

COUNTERPART NO. 7

80219

CASCADE NATURAL GAS CORPORATION

TO

THE CHASE MANHATTAN BANK
(NATIONAL ASSOCIATION)

AND

C. J. HEINZELMANN

As Trustees

FORTY-FIFTH SUPPLEMENTAL INDENTURE

Dated as of September 8, 1987

TO

FIRST MORTGAGE AND DEED OF TRUST

Dated as of April 1, 1956

Supplementing the First Mortgage and Deed of Trust dated as of April 1, 1956 (as supplemented by the First Supplemental Indenture dated as of October 15, 1956, the Second Supplemental Indenture dated as of April 1, 1957, the Third Supplemental Indenture dated as of October 15, 1957, the Fourth Supplemental Indenture dated as of April 1, 1958, the Fifth Supplemental Indenture dated as of August 15, 1959, the Sixth Supplemental Indenture dated as of March 17, 1960, the Seventh Supplemental Indenture dated as of January 31, 1961, the Eighth Supplemental Indenture dated as of August 15, 1961, the Ninth Supplemental Indenture dated as of April 15, 1962, the Tenth Supplemental Indenture dated as of August 28, 1962, the Eleventh Supplemental Indenture dated as of April 15, 1963, the Twelfth Supplemental Indenture dated as of December 27, 1963, the Thirteenth Supplemental Indenture dated as of March 20, 1964, the Fourteenth Supplemental Indenture dated as of April 20, 1965, the Fifteenth Supplemental Indenture dated as of December 1, 1965, the Sixteenth Supplemental Indenture dated as of April 15, 1966, the Seventeenth Supplemental Indenture dated as of April 15, 1967, the Eighteenth Supplemental Indenture dated as of April 15, 1968, the Nineteenth Supplemental Indenture dated as of July 1, 1968, the Twentieth Supplemental Indenture dated as of April 21, 1969, the Twenty-First Supplemental Indenture dated as of June 16, 1969, the Twenty-Second Supplemental Indenture dated as of March 15, 1970, the Twenty-Third Supplemental Indenture dated as of January 1, 1971, the Twenty-Fourth Supplemental Indenture dated as of January 1, 1972, the Twenty-Fifth Supplemental Indenture dated as of April 15, 1973, the Twenty-Sixth Supplemental Indenture dated as of June 1, 1973, the Twenty-Seventh Supplemental

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Indenture dated as of March 1, 1974, the Twenty-Eighth Supplemental Indenture dated as of January 1, 1975, the Twenty-Ninth Supplemental Indenture dated as of August 1, 1975, the Thirtieth Supplemental Indenture dated as of January 1, 1976, the Thirty-First Supplemental Indenture dated as of March 1, 1977, the Thirty-Second Supplemental Indenture dated as of June 15, 1977, the Thirty-Third Supplemental Indenture dated as of April 1, 1978, the Thirty-Fourth Supplemental Indenture dated as of April 1, 1979, the Thirty-Fifth Supplemental Indenture dated as of April 1, 1980, the Thirty-Sixth Supplemental Indenture dated as of August 15, 1980, the Thirty-Seventh Supplemental Indenture dated as of April 1, 1981, the Thirty-Eighth Supplemental Indenture dated as of April 1, 1982, the Thirty-Ninth Supplemental Indenture dated as of October 1, 1982, the Fortieth Supplemental Indenture dated as of April 1, 1983, the Forty-First Supplemental Indenture dated as of April 1, 1984, the Forty-Second Supplemental Indenture dated as of April 1, 1985, the Forty-Third Supplemental Indenture dated as of April 1, 1986, and the Forty-Fourth Supplemental Indenture dated as of March 20, 1987), from Cascade Natural Gas Corporation to The Chase Manhattan Bank (now The Chase Manhattan Bank (National Association)) and Fred F. Voorhees (now C. J. Heinzelmann), as Trustees, and Subjecting Certain Property to the Lien of Said First Mortgage and Deed of Trust.

FORTY-FIFTH SUPPLEMENTAL INDENTURE, dated as of September 8, 1987, between CASCADE NATURAL GAS CORPORATION, a corporation duly organized and existing under the laws of the State of Washington (hereinafter sometimes called the Company), party of the first part, and THE CHASE MANHATTAN BANK (National Association), a national banking association existing under the laws of the United States of America (formerly The Chase Manhattan Bank), and C. J. HEINZELMANN (as successor to J. A. PAYNE and FRED F. VOORHEES), as Trustees under the First Mortgage and Deed of Trust dated as of April 1, 1956 (hereinafter called the Original Indenture), as amended and supplemented by the First Supplemental Indenture dated as of October 15, 1956, the Second Supplemental Indenture dated as of April 1, 1957, the Third Supplemental Indenture dated as of October 15, 1957, the Fourth Supplemental Indenture dated as of April 1, 1958, the Fifth Supplemental Indenture dated as of August 15, 1959, the Sixth Supplemental Indenture dated as of March 17, 1960, the Seventh Supplemental Indenture dated as of January 31, 1961, the Eighth Supplemental Indenture dated as of August 15, 1961, the Ninth Supplemental Indenture dated as of April 15, 1962, the Tenth Supplemental Indenture dated as of August 28, 1962, the Eleventh Supplemental Indenture dated as of April 15, 1963, the Twelfth Supplemental Indenture dated as of December 27, 1963, the Thirteenth Supplemental Indenture dated as of March 20, 1964, the Fourteenth Supplemental Indenture dated as of April 20, 1965, the Fifteenth Supplemental Indenture dated as of December 1, 1965, the Sixteenth Supplemental Indenture dated as of April 15, 1966, the Seventeenth Supplemental Indenture dated as of April 15, 1967,

the Eighteenth Supplemental Indenture dated as of April 15, 1968, the Nineteenth Supplemental Indenture dated as of July 1, 1968, the Twentieth Supplemental Indenture dated as of April 21, 1968, the Twenty-First Supplemental Indenture dated as of June 16, 1969, the Twenty-Second Supplemental Indenture dated as of March 15, 1970, the Twenty-Third Supplemental Indenture dated as of January 1, 1971, the Twenty-Fourth Supplemental Indenture dated as of January 1, 1972, the Twenty-Fifth Supplemental Indenture dated as of April 15, 1973, the Twenty-Sixth Supplemental Indenture dated as of June 1, 1973, the Twenty-Seventh Supplemental Indenture dated as of March 1, 1974, the Twenty-Eighth Supplemental Indenture dated as of January 1, 1975, the Twenty-Ninth Supplemental Indenture dated as of August 1, 1975, the Thirtieth Supplemental Indenture dated as of January 1, 1976, the Thirty-First Supplemental Indenture dated as of March 1, 1977, the Thirty-Second Supplemental Indenture dated as of June 15, 1977, the Thirty-Third Supplemental Indenture dated as of April 1, 1978, the Thirty-Fourth Supplemental Indenture dated as of April 1, 1979, the Thirty-Fifth Supplemental Indenture dated as of August 1, 1980, the Thirty-Sixth Supplemental Indenture dated as of April 1, 1981, the Thirty-Seventh Supplemental Indenture dated as of April 1, 1982, the Thirty-Eighth Supplemental Indenture dated as of October 1, 1982, the Thirty-Ninth Supplemental Indenture dated as of April 1, 1983 and the Fortieth Supplemental Indenture dated as of April 1, 1984, the Forty-First Supplemental Indenture dated as of April 1, 1985, and the Forty-Second Supplemental Indenture dated as of April 1, 1986, and the Forty-Third Supplemental Indenture dated as of March 20, 1987 of the Company (the Original Indenture as amended and supplemented by said First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-First, Twenty-Second, Twenty-Third, Twenty-Fourth, Twenty-Fifth, Twenty-Sixth, Twenty-Seventh, Twenty-Eighth, Twenty-Ninth, Thirtieth, Thirty-First, Thirty-Second, Thirty-Third, Thirty-Fourth, Thirty-Fifth, Thirty-Sixth, Thirty-Seventh, Thirty-Eighth, Thirty-Ninth, Fortieth, Forty-First, Forty-Second, Forty-Third, and Forty-Fourth Supplemental Indentures being hereinafter sometimes called the Indenture as Heretofore Amended, and the Forty-Fifth Supplemental Indenture and as it may hereafter be supplemented, modified or amended, being hereinafter sometimes called the Indenture), parties of the second part.

WHEREAS, The Chase Manhattan Bank is now The Chase Manhattan Bank (National Association); and the continuity of the business of The Chase Manhattan Bank, including its business of acting as corporate trustee, and its corporate existence, have not been affected, so that The Chase Manhattan Bank (National Association) is vested with all the trusts, powers, discretion, immunities, privileges and all other matters as were vested in said The Chase

Manhattan Bank under the Indenture, with like effect as if originally named as Trustee therein;

WHEREAS, Fred F. Voorhees resigned as Individual Trustee under the Indenture and was duly succeeded by J. A. Payne as Individual Trustee effective November 17, 1966, and J. A. Payne resigned as Individual Trustee and was duly succeeded by C. J. Heinzelmann effective June 29, 1987 so that C. J. Heinzelmann is vested with all the estates, properties, rights, powers, trusts, duties and obligations of said Fred F. Voorhees under the Indenture, with like effect as if originally named as Individual Trustee therein;

WHEREAS, the Company has been authorized by law and has deemed it necessary to borrow money for its proper corporate purposes, to issue its bonds therefor and to mortgage and pledge its properties in order to secure the payment thereof, and to that end, in the exercise of such authority, the Board of Directors of the Company has duly authorized the execution and delivery of the Indenture as Heretofore Amended to provide for bonds to be issued thereunder from time to time in one or more series unlimited in aggregate principal amount at any one time outstanding (hereinafter called the Bonds), to secure the payment of the principal of, and the interest and premium, if any, on the Bonds and to establish and declare the terms and conditions upon which the Bonds are to be issued and secured, and has duly authorized the creation, execution and delivery under the Indenture as Heretofore Amended of twelve series of Bonds: one designated "First Mortgage 4-7/8% (originally 4-5/8%) Twenty-year Bonds, Series A, Due April 1, 1976" (hereinafter called Series A Bonds or Bonds of Series A), limited to the aggregate principal amount of \$9,100,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 4-7/8% Bonds, Series B, Due April 1, 1978" (hereinafter called Series B Bonds or Bonds of Series B), limited to the aggregate principal amount of \$643,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 6% Bonds, Series C, Due October 1, 1978" (hereinafter called Series C Bonds or Bonds of Series C), limited to the aggregate principal amount of \$2,429,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 5-3/4% Twenty-year Bonds, Series D, Due April 1, 1982" (hereinafter called Series D Bonds or Bonds of Series D), limited to the aggregate principal amount of \$2,500,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 5-1/8% Twenty-year Bonds, Series E, Due April 1, 1984" (hereinafter called Series E Bonds or Bonds of Series E), limited to the aggregate principal amount of \$6,000,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 5-1/2% Twenty-year Bonds, Series F, Due April 1, 1986" (hereinafter called Series F Bonds or Bonds of Series F), limited to the aggregate principal amount of \$12,500,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 7-1/2% Twenty-year

Bonds, Series G, Due October 1, 1988" (hereinafter called Series G Bonds or Bonds of Series G), limited to the aggregate principal amount of \$7,000,000 (of which \$1,372,000 are outstanding at the date hereof); another designated "First Mortgage 8% Twenty-year Bonds, Series H, Due June 15, 1989" (hereinafter called Series H Bonds or Bonds of Series H), limited to the aggregate principal amount of \$5,000,000 (of which \$982,000 are outstanding at the date hereof); another designated "First Mortgage 8-1/2% Twenty-year Bonds, Series I, Due December 15, 1989 (originally June 15, 1993)" (hereinafter called Series I Bonds or Bonds of Series I), limited to the aggregate principal amount of \$14,000,000 (of which \$3,750,000 are outstanding at the date hereof); another designated "First Mortgage 12% Ten-year Bonds, Series J, Due August 1, 1985" (hereinafter called Series J Bonds or Bonds of Series J), limited to the aggregate principal amount of \$6,000,000 (none of which are outstanding at the date hereof); another designated "First Mortgage 9-1/2% Thirteen and one-half year Bonds, Series K, Due December 15, 1990" (hereinafter called Series K Bonds or Bonds of Series K), limited to the aggregate principal amount of \$3,000,000 (of which \$1,046,000 are outstanding at the date hereof); and another designated "First Mortgage 15-1/2% Twelve-year Bonds, Series L, Due August 15, 1992" (hereinafter called Series L Bonds or Bonds of Series L), limited to the aggregate principal amount of \$7,500,000 (of which \$4,000,000 are outstanding at the date hereof);

WHEREAS, Article Eleven of the Indenture as Heretofore Amended provides, in substance and among other things, that the Company and the Trustees may, subject to certain conditions, enter into an indenture or indentures supplemental to the Indenture as Heretofore Amended which thereafter shall form a part of the Indenture as Heretofore Amended;

WHEREAS, the Company desires by this Forty-Fifth Supplemental Indenture to amend, change and add to the provisions of the Indenture as Heretofore Amended as hereinafter set forth,

WHEREAS, the necessary percentage of Bondholders have given their consent to certain amendments to the Indenture as herein-after set forth;

WHEREAS, all acts and things prescribed by law and by the Articles of Incorporation and By-laws of the Company and by the Indenture as Heretofore Amended necessary to make this Forty-Fifth Supplemental Indenture a valid and legally binding instrument, for the purposes herein expressed, in accordance with its terms and the terms of the Indenture as Heretofore Amended, have been duly done and performed; and

WHEREAS, the Trustees have full power and authority to execute this Forty-Fifth Supplemental Indenture and to accept and execute the trust herein imposed upon them;

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NOW, THEREFORE, THIS FORTY-FIFTH SUPPLEMENTAL INDENTURE WITNESSETH that, in order to effect amendments to the Indenture as heretofore set forth, and for and in consideration of the premises and of the mutual covenants herein contained and of the acceptance or purchase of the Bonds by the holders thereof and of the sum of Ten Dollars, lawful money of the United States of America, to the Company duly paid by the Trustees at or before the sealing and delivery of this Forty-Fifth Supplemental Indenture, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Company has executed and delivered this Forty-Fifth Supplemental Indenture.

AND IT IS HEREBY COVENANTED AND DECLARED that all the Bonds have been authenticated and delivered, and the Trust Estate is to be held and applied by the Trustees, subject to the covenants, conditions, and trusts set forth in the Indenture as Heretofore Amended, the terms and provisions of which are hereby incorporated herein by reference, and to the further covenants, conditions, and trusts hereinafter set forth, and the Company for itself and with the Trustees and their successor or successors agree to and with the benefit of all present and future holders in such trusts, for the benefit of all present and future holders of Bonds and coupons, or any of them, as follows:

ARTICLE ONE

Section 1.01. The Company represents and warrants that, as of the date of execution of this Forty-Fifth Supplemental Indenture, it has good and marketable title (free and clear of any liens other than the lien of the Indenture and Permitted Encumbrances) to all the properties and interests in properties described in the Indenture, together with all other instruments subjecting properties to the lien of the Indenture, constitutes a direct and valid first mortgage lien on all such properties and interests in properties as provided therein, subject only to Permitted Encumbrances.

ARTICLE TWO

Amendments to the Indenture as Heretofore Amended

Section 2.01 Pursuant to authorization in the next to the last flush paragraph of Section 11.01 of the Indenture as Heretofore Amended and the written consent of the holders of 66-2/3 percent in principal amount of all Bonds of all such Series now Outstanding and heretofore filed with the Corporate Trustee, the following amendments are made to the Indenture as Heretofore Amended:

(a) The definition of "Permitted Encumbrance" in Article I is amended by deleting the period at the end of the definition and adding the words "(xiv) certain

liens and encumbrances created and evidenced by a certain Short Form First Mortgage and Deed of Trust dated February 23, 1978, and a certain Secured Note dated February 23, 1978, on the following-described property in King, Yakima, and Skagit Counties, Washington:

"King County Premises"

Premises situated in Seattle, King County, Washington, described as Lots 3, 4, 5, 6, 7, 8 and 9 in Block 2 of Fairview Homestead Association for the Benefit of Mechanics and Laborers, according to the plat recorded in Vol. 1 of Plats, Page 119, records of said county, together with the tenements, hereditaments, appurtenances and easements thereunto belonging and the buildings and improvements thereon;

"Yakima County Premises"

Premises situated in Yakima, Yakima County, Washington, described as Lots 14, 15 and 16, Block 26, Town of North Yakima (now Yakima) according to the plat thereof recorded in Volume "A" of Plats, Page 10 and rerecorded in Volume "E" of Plats, Page 1, records of said county, together with the tenements, hereditaments, appurtenances and easements thereunto belonging and the buildings and improvements thereon;

"Skagit County Premises"

Premises situated in Mt. Vernon, Skagit County, Washington, described as

(a) That portion of the NE 1/4 of the NE 1/4 of section 30, township 34 north, range 4 east, W.M., described as follows: Beginning at a point on the east line of Second Street in the City of Mount Vernon which is 1022 feet south to the north line of said section; thence south along said east line of Second Street 139 feet, more or less, to the north line of block 6, "Fair Addition to Mt. Vernon," according to the plat recorded in volume 4 of plats, page 14, records of Skagit County, Washington; thence east along said north line 100 feet to the west line of the alley; thence north along said west line 139 feet, more or less, to a point east of the

point of beginning; thence west 100 feet to the point of beginning.

(b) The north 2 feet and 9.25 inches of the west 100 feet of lot 3, block 6, "Fair Addition to Mt. Vernon," according to the plat recorded in volume 4 of plats, page 14, records of Skagit County, Washington.

(c) That portion of the NE 1/4 of the NE 1/4 of section 30, township 34 north, range 4 east, W.M., described as follows: Beginning at a point on the west line of Third Street as established in the City of Mount Vernon, 962 feet south of the north line of said subdivision; thence west parallel with the north line of said section, 108 feet to the northwest corner of that property conveyed to W.P. Watkins, et ux., by deed dated December 9, 1948, filed December 15, 1948, under Auditor's File No. 426144 and recorded in volume 231 of deeds, page 484, the true point of beginning of this description; thence continue west parallel with the north line of said section, 108 feet, more or less, to the east line of Second Street as established in the City of Mount Vernon; thence south along the east line of Second Street 60 feet; thence east parallel with the north line of said section, 108 feet, more or less, to the southwest corner of said Watkins property; thence north along the west line of said Watkins property 60 feet to the true point of beginning.

(d) Lots 3 and 4, Block 6, "Fair Addition to Mt. Vernon," according to the plat recorded in volume 4 of plats, page 14, records of Skagit County, Washington, EXCEPT the north 2 feet 9.25 inches of said lot 3.

Together with the tenements, hereditaments, appurtenances and easements thereunto belonging and the buildings and improvements thereon.

and (xv) a certain vendor's interest in a certain Real Estate Contract between LEL, Ltd., as seller, and Cascade Building Co., as purchaser, dated April 9, 1986, on the following described property in King County, Washington:

Lots 1 and 2, Block 2, Fairview Homestead Association, for the benefit of Mechanics and Laborers, according to the plat recorded in Volume 1 of Plats, page 119, in King County, Washington. EXCEPT the West 80 feet of the North 36 feet of said Lot 1.

(b) Section 7.14 is amended by changing the figure \$250,000, which appears in subparagraph (3) and in the first flush paragraph, to \$500,000.

(c) Section 9.02(2) is amended by deleting the words "(ii) property of the value of more than \$10,000 at the date of disposition thereof shall not be disposed of pursuant to this subdivision (2) in any single transaction and property of the value at the date of disposition thereof of more than \$50,000 shall not be disposed of pursuant to this subdivision (2) in any one year;" and substituting the words "(ii) property of the value of more than \$25,000 at the date of disposition thereof shall not be disposed of pursuant to this subdivision (2) in any single transaction and property of the value at the date of disposition thereof of more than \$200,000 shall not be disposed of pursuant to this subdivision (2) in any one year;".

ARTICLE THREE

Section 3.01. This Forty-Fifth Supplemental Indenture is supplemental to the Indenture as Heretofore Amended and, pursuant to Article Eleven of the Indenture as Heretofore Amended, does and shall be deemed to form a part of, and shall be construed in connection with and as a part of, the Indenture for any and all purposes, including discharge of the Indenture as provided in Article Fifteen of the Indenture. Whenever the terms defined in Article One of the Indenture as Heretofore Amended are used in this Forty-Fifth Supplemental Indenture, such terms shall, unless otherwise defined herein, or unless the context shall otherwise require, have the respective meanings specified in the Indenture as Heretofore Amended.

ARTICLE FOUR

Section 4.01. The Trustees severally for themselves and their respective successors hereby accept the trust created by this Forty-Fifth Supplemental Indenture upon the terms and conditions set forth in the Indenture.

Section 4.02. The Trustees shall not be responsible in any manner whatsoever for the correctness of the recitals herein, all of which are made by the Company solely.

ARTICLE FIVE

Section 5.01. Although this Forty-Fifth Supplemental Indenture, for convenience and for the purpose of reference, is dated as of September 8, 1987, the actual date of execution by the Company and by the Trustees is as shown by their respective acknowledgements hereto annexed.

Section 5.02. In case any one or more of the provisions contained in this Forty-Fifth Supplemental Indenture should be invalid, illegal or unenforceable, in any respect, the validity, legality and enforceability of the remaining provisions herein shall not in any way be affected or impaired thereby.

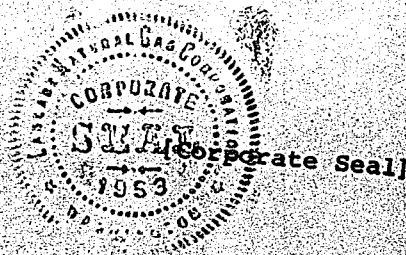
Section 5.03. This Forty-Fifth Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 5.04. By execution hereof, the Company acknowledges receipt of a full, true and complete copy of this Forty-Fifth Supplemental Indenture.

IN WITNESS WHEREOF, Cascade Natural Gas Corporation has caused this Forty-Fifth Supplemental Indenture to be signed and acknowledged by its President or its Executive Vice President or one of its Vice Presidents, and its corporate seal to be hereto affixed and the same to be attested by its Secretary or one of its Assistant Secretaries; and The Chase Manhattan Bank (National Association), as Corporate Trustee under the Indenture, has caused this Forty-Fifth Supplemental Indenture to be signed and acknowledged by one of its Vice Presidents or Second Vice Presidents, and its corporate seal to be hereto affixed, and the same to be attested by one of its Assistant Secretaries or Assistant Treasurers; and C. J. Heinzelmann, as Individual Trustee under the Indenture, has duly executed and acknowledged this Forty-Fifth Supplemental Indenture.

CASCADE NATURAL GAS CORPORATION

By 
D. E. Bennett, Vice President -
Finance

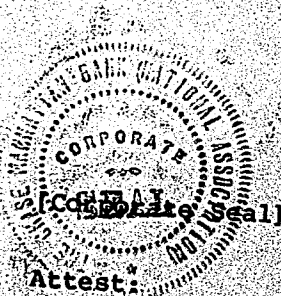


Attest:

W. B. Smith

In the Presence of:

Margaret Grant
Irene Carleton



THE CHASE MANHATTAN BANK
 (National Association),
 Corporate Trustee

By

[Signature]
 Vice President

K. F. Fisk

In the Presence of:

[Signature]
T. M. M. M.

By

C. J. Heinzelmann
 C. J. Heinzelmann
 Individual Trustee

Attest:

K. F. Fisk

In the Presence of:

[Signature]
T. M. M. M.

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The Debtor's mailing address is:

Cascade Natural Gas Corporation
222 Fairview Avenue North
Seattle, Washington 98109

The address of the Secured Party from which security information is obtainable is:

The Chase Manhattan Bank
(National Association)
One New York Plaza
New York, New York 10081

STATE OF WASHINGTON

COUNTY OF KING

)
) ss.
)

I certify that I know or have satisfactory evidence that D. E. BENNETT signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President-Finance CASCADE NATURAL GAS CORPORATION to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: September 8, 1987,

(Seal or Stamp)



Agnes A. Kitayama
NOTARY PUBLIC in and for the State
of Washington, residing at Edmonds,
Washington. My appointment expires
November 1, 1987.


STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.

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On this 29 day of September, 1987, before me personally appeared FW- Clerk, to me known to be Vice President of THE CHASE MANHATTAN BANK (National Association), one of the corporations that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

[Notarial Seal]

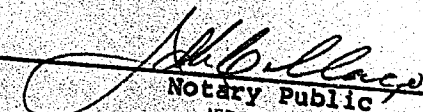

Notary Public
JERONIMO M. COLLACO
Notary Public, State of New York
No. 41-4880257
Qualified in Queens County
Certificate Filed in New York County
Commission Expires December 15, 1988

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.

On this day personally appeared before me C. J. HEINZELMANN, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 29 day of September, 1987.

[Notarial Seal]

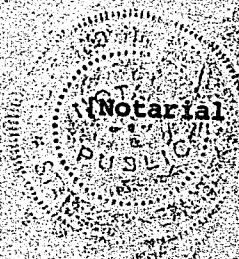

Notary Public
JERONIMO M. COLLACO
Notary Public, State of New York
No. 41-4880257
Qualified in Queens County
Certificate Filed in New York County
Commission Expires December 15, 1988

18262

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.

On this 29 day of September, 1987, before me,
Jeronimo M. Collaco, a Notary Public in and for the
State of New York, personally appeared C. J. HEINZELMANN, known
to me to be the person whose name is subscribed to the within
instrument, and acknowledged to me that he executed the same.

Given under my hand and official seal the day and year first
above written.



[Notarial Seal]

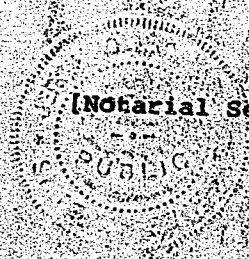
J. M. Collaco
Notary Public

JERONIMO M. COLLACO
Notary Public, State of New York
No. 41-4880257
Qualified in Queens County
Certificate Filed in New York County
Commission Expires December 15, 1988

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.

On this 29 day of September, 1987, before me,
Jeronimo M. Collaco, a Notary Public in and for the
State of New York, personally appeared F.W. CLARK,
known to me to be Vice President of THE CHASE MANHATTAN BANK
(National Association), one of the corporations that executed the
foregoing instrument, and the person who executed said instrument
on behalf of said corporation, and acknowledged to me that such
corporation executed the same.

Given under my hand and official seal the day and year first
above written.



[Notarial Seal]

J. M. Collaco
Notary Public

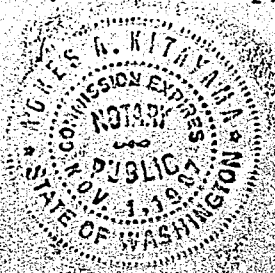
JERONIMO M. COLLACO
Notary Public, State of New York
No. 41-4880257
Qualified in Queens County
Certificate Filed in New York County
Commission Expires December 15, 1988

STATE OF WASHINGTON)
) ss.
 COUNTY OF KING)

I certify that I know or have satisfactory evidence that D. E. BENNETT signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President - Finance of CASCADE NATURAL GAS CORPORATION to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: September 8, 1987,

(Seal or Stamp)



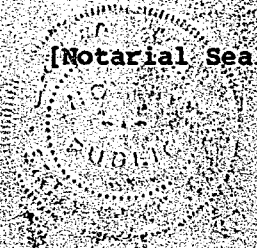
James H. Kitayama
 NOTARY PUBLIC in and for the State
 of Washington, residing at Edmonds,
 Washington. My appointment expires
 November 1, 1987.

STATE OF NEW YORK)
) ss.
 COUNTY OF NEW YORK)

29 day of September, 1987

Personally appeared the above C. J. HEINZELMANN and acknowledged the foregoing instrument to be his free and voluntary act and deed. Before me.

[Notarial Seal]



Jeronimo M. Collaco
 Notary Public
 JERONIMO M. COLLACO
 Notary Public, State of New York
 No. 41-4880257
 Qualified in Queens County
 Certificate Filed in New York County
 Commission Expires December 15, 1988

STATE OF NEW YORK)
) ss.
 COUNTY OF NEW YORK)

29 day of September, 1987

Personally appeared FW. Clark, who being duly sworn, did say that he is a Vice President of THE CHASE MANHATTAN BANK (National Association) and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed. Before me.

[Notarial Seal]

J. M. Collaco
 Notary Public

JERONIMO M. COLLACO
 Notary Public, State of New York
 No. 41-4880257

Qualified in Queens County
 Certificate Filed in New York County
 Commission Expires December 15, 1988

STATE OF WASHINGTON)
) ss.
 COUNTY OF KING)

I certify that I know or have satisfactory evidence that W. BRIAN MATSUYAMA signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Assistant Secretary of CASCADE NATURAL GAS CORPORATION to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: September 8, 1987,

(Seal or Stamp)



A. Kitayama
 NOTARY PUBLIC in and for the State
 of Washington, residing at Edmonds,
 Washington. My appointment expires
 November 1, 1987.

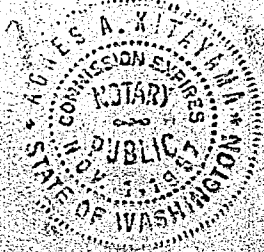
18265

STATE OF WASHINGTON)
) ss.
 COUNTY OF KING)

On this 8th day of September, 1987, before me appeared D. E. BENNETT, to me personally known, who, being duly sworn, deposes and says that he is Vice President - Finance of CASCADE NATURAL GAS CORPORATION, a Washington corporation, and that the foregoing Forty-Fifth Supplemental Indenture dated as of September 8, 1987, amending and supplementing the First Mortgage and Deed of Trust dated as of April 1, 1956, as heretofore amended and supplemented, between Cascade Natural Gas Corporation, and The Chase Manhattan Bank (now The Chase Manhattan Bank (National Association)), and Fred F. Voorhees (now C. J. Heinzelmenn), as Trustees, has been made in good faith and without design to hinder, delay or defraud creditors.

SUBSCRIBED AND SWORN TO before me this 8th day of September, 1987.

(Seal or Stamp)



Agnes A. Zitzman
 NOTARY PUBLIC in and for the State
 of Washington, residing at Edmonds,
 Washington. My appointment expires
 November 1, 1987.

let
CASCADE NATURAL GAS CORP.
 P.O. BOX 24464
 SEATTLE, WASHINGTON 98124-0464

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Cascade Natural Gas Corporation the 7th day
 of October A.D., 19 87 at 11:57 o'clock A M., and duly recorded in Vol. 887
 of Mortgages on Page 18249
 Evelyn Biehn, County Clerk
 By *[Signature]*

FEE \$69.00