

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0287 |
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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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|   |         |          |   |  |  |   |  |  |
|---|---------|----------|---|--|--|---|--|--|
| 1. Name and Address of Reporting Person*<br><b>SCHOBER MARK A</b> |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><b>BLACK HILLS CORP /SD/ [ BKH ]</b> |  |  | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br>Officer (give title below) Other (specify below) |  |  |
| (Last)  | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br><b>02/28/2017</b>               |  |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person |  |  |
| PO BOX 1400   |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)                            |  |  |   |  |  |
| (Street)<br><b>RAPID CITY SD 57709</b>                            |         |          |   |  |  |   |  |  |
| (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 | (A) or (D)  | Price   |            |   |  |   |
| Common Stock                    | 03/01/2017                           |  | I                              |   | 7.345  | A   | \$65.26 | 1,084.4987 | D   |  |   |
| Common Stock                    | 03/01/2017                           |  | I                              |   | 51.078 | A   | \$65.26 | 1,135.5767 | D   |  |   |

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |     | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of 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: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |          |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|----------|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  | Title    |
| Phantom Stock Unit                         | (1)  | 02/28/2017                           |  | A                              |   | 333.9499   |     | (2)  | (3)             | Common Stock  | 333.9499                                   | \$64.88  | 2,212.6504  | I  | By Trust |
| Phantom Stock Unit                         | (1)  | 03/01/2017                           |  | A                              |   | 15.0878  |     | (2)  | (3)             | Common Stock  | 15.0878                                    | \$65.26  | 2,227.7382  | I  | By Trust |

**Explanation of Responses:**

- 1. 1 for 1 conversion ratio
- 2. Derivative security is exercisable upon retirement under terms of the agreement.
- 3. Derivative security expires upon retirement under terms of the agreement.

**Remarks:**

/s/Lorna J. Gunderman                      03/02/2017  
 \*\* 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.

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 Number.