



DIVISION OF  
CORPORATION FINANCE  
MAIL STOP 7010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-7010

October 26, 2006

via U.S. mail

Mr. Manuel Pablo Zuniga-Pflucker  
President and Chief Executive Officer  
BPZ Energy, Inc.  
11999 Katy Freeway, Suite 560  
Houston, Texas 77079

**Re: BPZ Energy, Inc.  
Amendment No. 2 to Registration Statement on  
Form S-1/A  
Filed October 16, 2006  
File No. 333-126934  
Form 10-KSB/A for the Fiscal Year Ended December 31, 2005  
Filed March 31, 2006  
Forms 10-QSB for the Fiscal Quarters Ended  
March 31, 2006, and June 30, 2006  
Response Letter Dated October 16, 2006  
File No. 0-29098**

Dear Mr. Zuniga-Pflucker:

We have limited our review of the above filings and your response letter to only the areas commented on below. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Form S-1/A Filed October 16, 2006

General

1. Please monitor your requirement to update your financial statements in your next amendment.
2. Please provide updated consents with your next amendment.

Note 1 – Basis of Presentation and Significant Accounting Policies

September 2006 Restatement

Effects of Restatement, page F-37

3. As discussed in our teleconference on October 25, 2006, it continues to appear that the earnings (loss) per diluted share presented in your Form S-1/A, do not agree to the amounts depicted in your Form 10-KSB/A for the same periods and restatement items. Please refer to page F-37 of the Form S-1/A(redline) and page 43 of the Form 10-KSB/A and modify your documents accordingly.

Closing Comments

As appropriate, please amend your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your response to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings reviewed by the staff to be certain that they have provided all information investors require for an informed decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

We will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rules 460 and 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of an amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

Mr. Zuniga-Pflucker  
BPZ Energy, Inc.  
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Notwithstanding our comments, in the event the company requests acceleration of the effective date of the pending registration statements, it should furnish a letter, at the time of such request, acknowledging that:

- should the Commission or the staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;
- the action of the Commission or the staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and
- the company may not assert staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in connection with our review of your filings or in response to our comments on your filing.

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You may contact Kevin Stertzel at (202) 551-3723 or Jill Davis, Accounting Branch Chief, at (202) 551-3683 if you have questions regarding comments on the financial statements and related matters. Please contact me at (202) 551-3745 with any other questions. Direct all correspondence to the following ZIP code: 20549-7010.

Sincerely,

H. Roger Schwall  
Assistant Director

via facsimile  
Mark Coffin, Esq.  
Adams & Reese  
(713) 652-5152