

HILDESTAD TERRY D

Form 4

February 22, 2005

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
HILDESTAD TERRY D

(Last) (First) (Middle)

**KNIFE RIVER
CORPORATION, 1915 NORTH
KAVANEY DRIVE**

(Street)

BISMARCK, ND 58501

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
**MDU RESOURCES GROUP INC
[MDU]**

3. Date of Earliest Transaction
(Month/Day/Year)
02/17/2005

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
President and CEO, Knife River

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ 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. 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)
Common Stock	02/17/2005		A	4,880	A \$ 0	42,984	D
Common Stock	02/17/2005		F	1,559	D \$ 27.68	41,425	D
Common Stock	02/17/2005		F	1,138	D \$ 27.68	40,287	D
Common Stock - (401-k)						30,874.721	I By Trustee
Common Stock - (ESOP)						7,723.92	I By Trustee

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Common
Stock-Restricted
Stock

5,925

I

By
Trustee

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

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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 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 Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Empl.Stock Opt.(Right to Buy)	\$ 19.8267					02/15/2010	02/15/2011 ⁽¹⁾	Common Stock	49,680

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
HILDESTAD TERRY D KNIFE RIVER CORPORATION 1915 NORTH KAVANEY DRIVE BISMARCK, ND 58501	President and CEO, Knife River

Signatures

Terry D
Hildestad

02/22/2005

**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).

These options were originally exercisable 2/15/2010, but vesting of 3,683 was accelerated to 2/12/04 upon attainment of certain
(1) performance goals. The balance of 45,997 options will vest on 2/15/2010, but vesting of some or all of these 45,997 may be accelerated depending on attainment of certain performance goals.

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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