

BLAST ENERGY SERVICES, INC.
 Form 4
 February 17, 2012

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 BERG CLYDE J

2. Issuer Name and Ticker or Trading Symbol
 BLAST ENERGY SERVICES, INC.
 [BESV.OB]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 C/O BERG & BERG
 DEVELOPERS, 10050 BANDLEY
 DR

3. Date of Earliest Transaction
 (Month/Day/Year)
 01/13/2012

____ Director
 ____ Officer (give title below)
 ___X___ 10% Owner
 ____ Other (specify below)

(Street)
 CUPERTINO, CA 95014

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___X___ Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| | | | | Code | V | Amount | |

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

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 control number.

SEC 1474
 (9-02)

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

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| 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 Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|--|--|---|--------------|
| | | | | Code V | (A) (D) | Date Exercisable | Expiration Date | Title |
| Convertible Promissory Note <u>(1)</u> | \$ 0.02 | 01/13/2012 | | A | 56,000,000 <u>(2)</u> | 01/13/2012 | 02/27/2013 <u>(3)</u> | Common Stock |
| Convertible Promissory Note <u>(1)</u> | \$ 0.02 | 01/13/2012 | | A | 5,000,000 <u>(2)</u> | 01/13/2012 | <u>(5)</u> | Common Stock |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BERG CLYDE J
C/O BERG & BERG DEVELOPERS
10050 BANDLEY DR
CUPERTINO, CA 95014

X

Signatures

/s/Clyde Berg 02/17/2012

**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).

- On January 13, 2012, Berg McAfee Companies, LLC ("BMC") and Clyde Berg entered into a Debt Conversion Agreement (the "BMC Debt Conversion Agreement"). The BMC Debt Conversion Agreement modified the conversion rate of a Convertible Promissory Note held by BMC and a note held by Mr. Berg (the "Notes") to provide that all principal and accrued interest under such Notes shall be converted into shares of the Company's common stock at a conversion price to Two Cents (\$0.02) per share (the "Conversion"), subject to certain requirements and conditions as set forth in the BMC Debt Conversion Agreement.
- (1) held by BMC and a note held by Mr. Berg (the "Notes") to provide that all principal and accrued interest under such Notes shall be converted into shares of the Company's common stock at a conversion price to Two Cents (\$0.02) per share (the "Conversion"), subject to certain requirements and conditions as set forth in the BMC Debt Conversion Agreement.
 - (2) Represents common stock issuable upon conversion of the principal amount of the Notes and does not factor in accrued interest thereon, which is also convertible.
 - (3) Represents the date the Convertible Note is due.
 - (4) Clyde Berg and Eric McAfee are deemed to beneficially own the securities held by Berg McAfee Companies, LLC.
 - (5) Not applicable.

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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