

# COSG Term Sheet

Exhibit 3.3

<b>Term; Drilling Plan</b>	<p>1. Life of wells acquired or drilled on the properties, through abandonment and reclamation for each well.</p> <p>2. Drilling plan for the properties – 20–years seeking stable levels of production to track utilities’ needs, re-approved prospectively in years 5, 10 &amp; 15 with option to extend in year 20.</p>
<b>Target % Of Firm Demand</b>	Up to 50% of weather normalized annual firm demand depending on availability of suitable properties.
<b>Future Producing Property or Drilling Property Acquisition</b>	Based on commission approved guidelines established when program is approved.
<b>Recovery Mechanism</b>	In accordance with existing adjustment clauses (PGA/ECA).
<b>Independent Oversight</b>	Third-Party hydrocarbon and accounting monitors; costs to be paid through program; assessing in advance each Property purchase and proposed drilling program; audit of reports for accuracy.
<b>BHUH Revenue Requirement for Hedge Quantity of Gas</b>	COSGCO operating expenses for properties (including overhead costs paid to field operator, O&M, gathering, processing and marketing costs, tax and royalty payments)+(ROI * Invested Capital). All invested capital is non-utility capital.
<b>Hedge Performance and Risk Sharing</b>	<p>If the cost of service gas revenue requirement is less than COSGCO market sales proceeds, BHUH will keep the difference up to an equivalent of 100 basis points of additional ROE and after that, the excess will be credited to customers.</p> <p>If the cost of service gas revenue requirement is more than COSGCO market sales proceeds, BHUH will absorb the difference up to an equivalent of 100 basis points of additional ROE and after that, the excess will be charged to customers.</p>
<b>Cost of Debt</b>	Weighted average of Black Hills Corporation cost of LT debt and cost of LT debt, if any, issued at Newco.
<b>Allowed Return</b>	Authorized ROE = Annual average of all gas and electric utility rate case ROE’s as reported by Regulatory Research Associates for the previous calendar year, adjusted the month following report availability. If less than 20 in a calendar year, then average ROE of most recent 20 cases.
<b>Capital Structure</b>	40% Debt / 60% Equity (Blend of utility and E&P industry capital structure).