

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) July 11, 2005

BLACK HILLS CORPORATION

(Exact name of registrant as specified in its charter)

South Dakota
(State or other jurisdiction of incorporation)

001-31303
(Commission File Number)

46-0458824
(IRS Employer Identification No.)

625 Ninth Street, PO Box 1400
Rapid City, South Dakota
(Address of principal executive offices)

57709-1400
(Zip Code)

605.721.1700
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

The Company may enter into various agreements with its employees from time to time under the 2005 Omnibus Incentive Plan. The Form of Stock Option Award Agreement, Form of Restricted Stock Award Agreement, Form of Restricted Stock Unit Award Agreement, and Form of Performance Share Award Agreement are attached as exhibits to this filing and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits. The following exhibits are filed herewith:

<u>Exhibit Number</u>	<u>Title of Document</u>
10.1	Form of Stock Option Award Agreement
10.2	Form of Restricted Stock Award Agreement
10.3	Form of Restricted Stock Unit Award Agreement
10.4	Form of Performance Share Award Agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BLACK HILLS CORPORATION

By: /s/ Mark T. Thies
Mark T. Thies
Executive Vice President
and Chief Financial Officer

Date: July 11, 2005

Exhibit Index

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**Black Hills Corporation
2005 Omnibus Incentive Plan
Option Award Agreement**

Participant: _____

Date of Grant: _____

Number of Shares Covered by this Option: _____

**Number of above Shares intended to be
Incentive Stock Options ("ISOs")
within the meaning of Internal Revenue
Code § 422:** _____

**Number of above shares intended to be
Nonqualified Stock Options ("NQSOs"):** _____

Option Price for each Share: _____

Date of Expiration: _____

This document constitutes part of the prospectus covering securities that have been registered under the Securities Act of 1933.

THIS AGREEMENT, effective as of the Date of Grant set forth above, represents the grant of stock options by Black Hills Corporation, a South Dakota corporation (the "Company") to the Participant named above, pursuant to the provisions of the Black Hills Corporation 2005 Omnibus Incentive Plan ("Plan").

All capitalized terms used herein shall have the meanings ascribed to them in the Plan, unless specifically set forth otherwise herein.

The Plan provides a complete description of the terms and conditions governing the Option. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, the Plan's terms shall completely supersede and replace the conflicting terms of this Agreement. The parties hereto agree as follows:

1. **Grant of Stock Options.** The Company hereby grants to the Participant an Option to purchase the number of Shares set forth above, at the stated Option Price, which is 100 percent (100%) of the Fair Market Value of a Share on the Date of Grant, in the manner and subject to the terms and conditions of the Plan and this Agreement.

2. **Exercise of Stock Option.** Except as hereinafter provided, the Participant may exercise this Option at any time after the end of one year following the Date of Grant as to those Shares which have become vested according to the vesting schedule set forth below, provided that no exercise may occur subsequent to the close of business on the Date of Expiration (as defined on page 1 of this Agreement).

VESTING SCHEDULE

Date	Shares for Which Option Becomes Exercisable	Cumulative Number of Shares Available for Purchase
_____	_____	_____
_____	_____	_____
_____	_____	_____

This Option may be exercised in whole or in part, but not for less than 100 Shares at any one time, unless fewer than 100 Shares then remain subject to the Option, and the Option is then being exercised as to all such remaining Shares.

3. **Termination of Employment:**

- (a) *By death or Disability:* In the event of termination of employment by reason of death or disability, all Shares under this Option shall become immediately vested (100%) and the Shares may be purchased under the terms of this Agreement until the earlier of: (i) the expiration date of this Option; or (ii) the first anniversary of the date of death or Disability.
- (b) *By Retirement:* In the event of termination of employment by reason of retirement, all Shares under this Option shall become immediately vested (100%) and the Shares may be purchased under the terms of this Agreement until the earlier of: (i) the expiration date of this Option; or (ii) the third anniversary date of Retirement.
- (c) *For other reasons:* Shares which are vested as of the date of termination of employment of the Participant for any reason other than those reasons set forth in 3(a) or 3(b) above may be purchased under the terms of this Agreement until the earlier of: (i) the expiration date of this Option; or (ii) 90 days following the date of termination of employment. Shares which are not vested as of the date of termination shall immediately terminate, and shall be forfeited to the Company.

4. **Change in Control.** In the event of a Change in Control, all Shares under this Option shall become immediately vested (100%) and shall remain exercisable for their entire term.

"Change in Control" of the Company shall be deemed to have occurred (as of a particular day, as specified by the Board) upon the occurrence of any of the following events:

- (a) The acquisition in a transaction or series of transactions by any Person of Beneficial Ownership of thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Company; provided, however, that for purposes of this Agreement, the following acquisitions will not constitute a Change in Control: (A) any acquisition by the Company; (B) any acquisition of common stock of the Company by an underwriter holding securities of the Company in connection with a public offering thereof; and (C) any acquisition by any Person pursuant to a transaction which complies with subsections (c) (i), (ii) and (iii), below;
- (b) Individuals who, as of December 31, 2004 are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the election, or nomination for election by the Company's common shareholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Plan, be considered as a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a-11 promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest;
- (c) Consummation, following shareholder approval, of a reorganization, merger, or consolidation of the Company and/or its subsidiaries, or a sale or other disposition (whether by sale, taxable or non-taxable exchange, formation of a joint venture or otherwise) of fifty percent (50%) or more of the assets of the Company and/or its subsidiaries (each a "Business Combination"), unless, in each case, immediately following such Business Combination, (i) all or substantially all of the individuals and entities who were beneficial owners of shares of the common stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding shares of the entity resulting from the Business Combination or any direct or indirect parent corporation thereof (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one (1) or more subsidiaries)(the "Successor Entity"); (ii) no Person (excluding any Successor entity or any employee benefit plan or related trust, of the Company or such Successor Entity) owns, directly or indirectly, thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Successor Entity, except to the extent that such ownership existed prior to such Business Combination; and (iii) at least a majority of the members of the Board of Directors of the entity resulting from such Business Combination or any direct or indirect parent corporation thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such Business Combination; or

- (d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, except pursuant to a Business Combination that complies with subsections (c) (i), (ii), and (iii) above.
- (e) A Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Common Stock as a result of the acquisition of Common Stock by the Company which, by reducing the number of shares of Common Stock then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Common Stock by the Company, and after such stock acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Common Stock which increases the percentage of the then outstanding Common Stock Beneficially Owned by the Subject Person, then a Change in Control shall occur.
- (f) A Change in Control shall not be deemed to occur unless and until all regulatory approvals required in order to effectuate a Change in Control of the Company have been obtained and the transaction constituting the Change in Control has been consummated.
5. **Restrictions on Transfer.** This Option may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, this Option shall be exercisable during the Participant's lifetime only by the Participant or the Participant's legal representative.
6. **Recapitalization.** In the event there is any change in the Company's Shares through the declaration of stock dividends or through recapitalization resulting in stock splits or through merger, consolidation, exchange of Shares, or otherwise, the number and class of Shares subject to this Option, as well as the Option Price, may be equitably adjusted by the Committee, in its sole discretion, to prevent dilution or enlargement of rights.
7. **Procedure for Exercise of Option.** This Option may be exercised by delivery of written notice to the Company at its executive offices, addressed to the attention of its Secretary. Such notice: (a) shall be signed by the Participant or his or her legal representative; (b) shall specify the number of full Shares then elected to be purchased with respect to the Option; (c) unless a Registration Statement under the Securities Act of 1933 is in effect with respect to the Shares to be purchased, shall contain a representation of the Participant that the Shares are being acquired by him or her for investment and with no present intention of selling or transferring them, and that he or she will not sell or otherwise transfer the Shares except in compliance with all applicable securities laws and requirements of any stock exchange upon which the Shares may then be listed; and (d) shall be accompanied by payment in full of the Option Price of the Shares to be purchased, and the Participant's copy of this Agreement.

The Option Price upon exercise of this Option shall be payable to the Company in full either: (a) in cash or its equivalent (acceptable cash equivalents shall be determined at the sole discretion of the Committee); or (b) by tendering previously acquired Shares having an aggregate Fair Market Value at the time of exercise equal to the total Option Price (provided that the Shares which are tendered must have been held by the Participant for at least six (6) months prior to their tender to satisfy the Option Price); or (c), by a combination of (a) and (b).

The Participant may also be permitted to exercise pursuant to a "cashless exercise" procedure as permitted under the Federal Reserve Board's Regulation T, subject to securities law restrictions.

As promptly as practicable after receipt of notice and payment upon exercise, the Company shall cause to be issued and delivered to the Participant or his or her legal representative, as the case may be, certificates for the Shares so purchased, which may, if appropriate, be endorsed with appropriate restrictive legends. The Share certificates shall be issued in the Participant's name (or, at the discretion of the Participant, jointly in the names of the Participant and the Participant's spouse). The Company shall maintain a record of all information pertaining to the Participant's rights under this Agreement, including the number of Shares for which their Option is exercisable. If the Option shall have been exercised in full, this Agreement shall be returned to the Company and canceled.

8. **Beneficiary Designation.** The Participant may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Agreement is to be paid in case of his or her death before he or she receives any or all of such benefit. Each such designation shall revoke all prior designations by the Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing with the Secretary of the Company during the Participant's lifetime. In the absence of any such designation, benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate.

9. **Rights as a Shareholder.** The Participant shall have no rights as a shareholder of the Company with respect to the Shares subject to this Option Agreement including, without limitation, any right to dividends, until such time as the purchase price has been paid, and the Shares have been issued and delivered to him or her.

10. **Continuation of Employment.** This Option Agreement shall not confer upon the Participant any right to continuation of employment by the Company, nor shall this Option Agreement interfere in any way with the Company's right to terminate the Participant's employment at any time. A transfer of the Participant's employment between the Company and any one of its Subsidiaries (or between Subsidiaries) shall not be deemed a termination of employment.

11. **Limitation.** Participant shall not exercise any shares which are intended to be ISOs hereunder if and to the extent that the Participant would thereby be entitled to purchase Shares in any one calendar year, the value of which, determined at the time of the Date of Grant, would exceed \$100,000.

Miscellaneous.

- (a) This Option Agreement and the rights of the Participant hereunder are subject to all the terms and conditions of the Plan, as the same may be amended from time to time, as well as to such rules and regulations as the Committee may adopt for administration of the Plan. The Committee shall have the right to impose such restrictions on any Shares acquired pursuant to the exercise of this Option, as it may deem advisable, including, without limitation, restrictions under applicable Federal securities laws, under the requirements of any stock exchange or market upon which such Shares are then listed and/or traded, and under any blue sky or state securities laws applicable to such Shares. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of the Plan and this Option Agreement, all of which shall be binding upon the Participant.
- (b) With the approval of the Board, the Committee may terminate, amend, or modify the Plan; provided, however, that no such termination, amendment, or modification of the Plan may in any material way adversely affect the Participant's rights under this Agreement, without the written consent of the Participant.
- (c) The Company shall have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including Participant's FICA obligation) required by law to be withheld with respect to any exercise of the Participant's rights under this Agreement.

The Participant may elect, subject to any procedural rules adopted by the Committee, to satisfy the withholding requirement, in whole or in part, by having the Company withhold Shares having an aggregate Fair Market Value on the date the tax is to be determined, equal to the amount required to be withheld.
- (d) The Participant agrees to take all steps necessary to comply with all applicable provisions of federal and state securities law in exercising his or her rights under this Agreement.
- (e) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.
- (f) All obligations of the Company under the Plan and this Agreement, with respect to this Option, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

(g) To the extent not preempted by federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota.

The following parties have caused this Agreement to be executed as of the Date of Grant.

BLACK HILLS CORPORATION

By _____

Participant

Black Hills Corporation

2005 Omnibus Incentive Plan

Restricted Stock Award Agreement

Dear _____:

Congratulations on your selection as a Participant of Black Hills Corporation 2005 Omnibus Incentive Plan (the "Plan"). This Agreement and the Plan together govern your rights under the Plan and set forth all of the conditions and limitations affecting such rights. Terms used in this Agreement that are defined in the Plan shall have the meanings ascribed to them in the Plan. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, the Plan's terms shall supersede and replace the conflicting terms of this Agreement.

Overview of Your Award

1. **Number of Restricted Shares Granted.** _____
2. **Date of Grant.** _____
3. **Date of Lapse of Restrictions.**

<u>Shares</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____

4. **Employment by the Company.** This Restricted Stock is awarded on the condition that the Participant remain in the employ of Black Hills Corporation (the "Company") from the Date of Grant through (and including) the Dates of Lapse of Restrictions. The Award of this Restricted Stock, however, shall not impose upon the Company any obligations to retain the Participant in its employ for any given period or upon any specific terms of employment.
5. **Certificate Legend.** Shares of Restricted Stock granted pursuant to the Plan shall be held by the Company in book entry form and shall be designated to have the following legend:

"The sale or other transfer of the shares of stock represented by this certificate, whether voluntary, involuntary, or by operation of law, is subject to certain restrictions on transfer set forth in the Black Hills Corporation 2005 Omnibus Incentive Plan and in a Restricted Stock Award Agreement. A copy of the Plan and such Restricted Stock Agreement may be obtained from the Secretary of Black Hills Corporation."

6. Removal of Restrictions. Except as otherwise provided in the Plan, each of the Shares of Restricted Stock granted under this Agreement shall become freely transferable by the Participant on each of the "Dates of Lapse of Restrictions" set forth on Paragraph 3 herein.

Once the shares are released from the restrictions, the Participant shall be entitled to receive certificates representing the Shares of stock which have been vested, without the restrictive legend required by Paragraph 5 of this Agreement.

Notwithstanding the terms of this Agreement, no stock shall be issued by the Corporation while its stock transfer books are closed.

7. Voting Rights and Dividends. During the Period of Restriction, the Participant may exercise full voting rights and is entitled to receive all dividends and other distributions paid with respect to the Shares of Restricted Stock while they are held. If any such dividends or distributions are paid in shares of Common Stock of the Company, the Shares shall be subject to the same restrictions on transferability as the Shares of Restricted Stock with respect to which they were paid.

8. Termination of Employment By Reasons of Death, Disability, Retirement, and Vesting in

Connection with a Change in Control. In the event the Participant's employment is terminated by reason of Death, Disability, Retirement, or in the event of a Change in Control prior to the Dates of Lapse of Restrictions, all Shares of Restricted Stock then outstanding shall immediately vest one hundred percent (100%), and as soon as is administratively practicable, the stock certificates representing the Shares of Restricted Stock without any restrictions or legend thereon, shall be delivered to the Participant's beneficiary or estate.

"Change in Control" of the Company shall be deemed to have occurred (as of a particular day, as specified by the Board) upon the occurrence of any of the following events:

- (a) The acquisition in a transaction or series of transactions by any Person of Beneficial Ownership of thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Company; provided, however, that for purposes of this Agreement, the following acquisitions will not constitute a Change in Control: (A) any acquisition by the Company; (B) any acquisition of common stock of the Company by an underwriter holding securities of the Company in connection with a public offering thereof; and (C) any acquisition by any Person pursuant to a transaction which complies with subsections (c) (i), (ii) and (iii), below;
- (b) Individuals who, as of December 31, 2004 are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the election, or nomination for election by the Company's common shareholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Plan, be considered as a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a-11 promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest;

- (c) Consummation, following shareholder approval, of a reorganization, merger, or consolidation of the Company and/or its subsidiaries, or a sale or other disposition (whether by sale, taxable or non-taxable exchange, formation of a joint venture or otherwise) of fifty percent (50%) or more of the assets of the Company and/or its subsidiaries (each a "Business Combination"), unless, in each case, immediately following such Business Combination, (i) all or substantially all of the individuals and entities who were beneficial owners of shares of the common stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding shares of the entity resulting from the Business Combination or any direct or indirect parent corporation thereof (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one (1) or more subsidiaries)(the "Successor Entity"); (ii) no Person (excluding any Successor entity or any employee benefit plan or related trust, of the Company or such Successor Entity) owns, directly or indirectly, thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Successor Entity, except to the extent that such ownership existed prior to such Business Combination; and (iii) at least a majority of the members of the Board of Directors of the entity resulting from such Business Combination or any direct or indirect parent corporation thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such Business Combination; or
- (d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, except pursuant to a Business Combination that complies with subsections (c) (i), (ii), and (iii) above.
- (e) A Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Common Stock as a result of the acquisition of Common Stock by the Company which, by reducing the number of shares of Common Stock then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Common Stock by the Company, and after such stock acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Common Stock which increases the percentage of the then outstanding Common Stock Beneficially Owned by the Subject Person, then a Change in Control shall occur.
- (f) A Change in Control shall not be deemed to occur unless and until all regulatory approvals required in order to effectuate a Change in Control of the Company have been obtained and the transaction constituting the Change in Control has been consummated.

9. Beneficiary Designation. The Participant may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Agreement is to be paid in case of his or her death prior to the Dates of Lapse of Restrictions. Each such designation shall revoke all prior designations by the Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime. In the absence of any such designation, benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate.

- 10. Termination of Employment for Other Reasons.** In the event the Participant's employment is terminated for reasons other than those described in Section 8 herein prior to the Dates of the Lapse of Restrictions, all outstanding Shares of unvested Restricted Stock granted hereunder shall immediately be forfeited by the Participant.
- 11. Transferability.** This Restricted Stock is not transferable by the Participant, whether voluntarily or involuntarily, by operation of laws or otherwise, during the Restriction Period, except as provided in the Plan. If any assessment, pledge, transfer, or other disposition, voluntary or involuntary, of this Restricted Stock shall be made, or if any attachment, execution, garnishment, or client shall be issued against or placed upon the Restricted Stock, then the Participant's right to the Restricted Stock shall immediately cease and terminate and the Participant shall promptly forfeit to the Company all Restricted Stock awarded under this Agreement.
- 12. Tax Treatment.** The following is a brief summary of the principal federal income tax consequences related to grants of restricted stock. This summary is based on the Company's understanding of present federal income tax law and regulations. The summary does not purport to be complete or applicable to every specific situation.

The value of restricted stock granted to the Participant will be taxable to the Participant in the year in which it is no longer subject to substantial risk of forfeiture (i.e., when the restrictions lapse). When the restrictions lapse, there is an ordinary income tax event to the Participant equal to the number of shares multiplied by the market price of the shares at the time the restrictions lapse. The Participant must satisfy federal and state withholding requirements and may do so by having the Company sell sufficient shares to meet the withholding requirements.

The Participant has the option to make a Code Section 83(b) election on a grant of restricted stock. Code Section 83(b) allows the Participant to choose to be taxed immediately on the amounts received in connection with a substantially "nonvested" right (i.e., compensation that has not been constructively received). This is accomplished by the Participant filing an election with the IRS stating that he or she will pay ordinary income on the value as measured at the time of grant. Any future appreciation in the stock property will be treated as capital gain when sold. This election must be made within 30 days after the stock is received.

If the Participant elects Section 83(b) treatment and later forfeits the subject stock, he or she will not be entitled to any refund for the taxes paid; however, he or she will be entitled to treat the forfeiture as a sale of the stock at a loss (i.e., capital loss) (*limited to the amount paid for shares-- typically zero*).

13. Withholding.

Tax Withholding. The Company shall have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy federal, state and local taxes (including Participant's FICA obligation), domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Plan.

Share Withholding. With respect to withholding required upon the lapse of restrictions or upon any other taxable event arising as a result of the Awards granted hereunder, the Participants may elect, subject to the approval of the Board, to satisfy the withholding requirement, in whole or in part, by having the Company withhold shares having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax that could be imposed on the transaction. All such elections shall be irrevocable, made in writing, signed by the Participant, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

14. **Requirements of Law.** The issuance of Shares under the Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.
15. **Inability to Obtain Authorization.** The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority shall not have been obtained.
16. **Severability.** In the event any provision of this Agreement shall be held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Agreement, and the Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.
17. **Continuation of Employment.** This Agreement shall not confer upon the Participant any right to continuation of employment by the Company, nor shall this Agreement interfere in any way with the Company's right to terminate the Participant's employment at any time.
18. **Applicable Laws and Consent to Jurisdiction.** The validity, construction, interpretation and enforceability of this Agreement shall be determined and governed by the laws of the State of South Dakota without giving effect to the principles of conflicts of law. For the purpose of litigating any dispute that arises under this Agreement, the parties hereby consent to exclusive jurisdiction in South Dakota and agree that such litigation shall be conducted in the courts of Pennington County or the federal courts of the United States for the District of South Dakota, Western Division.
19. **Miscellaneous.** The Plan may be amended at any time, and from time to time, by a written instrument approved by the Board of Directors of Black Hills Corporation. No termination, amendment or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Participant holding such Award.

The Plan and this Agreement are binding upon Participant, as well as his/her heirs, executors, personal representatives, trustees, attorneys, agents, administrators, and successors.

Please refer any questions you may have regarding your restricted stock to _____. Once again, congratulations on receipt of your restricted stock.

Sincerely,

Please acknowledge your agreement to participate in the Plan and this Agreement, and to abide by all of the governing terms and provisions, by signing the following representation:

Agreement to Participate

By signing a copy of this Agreement and returning it to _____ of Black Hills Corporation, I acknowledge that I have read the Plan, and that I fully understand all of my rights under the Plan, as well as all of the terms and conditions which may limit my eligibility to exercise this Award. Without limiting the generality of the preceding sentence, I understand that my right to exercise this Award is conditioned upon my continued employment with Black Hills Corporation or its Subsidiaries.

Black Hills Corporation
2005 Omnibus Incentive Plan
Restricted Stock Unit Agreement

Congratulations on your award under the Black Hills Corporation 2005 Omnibus Incentive Plan (the "Omnibus Plan") and your participation in the Black Hills Corporation Nonqualified Deferred Compensation Plan (the "NDC Plan") (collectively, the "Plans"). This Agreement and the Plans together govern your rights to the award and set forth all of the conditions and limitations affecting such rights. Copies of the Plans have been delivered to you. Terms used in this Agreement that are defined in the Plans shall have the meanings ascribed to them in the respective Plan. If there is any inconsistency between the terms of this Agreement and the terms of the Plans, the Plans' terms shall supersede and replace the conflicting terms of this Agreement. By signing below, you agree to be bound by all the provisions of the Plans and this Agreement.

Overview of Your Award.

1. **Number of Restricted Stock Units Granted.** _____ Restricted Stock Units ("RSUs"), each unit corresponding to one share of Black Hills Corporation Common Stock. Each RSU constitutes only an unsecured promise of the Company to deliver a share of Common Stock to the Participant under the terms of the NDC Plan. As a holder of RSUs, the Participant has only the rights of a general unsecured creditor of the Company.

2. **Date of Grant.** _____

3. **Date of Vesting.** Subject to continued employment under Section 4 below, the RSUs shall vest and become nonforfeitable in accordance with the following schedule (each date is a "Vesting Date"):

Shares	Date
_____	_____
_____	_____
_____	_____

4. **Employment by the Company.** This Restricted Stock Unit Award is conditioned on the Participant's remaining as an employee of Black Hills Corporation and its Affiliates (the "Company") from the Date of Grant through (and including) the Vesting Dates. The Award of these RSUs, however, shall not impose upon the Company any obligations to retain the Participant in its employ for any given period or upon any specific terms of employment.

5. **Termination of Employment by Reasons of Death, Disability, Retirement, and Vesting in Connection with a Change in Control.** In the event the Participant's employment is terminated by reason of Death, Disability, Retirement or in the event of a Change in Control prior to any one of the Vesting Dates, all RSUs then unvested and outstanding shall immediately vest one hundred percent (100%), and, as soon as is administratively practicable, the awards shall be settled in accordance with Section 7.

"Change in Control" of the Company shall be deemed to have occurred (as of a particular day, as specified by the Board) upon the occurrence of any of the following events:

- (a) The acquisition in a transaction or series of transactions by any Person of Beneficial Ownership of thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Company; provided, however, that for purposes of this Agreement, the following acquisitions will not constitute a Change in Control: (A) any acquisition by the Company; (B) any acquisition of common stock of the Company by an underwriter holding securities of the Company in connection with a public offering thereof; and (C) any acquisition by any Person pursuant to a transaction which complies with subsections (c) (i), (ii) and (iii), below;
- (b) Individuals who, as of December 31, 2004 are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the election, or nomination for election by the Company's common shareholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Plan, be considered as a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a-11 promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest;
- (c) Consummation, following shareholder approval, of a reorganization, merger, or consolidation of the Company and/or its subsidiaries, or a sale or other disposition (whether by sale, taxable or non-taxable exchange, formation of a joint venture or otherwise) of fifty percent (50%) or more of the assets of the Company and/or its subsidiaries (each a "Business Combination"), unless, in each case, immediately following such Business Combination, (i) all or substantially all of the individuals and entities who were beneficial owners of shares of the common stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding shares of the entity resulting from the Business Combination or any direct or indirect parent corporation thereof (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one (1) or more subsidiaries)(the "Successor Entity"); (ii) no Person (excluding any Successor entity or any employee benefit plan or related trust, of the Company or such Successor Entity) owns, directly or indirectly, thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Successor Entity, except to the extent that such ownership existed prior to such Business Combination; and (iii) at least a majority of the members of the Board of Directors of the entity resulting from such Business Combination or any direct or indirect parent corporation thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such Business Combination; or

- (d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, except pursuant to a Business Combination that complies with subsections (c) (i), (ii), and (iii) above.
- (e) A Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Common Stock as a result of the acquisition of Common Stock by the Company which, by reducing the number of shares of Common Stock then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Common Stock by the Company, and after such stock acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Common Stock which increases the percentage of the then outstanding Common Stock Beneficially Owned by the Subject Person, then a Change in Control shall occur.
- (f) A Change in Control shall not be deemed to occur unless and until all regulatory approvals required in order to effectuate a Change in Control of the Company have been obtained and the transaction constituting the Change in Control has been consummated.

6. **Termination of Employment for Other Reasons.** In the event the Participant's employment is terminated for reasons other than those described in Section 5 herein prior to the Vesting Dates, then all outstanding RSUs granted hereunder that are unvested shall immediately be forfeited by the Participant.

7. **Settlement of RSU Award.**

Settlement. The Company shall credit to Participant's Account under the NDC Plan (or any successor Plan that may be adopted by the Company) as soon as practicable following the execution of this Agreement, the number of units specified above; provided, however, that any RSUs deferred remain subject to (a) the relevant Vesting Date for such portion of the Award and (b) any cancellation of the RSUs pursuant to Section 6. If the RSU does not vest, the deferral into the NDC Plan shall be null and void.

Dividend and Stock Split Equivalents. For so long as Participant holds RSUs in his or her Account under the NDC Plan, at the time any dividend is paid with respect to a share of Common Stock or any forward stock split occurs, the Company shall pay to Participant on the same date (or as soon as practicable thereafter) in respect of each RSU held by the Participant as of the record date for such dividend or split an amount at the Company's sole, absolute and unfettered discretion, in cash, Common Stock, or other property, or in a combination thereof, in each case having a value equal to the dividend or split. Such amounts shall vest and shall be paid at the same time as the underlying RSU award is settled.

8. **Beneficiary Designation.** The Participant may, from time to time, name any beneficiary or beneficiaries (who may be named contingently or successively) to whom any benefit under this Agreement and the NDC Plan is to be paid. The designation of a beneficiary shall be made in accordance with the beneficiary designation procedures specified in the NDC Plan.
9. **Transferability.** The RSUs are not transferable by the Participant, whether voluntarily or involuntarily, by operation of laws or otherwise. If any assessment, pledge, transfer, or other disposition, voluntary or involuntary, of the RSUs shall be made, or if any attachment, execution, garnishment, or claim shall be issued against or placed upon the RSUs, then the Participant's right to the RSUs shall immediately cease and terminate and the Participant shall promptly forfeit to the Company all RSUs awarded under this Agreement.
10. **Withholding.** The Company shall have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy federal, state and local taxes (including Participant's FICA obligation), domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Agreement as specified under the NDC Plan.
11. **Requirements of Law.** The issuance of Shares under the Plans following settlement of the RSUs shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.
12. **Inability to Obtain Authorization.** The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue such Shares as to which such requisite authority shall not have been obtained.
13. **Severability.** In the event any provision of this Agreement shall be held to be illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Agreement, and the Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.
14. **Continuation of Employment.** This Agreement shall not confer upon the Participant any right to continuation of employment by the Company, nor shall this Agreement interfere in any way with the Company's right to terminate the Participant's employment at any time.

15. **Applicable Laws and Consent to Jurisdiction.** The validity, construction, interpretation and enforceability of this Agreement shall be determined and governed by the laws of the State of South Dakota without giving effect to the principles of conflicts of law. For the purpose of litigating any dispute that arises under this Agreement, the parties hereby consent to exclusive jurisdiction in South Dakota and agree that such litigation shall be conducted in the courts of Pennington County or the federal courts of the United States for the District of South Dakota, Western Division.
16. **Miscellaneous.** The Plan may be amended at any time, and from time to time, by a written instrument approved by the Board of Directors of Black Hills Corporation. No termination, amendment or modification of the Plan shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Participant holding such Award.

The Plan and this Agreement are binding upon Participant, as well as his/her heirs, executors, personal representatives, trustees, attorneys, agents, administrators, and successors.

Please refer any questions you may have regarding your RSU award to _____. Once again, congratulations on receipt of your award.

Sincerely,

Please acknowledge your agreement to participate in the Plans and this Agreement, and to abide by all of the governing terms and provisions, by signing the following representation:

Agreement to Participate

By signing a copy of this Agreement and returning it to _____ of Black Hills Corporation, I acknowledge that I have read the Plans, and that I fully understand all of my rights under the Plans, as well as all of the terms and conditions which may limit my eligibility to exercise this Award. Without limiting the generality of the preceding sentence, I understand that my right to exercise this Award is conditioned upon my continued employment with Black Hills Corporation or its Subsidiaries.

Black Hills Corporation
2005 Omnibus Incentive Plan
Performance Share Award Agreement

(Performance Period _____ - _____)

Contents

Article 1. Performance Period	1
Article 2. Value of Performance Shares	1
Article 3. Performance Shares and Achievement of Performance Measure	2
Article 4. Termination Provisions	3
Article 5. Change in Control	3
Article 6. Dividends	3
Article 7. Form and Timing of Payment of Performance Shares	3
Article 8. Nontransferability	4
Article 9. Administration	4
Article 10. Miscellaneous	4

Black Hills Corporation

2005 Omnibus Incentive Plan

Performance Share Award Agreement

You have been selected to be a participant in the Black Hills Corporation 2005 Omnibus Incentive Plan (the "Plan"), as specified below:

Participant: _____

Target Performance Share Award: _____ shares

Performance Period: _____ to _____

Performance Measure: Total Shareholder Return ("TSR").

Peer Index: S&P MID CAP UTILITY INDEX

Alliant Energy Corporation; DPL Inc.; Duquesne Light Holding Inc.; Great Plains Energy Inc.; Hawaiian Electric Inds.; Idacorp Inc.; Northeast Utilities; Nstar; OGE Energy Corporation; Pepco Holdings Inc.; PNM Resources Inc.; Puget Energy Inc.; Wisconsin Energy Corp.; and WPS Resources Corp.

THIS AGREEMENT (the "Agreement") effective _____, represents the grant of Performance Shares by Black Hills Corporation, a South Dakota corporation (the "Company"), to the Participant named above, pursuant to the provisions of the Plan.

The Plan provides a complete description of the terms and conditions governing the Performance Shares. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, the Plan's terms shall completely supersede and replace the conflicting terms of this Agreement.

All capitalized terms shall have the meanings ascribed to them in the Plan, unless specifically set forth otherwise herein.

The parties hereto agree as follows:

Article 1. Performance Period

The Performance Period commences on _____ and ends on _____.

Article 2. Value of Performance Shares

Each Performance Share shall represent and have a value equal to one share of common stock of the Company.

Notwithstanding anything herein to the contrary, the Performance Shares shall have no value whatsoever if the Ending Stock Price (as defined herein) is not greater than Beginning Stock Price (as defined herein), taking into account any adjustments made pursuant to Paragraph 4.3 of the Plan.

Article 3. Performance Shares and Achievement of Performance Measure

- (a) The number of Performance Shares to be earned under this Agreement shall be based upon the achievement of pre-established TSR performance goals as set by the Compensation Committee of the Board of Directors (Committee) for the Performance Period, based on the following chart:

TSR Performance Relative to Companies in Peer Index	Payout (% of Target)
80 th Percentile or Above	175%
70 th Percentile	150%
60 th Percentile	125%
50 th Percentile	100%
40 th Percentile	50%
30 th Percentile or Below	0%

Interpolation shall be used to determine the percentile rank in the event the Company's Percentile Rank does not fall directly on one of the ranks listed in the above chart.

For this purpose, Total Shareholder Return shall be determined as follows:

$$\text{Total Shareholder Return} = \frac{\text{Change in Stock Price} + \text{Dividends Paid}}{\text{Beginning Stock Price}}$$

Beginning Stock Price shall mean the average closing price on the applicable stock exchange of one share of stock for the twenty (20) trading days immediately prior to the first day of the Performance Period; Ending Stock Price shall mean the average closing price on the applicable stock exchange of one share of stock for the twenty (20) trading days immediately prior to the last day of the Performance Period; Change in Stock Price shall mean the difference between the Beginning Stock Price and the Ending Stock Price; and Dividends Paid shall mean the total of all dividends paid on one (1) share of stock during the Performance Period.

Following the Total Shareholder Return determination, the Company's Percentile Rank shall be determined as follows:

Percentile Rank shall be determined by listing from highest Total Shareholder Return to lowest Total Shareholder Return each company in the Peer Index (excluding the Company). The top company would have a one hundred percentile (100%) rank and the bottom company would have a zero percentile (0.0%) rank. Each company in between would be one hundred divided by n minus one (100/n-1) above the company below it. The Company percentile rank would then be interpolated based on the Company TSR. The Companies in the Peer Index shall remain constant throughout the entire Performance Period.

Article 4. Termination Provisions

Except as provided below, a Participant shall be eligible for payment of awarded Performance Shares, as determined in Section 3, only if the Participant's employment with the Company continues through the end of the Performance Period.

If participant retires, suffers a Disability, or dies during the Performance Period, the Participant (or the Participant's estate) shall be entitled to that proportion of the number of Performance Shares as such Participant is entitled to under Section 3 for such Performance Period that the number of full months of participation during the Performance Period bears to the total number of months in the Performance Period. The form and timing of the payment of such Performance Shares shall be as set forth in Article 7.

Termination of employment for any reason other than Retirement, Disability, or death during the Performance Period shall require forfeiture of this entire award, with no payment to the Participant.

Article 5. Change in Control

Notwithstanding anything herein to the contrary, upon a Change in Control, the Participant shall be entitled to that proportion of the number of Performance Shares as such Participant is entitled to under Section 3 for such Performance Period that the number of full months of participation during the Performance Period (as of the effective date of the Change in Control) bears to the total number of months in the Performance Period. When there is a Change in Control, the TSR shall be calculated as set forth in Article 3, except that the Ending Stock Price shall mean the average closing price on the applicable stock exchange of one share of stock for the twenty (20) trading days immediately prior to the Change in Control. Performance Shares shall be paid out to the Participant in cash within thirty (30) days of the effective date of the Change in Control.

"Change in Control" of the Company shall be deemed to have occurred (as of a particular day, as specified by the Board) upon the occurrence of any of the following events:

- (a) The acquisition in a transaction or series of transactions by any Person of Beneficial Ownership of thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Company; provided, however, that for purposes of this Agreement, the following acquisitions will not constitute a Change in Control: (A) any acquisition by the Company; (B) any acquisition of common stock of the Company by an underwriter holding securities of the Company in connection with a public offering thereof; and (C) any acquisition by any Person pursuant to a transaction which complies with subsections (c) (i), (ii) and (iii), below;
- (b) Individuals who, as of December 31, 2004 are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the election, or nomination for election by the Company's common shareholders, of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Plan, be considered as a member of the Incumbent Board; provided further, however, that no individual shall be considered a member of the Incumbent Board if such individual initially assumed office as a result of either an actual or threatened "Election Contest" (as described in Rule 14a-11 promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board (a "Proxy Contest") including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest;

(c) Consummation, following shareholder approval, of a reorganization, merger, or consolidation of the Company and/or its subsidiaries, or a sale or other disposition (whether by sale, taxable or non-taxable exchange, formation of a joint venture or otherwise) of fifty percent (50%) or more of the assets of the Company and/or its subsidiaries (each a "Business Combination"), unless, in each case, immediately following such Business Combination, (i) all or substantially all of the individuals and entities who were beneficial owners of shares of the common stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding shares of the entity resulting from the Business Combination or any direct or indirect parent corporation thereof (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one (1) or more subsidiaries)(the "Successor Entity"); (ii) no Person (excluding any Successor entity or any employee benefit plan or related trust, of the Company or such Successor Entity) owns, directly or indirectly, thirty percent (30%) or more of the combined voting power of the then outstanding shares of common stock of the Successor Entity, except to the extent that such ownership existed prior to such Business Combination; and (iii) at least a majority of the members of the Board of Directors of the entity resulting from such Business Combination or any direct or indirect parent corporation thereof were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such Business Combination; or

(d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company, except pursuant to a Business Combination that complies with subsections (c) (i), (ii), and (iii) above.

(e) A Change in Control shall not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the then outstanding Common Stock as a result of the acquisition of Common Stock by the Company which, by reducing the number of shares of Common Stock then outstanding, increases the proportional number of shares Beneficially Owned by the Subject Persons, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of Common Stock by the Company, and after such stock acquisition by the Company, the Subject Person becomes the Beneficial Owner of any additional Common Stock which increases the percentage of the then outstanding Common Stock Beneficially Owned by the Subject Person, then a Change in Control shall occur.

(f) A Change in Control shall not be deemed to occur unless and until all regulatory approvals required in order to effectuate a Change in Control of the Company have been obtained and the transaction constituting the Change in Control has been consummated.

Article 6. Dividends

During the Performance Period, all dividends and other distributions paid with respect to the shares of Common Stock shall accrue for the benefit of the Participant to be paid out to the Participant pursuant to Article 7.

Article 7. Form and Timing of Payment of Performance Shares

Payment of the Performance Shares, including accrued dividends, shall be made fifty percent (50%) in cash and fifty percent (50%) in shares of Company stock.

Payment of Performance Shares shall be made within sixty (60) calendar days following the close of the Performance Period, subject to the following:

- (a) The Participant shall have no right with respect to any Award or a portion thereof, until such award shall be paid to such Participant.
- (b) If the Committee determines, in its sole discretion, that a Participant at any time has willfully engaged in any activity that the Committee determines was or is harmful to the Company, any unpaid pending Award will be forfeited by such Participant.
- (c) All appropriate taxes will be withheld from the cash portion of the award.

Article 8. Nontransferability

Performance Shares may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, except as otherwise provided in a Participant's Award Agreement, a Participant's rights under the Plan shall be exercisable during the Participant's lifetime only by the Participant or the Participant's legal representative.

Article 9. Administration

This Agreement and the rights of the Participant hereunder are subject to all the terms and conditions of the Plan, as the same may be amended from time to time by the Board of Directors, as well as to such rules and regulations as the Committee may adopt for administration of the Plan. It is expressly understood that the Committee is authorized to administer, construe, and make all determinations necessary or appropriate to the administration of the Plan and this Agreement, in its sole discretion, all of which shall be binding upon the Participant.

Any inconsistency between the Agreement and the Plan shall be resolved in favor of the Plan.

Article 10. Miscellaneous

- (a) The selection of any employee for participation in the Plan shall not give such Participant any right to be retained in the employ of the Company. The right and power of the Company to dismiss or discharge any Participant at-will, is specifically reserved. Such Participant or any person claiming under or through the Participant shall not have any right or interest in the Plan or any Award thereunder, unless and until all terms, conditions, and provisions of the Plan that affect such Participant have been complied with as specified herein.
- (b) With the approval of the Board, the Committee may terminate, amend, or modify the Plan; provided, however, that no such termination, amendment, or modification of the Plan may in any way adversely affect the Participant's rights under this Agreement without the Participant's written consent.
- (c) Participant shall not have voting rights with respect to the Performance Shares. Participant shall obtain voting rights upon the settlement of Performance Shares and distribution into shares of common stock of the Company.
- (d) The Participant may defer such Participant's receipt of the payment of cash and the delivery of shares of common stock, that would otherwise be due to such Participant by virtue of the satisfaction of the performance goals with respect to the Performance Shares, pursuant to the rules of the Black Hills Corporation Nonqualified Deferred Compensation Plan and the procedures set forth by the Compensation Committee. If the Participant elects to defer the receipt of the award, the Participant will be required to pay any necessary taxes from their own funds. They will not be allowed to have their deferred award reduced for tax withholding.
- (e) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.
- (f) To the extent not preempted by federal law, this Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota.
- (g) Any awards received by Participant are subject to the provisions of the Stock Ownership Guidelines approved by the Board of Directors.

The following parties have caused this Agreement to be executed effective as of _____.

Black Hills Corporation

By: _____

Participant