

CASCADE NATURAL GAS CORP  
 Form 4  
 July 06, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Gardner Michael J

2. Issuer Name and Ticker or Trading Symbol  
 CASCADE NATURAL GAS CORP  
 [CGC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 222 FAIRVIEW AVENUE N  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 07/02/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Vice President Operations

SEATTLE, WA 98109

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock <u>(1)</u>	07/02/2007		M		1,000	A	\$ 20.84
Common Stock <u>(2)</u>	07/02/2007		U		3,123.4057	D	\$ 26.50

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
 (9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
Employee Stock Option (Right to Buy) <sup>(3)</sup>	\$ 20.84	07/02/2007		M	1,000	03/29/2003 03/29/2012	Common Stock 1,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Gardner Michael J 222 FAIRVIEW AVENUE N SEATTLE, WA 98109			Vice President Operations	

## Signatures

James Haug by Power of Attorney  
07/06/2007  
\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Options were exercised as provided in the Agreement and Plan of Merger by and among the Company, Firemoon Acquisition, Inc. and MDU Resources Group, Inc. (the "Merger Agreement"). Option holders received cash in an amount equal to the difference between the merger consideration and the exercise price, as provided in the Merger Agreement.
- (2) Reporting person disposed of 3123.4057 shares of Common Stock pursuant to an Agreement and Plan of Merger by and Among MDU Resources Group, Inc., Firemoon Acquisition, Inc., and Cascade Natural Gas Corporation, dated as of July 8, 2006.
- (3) Cash exercise of 1000 stock options granted under the CNGC 1998 Stock Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.