

BLAST ENERGY SERVICES, INC.
Form NT 10-Q
May 16, 2007

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

FORM 12b-25

NOTIFICATION OF LATE FILING

SEC FILE NUMBER: 333-64122
CUSIP NUMBER: 093440 10 5

(Check One):

Form 10-KSB Form 20-F Form 11-K
 Form 10-QSB Form N-SAR

For Period Ended: December 31, 2006

Transition Report on Form 10-K
 Transition Report on Form 20-F
 Transition Report on Form 11-K
 Transition Report on Form 10-Q
 Transition Report on Form N-SAR

For the Transition Period Ended: Not applicable

Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates:

PART I - REGISTRANT INFORMATION

Full Name of Registrant: Blast Energy Services, Inc.

Address of Principal Executive Office (Street and Number):

14550 Torrey Chase Blvd., Suite 330
Houston, TX 77014

PART II - RULES 12b-25(b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate)

- (a) The reason described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense
- (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, Form 11-K, Form N-SAR or Form N-CSR, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q or subject distribution report on Form 10-D, or portion thereof, will be filed on or before the fifth calendar day following the prescribed due date; and
- (c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III - NARRATIVE

State below in reasonable detail the reasons why Forms 10-K, 20-F, 11-K, 10-Q, N-SAR, or the transition report or portion thereof, could not be filed within the prescribed time period.

The compilation, dissemination and review of the information required to be presented in the Form 10-QSB for the relevant period has imposed time constraints that have rendered the filing of the Form 10-QSB by its original prescribed due date impracticable without undue hardship and expense to the registrant. The registrant undertakes the responsibility to file such report no later than five days after its original prescribed due date.

PART IV - OTHER INFORMATION

1) Name and telephone number of person to contact in regard to this notification:

John MacDonald	(281)	453-2888
<i>(Name)</i>	<i>(Area Code)</i>	<i>(Telephone Number)</i>

2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If answer is no, identify report(s).

Yes No

3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

As previously disclosed, Blast Energy Services, Inc. and its wholly owned subsidiary, Eagle Domestic Drilling Operations LLC, entered into a settlement with Second Bridge, LLC, Thornton Oilfield Holdings, LLC and various other Thornton entities, Laurus Master Fund, Ltd. ("Laurus"), and the Unsecured Creditors Committee and overall (the "Settlement"). Additionally, we reached an agreement with Laurus on the terms of an asset purchase agreement intended to offset the full amount of the \$40.6 million senior note, accrued interest and default penalties owed to Laurus. Under the terms of this agreement, five land drilling rigs and associated spare parts will be transferred to Laurus in settlement of Laurus' note, accrued interest and default penalties on the note. The Settlement and the transfer of rigs to Laurus were approved by the Bankruptcy Court on May 14, 2007.

More time is needed by the Company and its outside accounting firm to ensure that the impact of this action is correctly reflected in the Company's financial statements and associated footnotes to the financial statements. Based upon a preliminary statement of operations, the Company is estimating a net loss of \$5,300,000 for the three months ending March 31, 2007 compared to a net loss of \$968,000 for the same period in 2006.

Blast Energy Services, Inc. has caused this notification to be signed on its behalf by the undersigned hereunto duly authorized.

BLAST ENERGY SERVICES, INC.

Dated: May 15, 2007

By:

Name:

Title:

John MacDonald

Chief Financial Officer

Principal Accounting Officer