

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
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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* <u>Lazar Michael B</u> (Last) (First) (Middle) C/O BLACKROCK KELSO CAPITAL CORPORATION 40 EAST 52ND STREET (Street) NEW YORK NY 10022 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 07/25/2005	3. Issuer Name and Ticker or Trading Symbol <u>BlackRock Kelso Capital CORP [N/A]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ <input checked="" type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) Chief Operating Officer / C.O.O. of investment adviser	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock, par value \$0.001 per share	34,312	I	By BlackRock Kelso Capital Super Holdings LLC ⁽¹⁾
Common Stock, par value \$0.001 per share	5,068	I	By BlackRock Kelso Capital Advisors LLC ⁽²⁾
Common Stock, par value \$0.001 per share	26,000	I	By Michael B. Lazar IRA ⁽³⁾
Common Stock, par value \$0.001 per share	1,466.667	I	By Lazar 2005 Family Trust, U/T/A dated 6/14/2005 ⁽⁴⁾

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			

Explanation of Responses:

- Owned indirectly through the Reporting Person's direct ownership of interests in BlackRock Kelso Capital Super Holdings LLC ("Super"), which owns Common Stock of the Issuer through its indirect ownership of interests in BlackRock Kelso Capital Holding LLC ("Holding").
- Owned indirectly through the Reporting Person's direct ownership of interests in BlackRock Kelso Capital Advisors LLC ("Advisor"), which owns Common Stock of the Issuer through its indirect ownership of interests in Holding.
- The Reporting Person has a pecuniary interest in Michael B. Lazar IRA, which has a direct ownership interest in Super. See Footnote 1.
- The Reporting Person has a pecuniary interest in Lazar 2005 Family Trust, U/T/A dated 6/14/2005, which has a direct ownership interest in Advisor. See Footnote 2.

Michael B. Lazar, by Farzad Samimi, Attorney-in-Fact 07/25/2005

** 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 5 (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.

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