compliance
 - Pollution Prevention



Proposed Projects



- **Windmills**

- Investigate leasing excess property north of Milford to a windmill company for the purpose of wind generation of power.

- **Why?**

- Have done a lot of energy projects and wanted to do something bigger.
 - Currently leasing property for cattle grazing.
 - Looked for an industry that has low environmental impact and no long term use of water.
 - We are in a global economy. If we can produce renewable energy here it will benefit the environment as a whole.

- **Progress:**

- Signed a lease agreement with developer
 - Should be starting construction in spring of 2008 provided that final details with BLM and State Tax commission worked out.

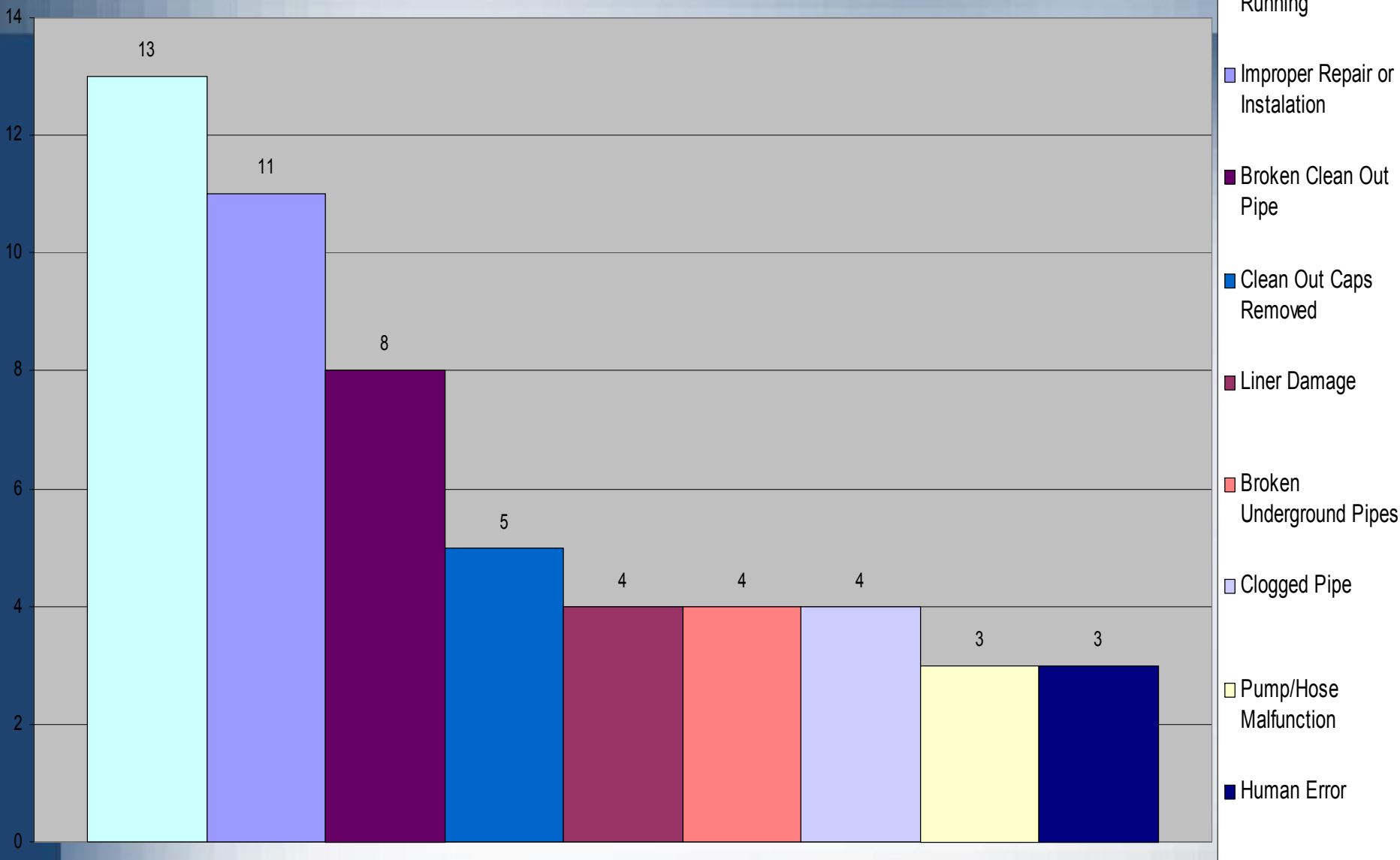


Proposed Projects

- Recycle System
 - Investigate and trial a recycle system in Utah that would enable us to turn off the recycle pump at night without freezing the lines during the winter.
- Farm personnel are not present in the barns 24 hours per day. When absent, any plugging or overflow from the recycle system could go undetected for up to 16 hours.
- In the event of a spill, staff is required to stop the flow and follow our spill response
- Following a significant spill, as much liquid waste as possible is recovered and returned to a containment basin.
- Following repairs, a complete evaluation of the spill's impact on the environment is made by collecting soil and/or groundwater samples. Mitigation efforts such as soil excavation and disposal may be necessary.

Causes of Effluent Spills

Start-up to 12/29/05



Recycle System Project

- As shown in the graph, Recycle blockage is the number one cause of spills at Circle Four.
- By reconfiguring the recycle system, we believe that design improvements will minimize spill occurrence.
- Reducing spills will decrease the volume of contaminants associated with hog manure that may be released to soil and groundwater, such as nitrate, chlorides, ammonia, and dissolved solids.
- Progress:
 - Currently installed
 - In the process of trialing system.

Community Outreach Programs

- We participate in many community events and programs, below are list a few of them:
 - Science and history fair judges
 - Conduct tours for high school FFA programs.
 - Conduct tours for College agriculture classes.
 - Provide guest lectures for local classes and events on hog production.
 - Provide local FFA groups with pigs for pig projects
 - Donate tens of thousands of dollars to local groups and charities yearly.
 - Participate in local events (relay for life, parades etc..)
 - Are in the process of providing a semi-annual Community Newsletter.
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Questions?