

| OMB APPROVAL                                 |           |
|--|-----------|
| OMB Number:                                  | 3235-0287 |
| Estimated average burden hours per response: | 0.5       |

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

|   |   |  |
|---|---|--|
| <b>1. Name and Address of Reporting Person*</b><br><u>Gordon Frank D</u><br><br>(Last) (First) (Middle)<br><u>C/O BLACKROCK KELSO CAPITAL</u><br><u>40 EAST 52ND STREET</u><br><br>(Street)<br><u>NEW YORK NY 10022</u><br><br>(City) (State) (Zip) | <b>2. Issuer Name and Ticker or Trading Symbol</b><br><u>BlackRock Kelso Capital CORP [ N/A ]</u> | <b>5. Relationship of Reporting Person(s) to Issuer</b><br>(Check all applicable)<br><br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below)<br><u>Chief Financial Officer / C.F.O. of investment adviser</u> |
|   | <b>3. Date of Earliest Transaction (Month/Day/Year)</b><br><u>02/01/2007</u>                      |  |
|   | <b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b><br><u>02/05/2007</u>              |  |
|   |   | <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b><br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br><input type="checkbox"/> 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) |
|---|--------------------------------------|--|--------------------------------|---|---|------------|--------------------------|---|--|---|
|   |                                      |  | Code                           | V | Amount  | (A) or (D) | Price                    |   |  |   |
| Common stock, par value \$0.001 per share | 02/01/2007                           |  | A                              |   | 6,624.14 <sup>(1)</sup>   | A          | \$15.0963 <sup>(1)</sup> | 13,616.24 <sup>(2)</sup>  | 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) |   | 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) |   |  |  |   |  |

**Explanation of Responses:**

- Based on the net asset value per share of Common Stock of the Issuer at January 31, 2007 of \$15.0963.
- Share amount includes 98.617 shares received as a result of the reinvestment of a dividend on the Issuer's Common Stock on January 31, 2007 pursuant to the Issuer's Dividend Reinvestment Plan.

Frank D. Gordon 03/26/2007  
 \*\* 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.