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RECEIVED
SEP 26 2007
DEPT. OF WATER RESOURCES
SOUTHERN REGION

September 25, 2007

Via UPS Overnight Delivery

Idaho Department of Water Resources
Southern Region
1341 Fillmore Street, Suite 200
Twin Falls, ID 83301-3380

Re: Notice of Termination of Security Interests in Water Rights
SECOND LIEN ONLY:

Water Right Nos. 72-00048, 72-00051B, 72-00051L, 72-00051N, 72-00133, 72-00135, 72-00136, 72-00137, 72-04159F, 72-07193, 72-07219, 72-07220, 72-07257, 72-07414, 72-10488, 72-07551, 72-07573

Ladies and Gentlemen:

This letter is sent on behalf of our client UBS, AG, Stanford Branch ("UBS" and the "Lender") to confirm the termination of the Second Lien on the above listed water rights.

In November 2006 we filed four Notices of Security Interests on the water rights. Some water rights are owned by Thompson Creek Mining Co. and others by Cyprus Thompson Creek Mining Company. We enclosed two Mortgages with our filings, each encumbering the mining properties. We filed a copy of the First Lien Mortgage and two Notices of Security Interests, one signed by Thompson Creek Mining Co., covering its water rights, and another signed by Cyprus Thompson Creek Mining Company, covering its water rights. We filed a copy of the Second Lien Mortgage and two Notices of Security Interests, one signed by Thompson Creek Mining Co., covering its water rights, and another signed by Cyprus Thompson Creek Mining Company, covering its water rights.

At this time, the indebtedness underlying the Second Lien Mortgage has been paid and we are sending this letter to provide NOTICE THAT THE SECOND LIEN HAS BEEN TERMINATED. A copy of the Release being recorded is enclosed.

THE FIRST LIEN IS *NOT* BEING RELEASED AT THIS TIME. SO, THE NOTICES OF SECURITY INTERESTS AS TO THE FIRST LIENS ON THE WATER RIGHTS REMAIN IN PLACE.

SUPPORT DATA

IN FILE # 72-418

HOLLAND & HART^{LLP}
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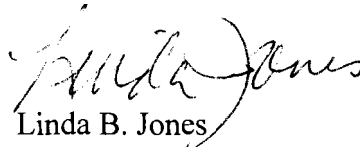
Department of Water Resources
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UBS is the agent for the lenders in both loans and under both Mortgages. UBS is listed as the person holding the security interest on all previously filed Notices. The two loans have different maturity dates, and thus, there are different expiration dates for the Notices. THIS LETTER DOES NOT TERMINATE OR RELEASE THE FIRST LIENS. The expiration date for the first liens is November 1, 2012.

Thank you for processing this notice of termination of the Second Liens. If you have any questions about this notice, please contact me.

Sincerely,

HOLLAND & HART^{LLP}



Linda B. Jones

LBJ:la

cc: Michael Wenzel
Renate Herbst

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