

FORM 4

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

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

OMB APPROVAL
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**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(f) of the
Investment Company Act of 1940

| | | |
|---|---|--|
| 1. Name and Address of Reporting Person * MUHLEISEN ANGIE (Last) (First) (Middle) C/O FARMERS & MERCHANTS INVESTMENT INC., 6801 SOUTH 27TH STREET (Street) LINCOLN, NE 68512 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol NELNET INC [NNI] 3. Date of Earliest Transaction (MM/DD/YYYY) <p align="center">8/2/2010</p> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) |
| 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person |

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

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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 Beneficial Ownership (Instr. 4) |
|---------------------------------|----------------|-----------------------------------|---------------------------|---|---|------------|---------------|--|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Class A Common Stock | 8/2/2010 | | S (1) (2) | | 5000.0000 | D | \$20.6782 (3) | 575245.0000 | I | By daughter |
| Class A Common Stock | 8/2/2010 | | S (2) (4) | | 5000.0000 | D | \$20.6782 (3) | 575245.0000 | I | By son |
| Class A Common Stock | | | | | | | | 2650119.0000 (5) | D | |
| Class A Common Stock | | | | | | | | 404500.0000 (6) | I | By corporation |
| Class A Common Stock | | | | | | | | 505310.0000 (7) | I | By GRAT |
| Class A Common Stock | | | | | | | | 505310.0000 (8) | I | By GRAT |
| Class A Common Stock | | | | | | | | 1195690.0000 | I | By spouse |

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|----------------|-----------------------------------|---------------------------|--|-----|---|-----------------|---|----------------------------|--|---|--|--|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |

Explanation of Responses:

(1) These shares were sold by Alicia Muhleisen pursuant to a Rule 10b5-1 Sales Plan (the "A.M. Plan") entered into on September 15, 2009, which provided for the sale of shares of the issuer's Class A Common Stock, subject to limit price provisions. With the sales of the shares reported herein, the A.M. Plan has been completed and no future sales may occur pursuant to the A.M. Plan.

- (2) Rule 10b5-1, promulgated under the Securities Exchange Act of 1934, allows significant shareholders of a company who are not in possession of material non-public information to establish pre-arranged plans to buy or sell a specified number of shares of such company's stock. Once a plan is established, the shareholder does not retain or exercise any discretion over sales of stock under the plan and the pre-planned trades may be executed at later dates as set forth in the plan.
- (3) The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$20.59 to \$20.82 inclusive. The reporting person undertakes to provide to the issuer, any security holder of the issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within such range.
- (4) These shares were sold by Jason Muhleisen pursuant to a Rule 10b5-1 Sales Plan (the "J.M. Plan") entered into on September 15, 2009, which provided for the sale of shares of the issuer's Class A Common Stock, subject to limit price provisions. With the sales of the shares reported herein, the J.M. Plan has been completed and no future sales may occur pursuant to the J.M. Plan.
- (5) These shares include 88,864 shares that the reporting person holds jointly with her spouse.
- (6) Shares held by Farmers & Merchants Investment Inc. ("F&M"), of which the reporting person is a director, executive officer and owns or controls approximately 38.5% of the outstanding voting stock. The reporting person continues to report beneficial ownership of all the shares held by F&M, but disclaims beneficial ownership of the shares held by F&M except to the extent of her pecuniary interests therein.
- (7) Shares held by the Angela L. Muhleisen Grantor Retained Annuity Trust dated 8/29/2003. The reporting person continues to report beneficial ownership of all the shares held by the trust, but disclaims beneficial ownership of the shares held by the trust except to the extent of her pecuniary interests therein.
- (8) Shares held by the Dan D. Muhleisen Grantor Retained Annuity Trust dated 8/29/2003. The reporting person continues to report beneficial ownership of all the shares held by the trust, but disclaims beneficial ownership of the shares held by the trust except to the extent of her pecuniary interests therein.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| MUHLEISEN ANGIE C/O FARMERS & MERCHANTS INVESTMENT INC. 6801 SOUTH 27TH STREET LINCOLN, NE 68512 | | X | | |

Signatures

/s/ Angie R. Miller, Attorney-in-Fact for Angela L. Muhleisen

8/4/2010

** Signature of Reporting Person

Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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