

BLACK HILLS CORP /SD/  
Form 4  
March 23, 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 \*  
**MATTERN JAMES M**

2. Issuer Name and Ticker or Trading Symbol

**BLACK HILLS CORP /SD/ [BKH]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

VP - Administration

(Last)      (First)      (Middle)

PO BOX 1400

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

03/21/2007

6. Individual or Joint/Group Filing (Check Applicable Line)

Form filed by One Reporting Person

\_\_\_\_ Form filed by More than One Reporting Person

(Street)

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

RAPID CITY, SD 577091400

(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 Beneficial Ownership (Instr. 4) |  |
|---------------------------------|--------------------------------------|--|--------------------------------|---|-------------------|---|--|---|--|
|                                 |                                      |  |                                | Code  | V Amount or Price |   |  |   |  |
| Common Stock                    | 03/21/2007                           |  | M                              |   | 2,500             | A \$ 19.38  | 22,074.089   | D   |  |
| Common Stock                    | 03/21/2007                           |  | M                              |   | 2,500             | A \$ 19.38  | 24,574.089   | D   |  |
| Common Stock                    | 03/21/2007                           |  | M                              |   | 2,500             | A \$ 19.38  | 27,074.089   | D   |  |
| Common Stock                    | 03/21/2007                           |  | F(1)                           |   | 3,927.3649        | D \$ 37   | 23,146.7241  | D   |  |
| Common Stock                    | 03/21/2007                           |  | F(2)                           |   | 944.9622          | D \$ 37   | 22,201.7619  | D   |  |

|                 |    |   |                           |
|-----------------|----|---|---------------------------|
| Common<br>Stock | 30 | I | By<br>Immediate<br>Family |
|-----------------|----|---|---------------------------|

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | 8. Amount<br>or<br>Number<br>of<br>Shares |
|---|--|---|---|--------------------------------------|---|--|---|---|
| Option<br>(Right to<br>Buy)                         | \$ 19.38   | 03/21/2007                              |   | M                                    | 2,500   | 07/21/1998 07/21/2007  | Common<br>Stock   | 2,500                                     |
| Option<br>(Right to<br>Buy)                         | \$ 19.38   | 03/21/2007                              |   | M                                    | 2,500   | 07/21/1999 07/21/2007  | Common<br>Stock   | 2,500                                     |
| Option<br>(Right to<br>Buy)                         | \$ 19.38   | 03/21/2007                              |   | M                                    | 2,500   | 07/21/2000 07/21/2007  | Common<br>Stock   | 2,500                                     |

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

MATTERN JAMES M  
PO BOX 1400  
RAPID CITY, SD 577091400

VP - Administration

## Signatures

By: Roxann R. Basham, by power of  
attorney

03/23/2007

\_\_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) Shares used to pay for exercise price of stock option

(2) Shares used to pay tax withholding

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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