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 – October 31, 2015
Purchase Location: Huntington
Port of Entry: Sumas
Volumes: 6,360,000 MMBTUs
Price: $4.17

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

Luke Hansen
Cascade Natural Gas Corporation
luke.hansen@cngc.com
509.734.4587
**SHELL ENERGY NORTH AMERICA (US), L.P.**

<table>
<thead>
<tr>
<th>Confirmation Date:</th>
<th>07/19/2012</th>
<th>Trade Date:</th>
<th>07/12/2012</th>
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<tbody>
<tr>
<td>Trader:</td>
<td>Tom Howard</td>
<td>Endur #:</td>
<td>6205067</td>
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<td>Commodity:</td>
<td>Natural Gas</td>
<td>Contract #:</td>
<td>010-NO-SS-07034</td>
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**REVISED CONFIRMATION**

**CASCADE NATURAL GAS CORPORATION**

Fax: 1 068544039
Phone: 1 800 734 4687

This Transaction Confirmation ("Confirmation") shall confirm and affectuate the agreement between SHELL ENERGY NORTH AMERICA (US), L.P. ("Shell Energy") and CASCADE NATURAL GAS CORPORATION ("Counterparty") regarding the purchase and sale of natural gas during the following period:

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

<table>
<thead>
<tr>
<th>Period of Delivery</th>
<th>Performance Specification</th>
<th>Transporter / Delivery Point</th>
<th>Contract Quantity</th>
<th>Contract Price USD/MMBTU</th>
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<tbody>
<tr>
<td>11/01/2012 - 01/31/2013</td>
<td>WESTCOAST ENERGY HUNTINGDON</td>
<td>10,000 MMBTU</td>
<td>4.17000</td>
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<td>02/01/2013 - 03/31/2013</td>
<td>WESTCOAST ENERGY HUNTINGDON</td>
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<td>11/01/2013 - 12/31/2013</td>
<td>WESTCOAST ENERGY HUNTINGDON</td>
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<td></td>
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This Confirmation liquidates and supersedes any prior Confirmations of this specific transaction.

Please evidence your acceptance of this Confirmation by signing below and returning a facsimile copy to Shell Energy. If no facsimile objection to this Confirmation is received by Shell Energy by 5:00 p.m., Boston Time, within two 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 accepted by Counterparty.

**CASCADE NATURAL GAS CORPORATION**

Per: [Signature]
Name/Title: [EVP]
Date: July 23, 2012

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

Per: [Signature]
Name/Title: Patricia Butler - Contracts Manager
Date: 07/16/2012

Questions and comments should be directed to Shell Energy at Phone: 877-504-2491

Please return this signed confirmation to Fax: 713-285-2171
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 an 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

In the Community to Serve®