DEPARTMENT OF ENERGY IMPORT AUTHORIZATION LONG TERM APPLICATION

Filing Company: Cascade Natural Gas Corporation
Parent Company: MDU Resources Group Inc.

Correspondence: Luke Hansen, Gas Supply Analyst III, 8113 W. Grandridge Blvd, Kennewick, WA 99336, (509) 734-4587

Corporate Officer: Dennis Haider, EVP, Reg., Gas Supply and Business Development, 400 N 4th St, Bismarck, ND 58501, (701) 222-7639

Cascade Natural Gas would like to file for a long term import authorization application for natural gas being imported from Canada. This gas is being bought to supply Cascade Natural Gas's core load in Washington and Oregon. Terms of the contract are listed below. There are no transportation charges, reservation fees, or take-or-pay provisions. Please find enclosed a copy of the contract and a signed opinion of legal counsel.

Counterparty: Shell Energy North America
Term of Contract: November 1, 2012 – September 30, 2015
Purchase Location: Kingsgate
Port of Entry: Eastport
Volumes: 2,672,000 MMBTUs
Price: $3.76

If you have any questions please let me know,
Thanks,

Luke Hansen
Cascade Natural Gas Corporation
luke.hansen@cngc.com
509.734.4587

In the Community to Serve
**CONFIRMATION**

**CASCADE NATURAL GAS CORPORATION**

**SHELL ENERGY NORTH AMERICA (US), L.P.**

**Attn:**

222 FAIRVIEW AVE NORTH,

SEATTLE, WA 98102-5312

This Transaction Confirmation ("Confirmation") shall confirm and effectuate the agreement between SHELL ENERGY NORTH AMERICA (US), L.P. ("Seller") and CASCADE NATURAL GAS CORPORATION ("Counterparty") regarding the purchase and sale of natural gas under the following terms. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Contract.

**Table:**

<table>
<thead>
<tr>
<th>Period of Delivery</th>
<th>Performance Obligation</th>
<th>Transporter / Delivery Point(s)</th>
<th>Contract Quantity</th>
<th>Contract Price</th>
<th>USD / MMBTU</th>
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<tbody>
<tr>
<td>1/1/2012 - 6/30/2013</td>
<td>GAS TRANS NW KINGSGATE POOL</td>
<td>3,000 MMBTU</td>
<td>76,000</td>
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<tr>
<td>7/1/2012 - 1/31/2013</td>
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<td>3,000 MMBTU</td>
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<tr>
<td>2/1/2013 - 5/31/2013</td>
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<td>76,000</td>
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<tr>
<td>6/1/2013 - 8/31/2013</td>
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<tr>
<td>9/1/2013 - 11/30/2013</td>
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<tr>
<td>12/1/2013 - 2/28/2014</td>
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<tr>
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This Confirmation is being provided pursuant to and in accordance with the master gas purchase and sale contract dated 7/1/2003 between Shell Energy (the "Contract") and Counterparty and constitutes part of and is subject to all of the provisions of the Contract. With respect to the above stated I.D. Number identifying this specific transaction, this Confirmation shall supersede any prior Confirmations of this specific transaction.

Please evidence your acceptance of this Confirmation by signing below and returning a faxed copy to Shell Energy. If no facsimile objection to this Confirmation is received by Shell Energy by 5:00 p.m., HOUSTON, Texas time, within two (2) Business Days after delivery of this Confirmation to Counterparty (unless otherwise specified in the Contract), then this Confirmation shall be the final expression of all the terms hereof and shall be binding and enforceable against Seller and Buyer regardless of whether executed by Counterparty.

**CASCADE NATURAL GAS CORPORATION**

**SHELL ENERGY NORTH AMERICA (US), L.P.**

**Per:**

[Signature]

**Date:**

_July 14, 2012_

**Questions and comments should be directed to Shell Energy at Phone:**

877-504-2491

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**SHELL ENERGY NORTH AMERICA (US), L.P.**

**1800 MAIN ST LEVEL 12, HOUSTON, TX 77002**
Larine A. Moore  
U.S. Department of Energy  
FE-34  
P.O. Box 44375  
Washington DC 20026-4375

Larine,

Please find enclosed three applications for Cascade Natural Gas Corporation for long term import authorizations of natural gas from Canada. Also enclosed is a signed opinion of legal counsel, showing that the imports are within the corporate powers of Cascade. There are copies of the transaction confirmations enclosed as well. If you have any questions please don't hesitate to contact me. My contact information is below.

Thank you,

Luke Hansen  
Cascade Natural Gas Corporation  
luke.hansen@cngc.com  
509.734.4587