

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
FORT WORTH DIVISION**

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<b>In re</b>	§	<b>Chapter 11</b>
	§	
<b>PILGRIM’S PRIDE CORPORATION, et al.,</b>	§	<b>Case No. 08-45664 (DML)</b>
	§	
	§	
<b>Debtors.</b>	§	
	§	<b>JOINTLY ADMINISTERED</b>
	§	

**ORDER PURSUANT TO SECTION 365(a) OF THE BANKRUPTCY CODE  
AND BANKRUPTCY RULES 6006 AND 9014 AUTHORIZING THE DEBTORS  
TO REJECT CERTAIN EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY**

(Relates to Docket No. \_\_\_)

Upon the motion, dated December 31, 2008 (the “Motion”), of Pilgrim’s Pride Corporation and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the “Debtors”),<sup>1</sup> for authorization to reject those certain

<sup>1</sup> The Debtors in these cases are PPC; PFS Distribution Company; PPC Transportation Company; To-Ricos, Ltd.; To-Ricos Distribution, Ltd.; Pilgrim’s Pride Corporation of West Virginia, Inc.; and PPC Marketing, Ltd.

Executory Contracts<sup>2</sup> and Unexpired Leases identified on Exhibit A attached hereto pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rules 6006 and 9014 as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and grant the requested relief in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Debtors having provided notice of the Motion and Hearing (as defined below) to the Notice Parties; and the Court having held a hearing to consider the requested relief (the "Hearing") with the appearances of all interested parties noted in the record of the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest; and the Court having determined that the Debtors have provided due and proper notice of the Motion and Hearing and no further notice is necessary; and the Court having determined that the legal and factual bases set forth in the Motion establish just and sufficient cause to grant the requested relief herein; and therefore, it is:

ORDERED that the Motion is granted; and it is further

ORDERED that, pursuant to section 365(a) of the Bankruptcy Code, the rejection of the Executory Contracts and Unexpired Leases identified on Exhibit A hereto is hereby approved, effective as of the Proposed Rejection Date; and it is further

ORDERED that all claims for damages arising as a result of the rejection of the Executory Contracts or Unexpired Lease shall be filed by a date to be established by order of this Court in these chapter 11 cases; and it is further

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<sup>2</sup> Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Motion.

ORDERED that the Debtors shall serve a copy of this Order on all counterparties to the Executory Contracts and Unexpired Leases and/or their respective attorneys (if known) within three business days of entry of this Order; and it is further

ORDERED that this Court hereby retains jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

### End of Order ###

**Exhibit A**

**Executory Contracts**

**Unexpired Leases**

**Exhibit A**

**Executory Contracts (General)**

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Bakery Feeds	Pilgrim's Pride Corporation	Service Agreement for the collection and recycling of breading and fryer crumb material.	01-14-2002	12-31-2008
Bakery Feeds	Pilgrim's Pride Corporation	Service Agreement for the collection and recycling of breading and fryer crumb material.	09-03-2008	12-31-2008
Bakery Feeds	Pilgrim's Pride Corporation	All contracts with Bakery Feeds, including those listed herein.	N/A	12-31-2008
Corporate Waste Alternatives, Inc.	Pilgrim's Pride Corporation	Solid waste cost reduction consulting agreement for services at Guntersville, Alabama.	08-24-2004	12-31-2008
Corporate Waste Alternatives, Inc.	Pilgrim's Pride Corporation	Solid waste cost reduction consulting agreement for services at Carrollton, Georgia.	08-11-2006	12-31-2008
Corporate Waste Alternatives, Inc.	Pilgrim's Pride Corporation	All contracts with Corporate Waste Alternatives, Inc. including those listed herein.	N/A	12-31-2008
Eastern Poultry Distributors, Inc.	Pilgrim's Pride Corporation	Chicken supply agreement for distribution to West Liberty Foods, L.L.C.	08-01-2007	01-26-2009
J.D. Heiskell & Co.	Pilgrim's Pride Corporation	Corn purchase agreement confirmation number DN139947.	07-25-2008	12-2-2008
J.D. Heiskell & Co.	Pilgrim's Pride Corporation	Corn purchase agreement confirmation number KN140200.	08-07-2008	12-2-2008

**Executory Contracts (Hedges)**

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
AG Processing Inc. AGP Grain Ltd.	Pilgrim's Pride Corporation	Agreement fixing price and purchase commitment levels of soybean oil for various Pilgrim's Pride Corporation facilities for delivery through March 2009.	09-12-2008	12-31-2008
Cargill	Pilgrim's Pride Corporation	Agreement fixing price and purchase commitment levels of 14.6 million pounds of soybean oil for various Pilgrim's Pride Corporation facilities for delivery through March 2009.	09-11-2008	12-31-2008
Cargill	Pilgrim's Pride Corporation	Agreement fixing price and purchase commitment levels of 341,000 pounds of finished dressing and 180,000 pounds of soybean oil for various Pilgrim's Pride Corporation facilities for delivery through March 2009.	09-15-2008	12-31-2008
Riceland	Pilgrim's Pride Corporation	Agreement fixing price and purchase commitment levels of 1.5 million pounds of soybean oil for the Farmersville LA facility through March 2009.	09-15-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Mayfield, KY #1- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #190316	08-02-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Mayfield, KY #2- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #190315	08-02-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Mayfield, KY Feed- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #189850	08-02-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Gainesville, GA- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #190135	08-02-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Mayfield, KY #1- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #192896	09-09-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Mayfield, KY #2- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #193105	09-12-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Mayfield, KY Feed- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #193106	09-12-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Gainesville, GA- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #192881	09-09-2008	12-31-2008

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Atmos Energy	Pilgrim's Pride Corporation	Natchitoches, LA- 45% hedge of natural gas contract volumes, Nov 08-Mar09	07-29-2008	12-31-2008
Atmos Energy	Pilgrim's Pride Corporation	Natchitoches, LA- 15% hedge of natural gas contract volumes, Nov 08-Mar09	09-09-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Atkins/Batesville/Clinton- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #24-A STL	07-31-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Dequeen/Eldorado/Hope/Nashville/Farmerville/Arcadia/Bossier City- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #25-A STL	07-31-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Mt. Pleasant/Pittsburg- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #26-A STL	08-07-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Russellville, AR- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #23-A STL	07-31-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Lufkin, TX- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #ES-0219-2-019	08-06-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Nacogdoches, TX CR1275- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #ES-0104-2-018	08-06-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Nacogdoches, TX MLK- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #ES-0240-2-016	08-06-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Teneha, TX- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #US-0124-2-019	08-06-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Teneha, TX- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #US-0124-2-020	09-10-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Nacogdoches, TX CR1275- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #ES-0104-2-019	09-10-2008	12-31-2008

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Centerpoint Energy Services	Pilgrim's Pride Corporation	Nacogdoches, TX MLK- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #ES-0240-2-017	09-10-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Lufkin, TX- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #ES-0219-2-020	09-10-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Batesville, AR- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #24-B STL	09-09-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Dequeen/El Dorado/Hope/Nashville/Farmerville/Arcadia/Bossier City- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #25-B STL	09-09-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Mt. Pleasant/Pittsburg- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #26-B STL	09-09-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Mt. Pleasant/Pittsburg- additional hedge of natural gas contract volumes, Mar09 #26-D STL	09-12-2008	12-31-2008
Centerpoint Energy Services	Pilgrim's Pride Corporation	Russellville, AR- 15% hedge of natural gas contract volumes, Nov 08-Mar09 #23B-STL	09-09-2008	12-31-2008
Hess Corporation	Pilgrim's Pride Corporation	Franconia, PA- 45% hedge of natural gas contract volumes, Nov 08-Mar09	07-28-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Firm Accounts- 45% hedge of natural gas contract volumes, Nov 08-Mar09 #GST4910	08-11-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Athens, GA- GK natural gas hedge #71747	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Athens, GA- PPC natural gas hedge #71759	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Athens, GA Truck/Hatch/Feed natural gas hedge #71764	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Ballground, GA- natural gas hedge #71748	09-09-2008	12-31-2008

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Scana Energy Marketing	Pilgrim's Pride Corporation	Calhound, GA Feed- natural gas hedge #71749	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Canton, GA- natural gas hedge #71758	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Carrollton, GA- natural gas hedge #71750	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Chattanooga Feed- natural gas hedge #71760	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Chattanooga #1- natural gas hedge #71761	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Chattanooga #2- natural gas hedge #71762	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Dalton, GA- natural gas hedge #71763	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Ellijay, GA- natural gas hedge #71751	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Live Oak, FL- natural gas hedge #71752	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Sanford, NC #1- natural gas hedge #71753	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Sanford, NC #2- natural gas hedge #71754	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Siler City, NC Hatch- natural gas hedge #71756	09-09-2008	12-31-2008
Scana Energy Marketing	Pilgrim's Pride Corporation	Sumter, SC- natural gas hedge #71757	09-09-2008	12-31-2008
TXU Energy	Pilgrim's Pride Corporation	Heat rate hedges- Aug08-Oct08 50% of volumes, Nov08-Jan09 25% of volumes #3-1K72LE-1	07-21-2008	12-31-2008

Counterparty	Debtor Entity	Description of Contract	Contract Date	Proposed Rejection Date
TXU Energy	Pilgrim's Pride Corporation	Heat rate hedges- Aug08-Oct08 15% of volumes, Nov08-Jan09 10% of volumes	07-24-2008	12-31-2008
TXU Energy	Pilgrim's Pride Corporation	Heat rate hedges- Aug08-Oct08 15% of volumes, Nov08-Jan09 10% of volumes	07-25-2008	12-31-2008
TXU Energy	Pilgrim's Pride Corporation	Heat rate hedges- Nov08-Jan09 10% of volumes, Feb08-Mar08 60% of volumes	09-09-2008	12-31-2008

**Executory Contracts (Grower Contracts)**

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Jody Sullivan	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-09-2009
Chick-A-Moo	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Triple B Ranch	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-21-2009
R & C Farm	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-22-2009
Tom Carte	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Moises Rodriguez	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-09-2009
Randall Hewitt	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Loyce Roberts	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-14-2009
Gregory Ragans	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Cullinane Farms LLC	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Willie Mae Watson Farm	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Abel T Farm	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-07-2009
AJ Farms	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-15-2009
David Hines	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
James Fountain	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Nancy Gamble	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Maybuck Farms, Inc.	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Trinder Farms LLC	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-05-2009
Pauline Lawson	Pilgrim's Pride Corporation	Live Oak, Florida Broiler Farm	N/A	01-21-2009
4C Sons dba Spring Farm	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-07-2009
Chris Dewitt	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-26-2009
4C Sons dba Winter Farm	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-09-2009
Pamela Sorrels dba Circle S Farm	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-05-2009
Whitt Farm	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-05-2009
Robby Hargett III	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-05-2009
Mai Farm	Pilgrim's Pride Corporation	Marshville, North Carolina Broiler Farm	N/A	01-05-2009
Tommy Waldrop	Pilgrim's Pride Corporation	Carrollton, Georgia Broiler Farm	N/A	01-05-2009
Gary Mashburn	Pilgrim's Pride Corporation	Carrollton, Georgia Broiler Farm	N/A	01-05-2009
William Whitmire	Pilgrim's Pride Corporation	Carrollton, Georgia Broiler Farm	N/A	01-13-2009
Two x Two Poultry	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-05-2009
Whigham Farm	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-05-2009
TLC Farm	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-05-2009
Ronnie Hudson	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-06-2009
Mary Ann Hudson	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-06-2009
Sherion W. Lingo	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-05-2009
Donna's Poultry	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-05-2009
Burdeshaw Farm	Pilgrim's Pride Corporation	Enterprise, Alabama Broiler Farm	N/A	01-05-2009

<b>Counterparty</b>	<b>Debtor Entity</b>	<b>Description of Contract</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Shannon Milligan S&A Farm #2	Pilgrim's Pride Corporation	Batesville, Arkansas Breeder Farm	N/A	01-05-2009
Shannon Milligan S&A Farm #3	Pilgrim's Pride Corporation	Batesville, Arkansas Breeder Farm	N/A	01-05-2009

**Unexpired Leases**

<b>Landlord</b>	<b>Debtor/Tenant</b>	<b>Property Location</b>	<b>Contract Date</b>	<b>Proposed Rejection Date</b>
Spirit Finance Capital Management, LLC  (former lessor was Anika and Associates, Inc.)	Pilgrim's Pride Corporation	Expressway Business Center 3330 Woodrow Wilson Jackson, MS 39209	11-23-2004	12-31-2008
Surol Inc.	Pilgrim's Pride Corporation	2604 South 33rd Street Oskaloosa, IA 52577	09-01-2000	12-31-2008