

KEY ENERGY SERVICES INC

Form 10-K

February 26, 2010

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

Form 10-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2009
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-08038
KEY ENERGY SERVICES, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation or organization)

04-2648081
(I.R.S. Employer Identification No.)

1301 McKinney Street
Suite 1800
Houston, Texas 77010
(Address of principal executive offices, including Zip Code)

(713) 651-4300
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Exchange on Which Registered
Common Stock, \$0.10 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

Title of Each Class

None

Indicate by check mark if the registrant is a well-known seasoned issuer (as defined in Rule 405 of the Securities Act). Yes No

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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the common stock of the registrant held by non-affiliates of the registrant as of June 30, 2009, based on the \$5.76 per share closing price for the registrant's common stock as quoted on the New York Stock Exchange on such date, was \$583,410,649 (for purposes of calculating these amounts, only directors, officers and beneficial owners of 10% or more of the outstanding capital stock of the registrant have been deemed affiliates).

As of February 17, 2010, the number of outstanding shares of common stock of the registrant was 125,430,259.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be filed pursuant to Regulation 14A under the Securities Exchange Act of 1934 with respect to the 2010 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

KEY ENERGY SERVICES, INC.
ANNUAL REPORT ON FORM 10-K
For the Year Ended December 31, 2009

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

In addition to statements of historical fact, this report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical in nature or that relate to future events and conditions are, or may be deemed to be, forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about Key Energy Services, Inc. and its wholly-owned and controlled subsidiaries, our industry and management's beliefs and assumptions concerning future events and financial trends affecting our financial condition and results of operations. In some cases, you can identify these statements by terminology such as may, expects, believes, anticipates, will, predicts, projects, potential, the negative of such terms and other comparable terminology. These statements are only predictions and are subject to substantial risks and uncertainties. In evaluating those statements, you should carefully consider the information above as well as the risks outlined in *Item 1A. Risk Factors*. Actual performance or results may differ materially and adversely.

We undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date of this report except as required by law. All of our written and oral forward-looking statements are expressly qualified by these cautionary statements and any other cautionary statements that may accompany such forward-looking statements.

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PART I

ITEM 1. BUSINESS

General Description of Business

Key Energy Services, Inc. (NYSE: KEG) is a Maryland corporation and is one of the world's leading onshore, rig-based well servicing contractors. References to Key, the Company, we, us or our refer to Key Energy Services, Inc., its wholly-owned subsidiaries and its controlled subsidiaries. We were organized in April 1977 and commenced operations in July 1978 under the name National Environmental Group, Inc. In December 1992, we became Key Energy Group, Inc. and changed our name to Key Energy Services, Inc. in December 1998.

We provide a complete range of services to major oil companies, foreign national oil companies and independent oil and natural gas production companies, including rig-based well maintenance and workover services, well completion and recompletion services, fluid management services, pressure pumping services, fishing and rental services, wireline services and other ancillary oilfield services. We operate in most major oil and gas producing regions of the continental United States, and have operations based in Mexico, Argentina and the Russian Federation. Additionally, we have a technology development group based in Canada and have ownership interests in two oilfield service companies based in Canada.

The following is a description of the various products and services that we provide and our major competitors for those products and services.

Service Offerings

We operate in two business segments, Well Servicing and Production Services. Our Well Servicing segment includes rig-based services and fluid management services. Our Production Services segment includes pressure pumping services, fishing and rental services and wireline services. The following discussion provides a description of the major service lines offered by our business segments. With the exception of our rig-based services, all of our major service lines are provided primarily in the continental United States. Our rig-based services are provided in the continental United States as well as in Mexico, Argentina and the Russian Federation. See *Note 21. Segment Information* in *Item 8. Financial Statements and Supplementary Data* for additional financial information about our reportable business segments and the various geographical areas where we operate.

Well Servicing Segment

Rig-Based Services

Our rig-based services include the maintenance, workover, and recompletion of existing oil and gas wells, completion of newly-drilled wells, and plugging and abandonment of wells at the end of their useful lives. We also provide drilling services to oil and natural gas producers with certain of our larger well servicing rigs that are capable of providing conventional and/or horizontal drilling services. Based on current industry data, we have the largest land-based well servicing rig fleet in the world. Our rigs consist of various sizes and capabilities, allowing us to work on all types of wells with depths up to 20,000 feet. Many of our rigs are outfitted with our proprietary KeyView® technology, which captures and reports well site operating data. We believe that this technology allows our customers and our crews to better monitor well site operations, to improve efficiency and safety, and to add value to the services that we offer.

The maintenance services provided by our rig fleet are generally required throughout the life cycle of an oil or gas well to ensure efficient and continuous production. Examples of the maintenance services provided by our rigs include routine mechanical repairs to the pumps, tubing and other equipment on a well, removing debris from the well bore, and pulling the rods and other downhole equipment out of the well bore to identify a production problem. Maintenance services generally take less than 48 hours to complete and, in general, the demand for these services is closely related to the total number of producing oil and gas wells in a given market.

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The workover services provided by our rig fleet are performed to enhance the production of existing wells, and generally are more complex and time consuming than normal maintenance services. Workover services can include deepening or extending well bores into new formations by drilling horizontal or lateral well bores, sealing off depleted production zones and accessing previously bypassed production zones, converting former production wells into injection wells for enhanced recovery operations and conducting major subsurface repairs due to equipment failures. Workover services may last from a few days to several weeks, depending on the complexity of the workover. Demand for these services is closely related to capital spending by oil and natural gas producers, which in turn is a function of oil and natural gas prices. As commodity prices increase, producers tend to increase their capital spending for workover projects in order to increase their production. Conversely, as commodity prices decline, demand for workover projects tends to decrease.

The completion and recompletion services provided by our rigs prepare a newly drilled well, or a well that was recently extended through a workover, for production. The completion process may involve selectively perforating the well casing to access production zones, stimulating and testing these zones, and installing downhole equipment. We typically provide a well service rig and may also provide other equipment to assist in the completion process. The completion process typically takes a few days to several weeks, depending on the nature of the completion. The demand for completion and recompletion services is directly related to drilling activity levels, which are highly sensitive to expectations about, and reactions to changes in, commodity prices. As the number of newly drilled wells decreases, the number of completion jobs correspondingly decreases. During periods of weak demand, some drilling contractors may use drilling rigs for completion work.

Our rig fleet is also used in the process of permanently shutting-in an oil or gas well that is at the end of its productive life. These plugging and abandonment services also generally require auxiliary equipment in addition to a well servicing rig. The demand for plugging and abandonment services is not significantly impacted by the demand for oil and natural gas because well operators are required by state regulations to plug wells that are no longer productive.

We believe that the largest competitors for our U.S. rig-based services include Nabors Industries Ltd., Basic Energy Services, Inc., Complete Production Services, Inc., Bronco Drilling Company, Inc., Forbes Energy Services Ltd. and Pioneer Drilling Company. In addition, there are numerous small companies that compete in our rig-based markets in the United States. In Argentina, we believe our major competitors are San Antonio International (formerly Pride International), Nabors Industries Ltd. and Allis-Chalmers Energy Inc. In Mexico, San Antonio International and Forbes Energy Services Ltd. are our largest competitors. In the Russian Federation, our major competitors are Weatherford International Ltd. and Integran Technologies Inc.

Fluid Management Services

We provide fluid management services, including oilfield transportation and produced water disposal services, with a very large fleet of heavy- and medium-duty trucks. The specific services offered include vacuum truck services, fluid transportation services and disposal services for operators whose wells produce saltwater or other fluids. We also supply frac tanks which are used for temporary storage of fluids associated with fluid hauling operations. In addition, we provide equipment trucks that are used to move large pieces of equipment from one well site to the next, and we operate a fleet of hot oilers which are capable of pumping heated fluids that are used to clear soluble restrictions in a well bore.

Fluid hauling trucks are utilized in connection with drilling and workover projects, which tend to use large amounts of various fluids. In connection with drilling, maintenance or workover activity at a well site, we transport fresh water to the well site and provide temporary storage and disposal of produced saltwater and drilling or workover fluids. These fluids are removed from the well site and transported for disposal in a saltwater disposal (SWD) well. Key owned or leased 57 active SWD wells at December 31, 2009. Demand and pricing for these services generally correspond to

demand for our well service rigs.

We believe that the largest competitors for our domestic fluid management services include Basic Energy Services, Inc., Complete Production Services, Inc., Nabors Industries Ltd. and Stallion Oilfield Services Ltd.

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In addition, there are numerous small companies that compete in our fluid management services markets in the United States.

Production Services Segment

Pressure Pumping Services

Our pressure pumping services include fracturing, nitrogen, acidizing, cementing and coiled tubing services. We have approximately 212,000 stimulation pressure pumping horsepower and a fleet of coiled tubing units. These services (which may be utilized during the completion or workover of a well) are provided to oil and natural gas producers and are used to enhance the production of oil and natural gas wells from formations which exhibit restricted flow of oil and natural gas. In the fracturing process, we typically pump fluid and sized sand, or proppants, into a well at high pressure in order to fracture the formation and thereby increase the flow of oil and natural gas. With our cementing services, we pump cement into a well between the casing and the well bore. Coiled tubing services involve the use of a continuous metal pipe spooled on a large reel for oil and natural gas well applications, such as well bore clean-outs, nitrogen jet lifts, and through tubing fishing and formation stimulations utilizing acid, chemical treatments and sand fracturing. Coiled tubing is also used for a number of horizontal well applications, including stiff wireline services, in which a wireline is placed in the coiled tube and then fed into a well to carry the wireline to a desired depth.

Demand for our pressure pumping services is primarily influenced by current and anticipated oil and natural gas prices and the resulting impact on the willingness of our customers to make operating and capital expenditures. The pressure pumping services market is dominated by three major competitors: Schlumberger Ltd., Halliburton Company and BJ Services Company. Other competitors for our pressure pumping services include Weatherford International Ltd., Superior Well Services, Inc., Basic Energy Services, Inc., Complete Production Services, Inc., Frac-Tech Services, Ltd. and RPC, Inc.

Fishing and Rental Services

We offer a full line of services and rental equipment designed for use both onshore and offshore for drilling and workover services. Fishing services involve recovering lost or stuck equipment in the well bore utilizing a fishing tool. Our rental tool inventory consists of drill pipe, tubulars, handling tools (including our patented Hydra-Walk[®] pipe-handling units and services), pressure-control equipment, power swivels and foam air units. Demand for our fishing and rental services is also closely related to capital spending by oil and natural gas producers, which is generally a function of oil and natural gas prices. Our primary competitors for our fishing and rental services include Baker Oil Tools, Smith International, Inc., Weatherford International Ltd., Basic Energy Services, Inc., Superior Energy Services, Inc., Quail Tools (owned by Parker Drilling Company) and Knight Oil Tools.

Wireline Services

We have a fleet of wireline units that perform services at various times throughout the life of the well including perforating, completion logging, production logging and casing integrity services. After the well bore is cased and cemented, we can provide a number of services. Perforating creates the flow path between the reservoir and the well bore. Production logging can be performed throughout the life of the well to measure temperature, fluid type, flow rate, pressure and other reservoir characteristics. This service helps the operator analyze and monitor well performance and determine when a well may need a workover or further stimulation.

In addition, wireline services may involve well bore remediation, which could include the positioning and installation of various plugs and packers to maintain production or repair well problems, and casing inspection for internal or external abnormalities in the casing string. Wireline services are provided from surface logging units, which lower

tools and sensors into the well bore. We use advanced wireline instruments to evaluate well integrity and perform cement evaluations and production logging. Demand for our wireline services is correlated to current and anticipated oil and natural gas prices and the resulting effect on the willingness of our customers to make operating and capital expenditures. The major competitors for our wireline services are

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Baker Hughes Incorporated, Schlumberger Ltd., Wood Group Logging Services and Kuykendall Wireline Service Co., Inc.

Other Business Data

Raw Materials

We purchase a wide variety of raw materials, parts and components that are made by other manufacturers and suppliers for our use. We are not dependent on any single source of supply for those parts, supplies or materials. However, there are a limited number of vendors for some specialized types of sand our pressure pumping operations use in frac jobs. See *Item 1A. Risk Factors*.

Customers

Our customers include major oil companies, foreign national oil companies, and independent oil and natural gas production companies. During the year ended December 31, 2009, the Mexican national oil company Petróleos Mexicanos (PEMEX) accounted for approximately 11% of our consolidated revenues. No other customer accounted for more than 10% of our consolidated revenues for the year ended December 31, 2009, and no single customer accounted for more than 10% of our consolidated revenues for the years ended December 31, 2008 and 2007.

Competition and Other External Factors

The markets in which we operate are highly competitive. Competition is influenced by such factors as price, capacity, availability of work crews, and reputation and experience of the service provider. We believe that an important competitive factor in establishing and maintaining long-term customer relationships is having an experienced, skilled and well-trained work force. We devote substantial resources toward employee safety and training programs. In addition, we believe that the KeyView® system provides important safety enhancements. In recent years, many of our larger customers have placed increased emphasis on the safety performance and quality of the crews, equipment and services provided by their contractors. Although we believe customers consider all of these factors, price is often the primary factor in determining which service provider is awarded the work. However, in numerous instances, we secure and maintain work for large customers for which efficiency, safety, technology, size of fleet and availability of other services are of equal importance to price. Due, in part, to the general economic downturn and declines in the price of oil and natural gas since the first half of 2008, pricing for our services has become increasingly competitive. Further, as demand drops for oilfield services, the market is left with excess supply, placing additional pressure on our pricing.

The demand for our services fluctuates, primarily, in relation to the price (or anticipated price) of oil and natural gas, which, in turn, is driven by the supply of, and demand for, oil and natural gas. Generally, as supply of those commodities decreases and demand increases, service and maintenance requirements increase as oil and natural gas producers attempt to maximize the productivity of their wells in a higher priced environment. However, in a lower oil and natural gas price environment, such as the one we experienced during the first half of 2009, demand for service and maintenance decreases as oil and natural gas producers decrease their activity. In particular, the demand for new or existing field drilling and completion work is driven by available investment capital for such work. Because these types of services can be easily started and stopped, and oil and natural gas producers generally tend to be less risk tolerant when commodity prices are low or volatile, we may experience a more rapid decline in demand for these types of well maintenance services compared with demand for other types of oilfield services. Further, in a lower-priced environment, fewer well service rigs are needed for completions, as these activities are generally associated with drilling activity.

The level of our revenues, earnings and cash flows are highly dependent upon, and affected by, the level of U.S. and international oil and natural gas exploration and development activity, as well as the equipment capacity in any particular region. For a more detailed discussion, see *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations*.

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Seasonality

Our operations are impacted by seasonal factors. Historically, our business has been negatively impacted during the winter months due to inclement weather, fewer daylight hours and holidays. During the summer months, our operations may be impacted by tropical weather systems. During periods of heavy snow, ice or rain, we may not be able to move our equipment between locations, thereby reducing our ability to provide services and generate revenues. In addition, the majority of our equipment works only during daylight hours. In the winter months when days become shorter, this reduces the amount of time that our assets can work and therefore has a negative impact on total hours worked. Lastly, during the fourth quarter, we historically have experienced significant slowdown during the Thanksgiving and Christmas holiday seasons.

Patents, Trade Secrets, Trademarks and Copyrights

We own numerous patents, trademarks and proprietary technology that we believe provide us with a competitive advantage in the various markets in which we operate or intend to operate. We have devoted significant resources to developing technological improvements in our well service business and have sought patent protection both inside and outside the United States for products and methods that appear to have commercial significance. In the United States, as of December 31, 2009, we had 43 patents issued and 8 patents pending. In foreign countries, as of December 31, 2009, we had 30 patents issued and 145 patents pending. However, after evaluating the individual market opportunities and our international patent portfolio last year, we have determined not to maintain approximately two-thirds of the 145 currently active foreign pending patents applications. All the issued patents have varying remaining durations and begin expiring between 2013 and 2028. The most notable of our technologies include numerous patents surrounding the KeyView® system.

We own several trademarks that are important to our business both in the United States and in foreign countries. In general, depending upon the jurisdiction, trademarks are valid as long as they are in use or their registrations are properly maintained and they have not been found to become generic. Registrations of trademarks can generally be renewed indefinitely as long as the trademarks are in use. While our patents and trademarks, in the aggregate, are of considerable importance to maintaining our competitive position, no single patent or trademark is considered to be of a critical or essential nature to our business.

We also rely on a combination of trade secret laws, copyright and contractual provisions to establish and protect proprietary rights in our products and services. We typically enter into confidentiality agreements with our employees, strategic partners and suppliers and limit access to the distribution of our proprietary information.

Employees

As of January 31, 2010, we employed approximately 6,200 persons in our United States operations and approximately 1,900 additional persons in Argentina, Mexico and Canada. In addition, OOO Geostream Services Group (Geostream), a company in the Russian Federation in which we own a 50% controlling interest, employed (together with its wholly-owned subsidiaries) approximately 370 persons as of January 31, 2010. Our domestic employees are not represented by a labor union and are not covered by collective bargaining agreements. Many of our employees in Argentina are represented by labor unions. In Mexico, we have entered into a collective bargaining agreement that applies to our workers in Mexico performing work under the PEMEX contracts.

As noted below in *Item 1A. Risk Factors*, we have historically experienced a high employee turnover rate, and during the past several years have experienced labor-related issues in Argentina. Other than with respect to the labor situation in Argentina, we have not experienced any significant work stoppages associated with labor disputes or grievances and consider our relations with our employees to be generally satisfactory.

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Governmental Regulations

Our operations are subject to various federal, state and local laws and regulations pertaining to health, safety and the environment. We cannot predict the level of enforcement of existing laws or regulations or how such laws and regulations may be interpreted by enforcement agencies or court rulings in the future. We also cannot predict whether additional laws and regulations affecting our business will be adopted, or the effect such changes might have on us, our financial condition or our business. The following is a summary of the more significant existing environmental, health and safety laws and regulations to which our operations are subject and for which compliance may have a material adverse impact on our results of operations, financial position or cash flows.

Environmental Regulations

Our operations routinely involve the storage, handling, transport and disposal of bulk waste materials, some of which contain oil, contaminants and other regulated substances. Various environmental laws and regulations require prevention, and where necessary, cleanup of spills and leaks of such materials, and some of our operations must obtain permits that limit the discharge of materials. Failure to comply with such environmental requirements or permits may result in fines and penalties, remediation orders and revocation of permits.

Hazardous Substances and Waste

The Comprehensive Environmental Response, Compensation, and Liability Act, as amended, referred to as CERCLA or the Superfund law, and comparable state laws, impose liability without regard to fault or the legality of the original conduct on certain defined persons, including current and prior owners or operators of a site where a release of hazardous substances occurred and entities that disposed or arranged for the disposal of the hazardous substances found at the site. Under CERCLA, these responsible persons may be liable for the costs of cleaning up the hazardous substances, for damages to natural resources and for the costs of certain health studies.

In the course of our operations, we occasionally generate materials that are considered hazardous substances and, as a result, may incur CERCLA liability for cleanup costs. Also, claims may be filed for personal injury and property damage allegedly caused by the release of hazardous substances or other pollutants. We also generate solid wastes that are subject to the requirements of the Resource Conservation and Recovery Act, as amended, or RCRA, and comparable state statutes.

Although we use operating and disposal practices that are standard in the industry, hydrocarbons or other wastes may have been released at properties owned or leased by us now or in the past, or at other locations where these hydrocarbons and wastes were taken for treatment or disposal. Under CERCLA, RCRA and analogous state laws, we could be required to clean up contaminated property (including contaminated groundwater), or to perform remedial activities to prevent future contamination.

Air Emissions

The Clean Air Act, as amended, or CAA, and similar state laws and regulations restrict the emission of air pollutants and also impose various monitoring and reporting requirements. These laws and regulations may require us to obtain approvals or permits for construction, modification or operation of certain projects or facilities and may require use of emission controls.

Global Warming and Climate Control

Some scientific studies suggest that emissions of greenhouse gases (including carbon dioxide and methane) may contribute to warming of the Earth's atmosphere. While we do not believe our operations raise climate control issues different from those generally raised by commercial use of fossil fuels, legislation or regulatory programs that restrict greenhouse gas emissions in areas where we conduct business could increase our costs in order to stay compliant with any new laws. See *Item 1A. Risk Factors*.

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Water Discharges

We operate facilities that are subject to requirements of the Clean Water Act, as amended, or CWA, and analogous state laws that impose restrictions and controls on the discharge of pollutants into navigable waters. Spill prevention, control and counter-measure requirements under the CWA require implementation of measures to help prevent the contamination of navigable waters in the event of a hydrocarbon spill. Other requirements for the prevention of spills are established under the Oil Pollution Act of 1990, as amended, or OPA, which amends the CWA and applies to owners and operators of vessels, including barges, offshore platforms and certain onshore facilities. Under OPA, regulated parties are strictly liable for oil spills and must establish and maintain evidence of financial responsibility sufficient to cover liabilities related to an oil spill for which such parties could be statutorily responsible.

Occupational Safety and Health Act

We are subject to the requirements of the federal Occupational Safety and Health Act, as amended, or OSHA, and comparable state laws that regulate the protection of employee health and safety. OSHA's hazard communication standard requires that information about hazardous materials used or produced in our operations be maintained and provided to employees, state and local government authorities and citizens. We believe that our operations are in substantial compliance with OSHA requirements.

Marine Employees

Certain of our employees who perform services on our barge rigs or work offshore may be covered by the provisions of the Jones Act, the Death on the High Seas Act, the Longshore and Harbor Workers' Compensation Act and general maritime law. These laws operate to make the liability limits established under state workers' compensation laws inapplicable to these employees. Instead, these employees or their representatives are permitted to pursue actions against us for damages resulting from job related injuries, generally with no limitations on our potential liability.

Saltwater Disposal Wells

We operate SWD wells that are subject to the CWA, Safe Drinking Water Act, and state and local laws and regulations, including those established by the Underground Injection Control Program of the Environmental Protection Agency (EPA), which establishes the minimum program requirements. Most of our SWD wells are located in Texas. We also operate SWD wells in Arkansas, Louisiana and New Mexico. Regulations in these states require us to obtain a permit to operate each of our SWD wells. The applicable regulatory agency may suspend or modify one of our permits if our well operation is likely to result in pollution of freshwater, substantial violation of permit conditions or applicable rules, or if the well leaks into the environment.

Wireline

We conduct wireline logging, which may entail the use of radioactive isotopes along with other nuclear, electrical, acoustic and mechanical devices to evaluate downhole formation. Our activities involving the use of isotopes are regulated by the U.S. Nuclear Regulatory Commission and specified agencies of certain states. Additionally, we may use high explosive charges for perforating casing and formations, and various explosive cutters to assist in well bore cleanout. Such operations are regulated by the U.S. Department of Justice Bureau of Alcohol, Tobacco, Firearms, and Explosives and require us to obtain licenses or other approvals for the use of densitometers as well as explosive charges.

Access to Company Reports

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Our web site address is www.keyenergy.com, and we make available free of charge through our web site our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports, as soon as reasonably practicable after such materials are electronically filed with the Securities and Exchange Commission (the SEC). We have filed the required certifications under Section 302 of the Sarbanes-Oxley Act of 2002 as Exhibits 31.1 and 31.2 to this Annual Report on Form 10-K.

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In 2009, we submitted to the New York Stock Exchange (the NYSE) the CEO certification required by Section 303A.12(a) of the NYSE s Listed Company Manual. Our web site also includes general information about us, including our Corporate Governance Guidelines and charters for the committees of our board of directors. Information on our web site or any other web site is not a part of this report.

ITEM 1A. RISK FACTORS

In addition to the other information in this report, the following factors should be considered in evaluating us and our business.

BUSINESS-RELATED RISK FACTORS

Our business is dependent on conditions in the oil and natural gas industry, especially oil and natural gas prices and capital expenditures by oil and natural gas companies. Volatility in oil and natural gas prices, tight credit markets and disruptions in the U.S. and global financial systems may adversely impact our business.

Prices for oil and natural gas historically have been extremely volatile and have reacted to changes in the supply of, and demand for, oil and natural gas. These include changes resulting from, among other things, the ability of the Organization of Petroleum Exporting Countries to support oil prices, domestic and worldwide economic conditions and political instability in oil-producing countries. Weakness in oil and natural gas prices (or the perception by our customers that oil and natural gas prices will decrease in the future) could result in a reduction in the utilization of our equipment and result in lower rates for our services. In addition, when oil and natural gas prices are weak, or when our customers expect oil and natural gas prices to decrease, fewer wells are drilled, resulting in less completion and maintenance work for us. Additional factors that affect demand for our services include:

the level of development, exploration and production activity of, and corresponding capital spending by, oil and natural gas companies;

oil and natural gas production costs;

government regulations; and

conditions in the worldwide oil and natural gas industry.

Demand for our services is primarily influenced by current and anticipated oil and natural gas prices, and the significant decline in oil and natural gas prices beginning in the third quarter of 2008 caused our customers to reduce their spending on exploration and development drilling throughout 2009. This reduction in our customers spending could continue through 2010 and beyond. Further decline in demand for our oil and natural gas services could have a material adverse effect on our revenue and profitability. Also impacting demand are the global economic conditions. While appearing to have stabilized, the disruptions in the global credit markets during 2009 could continue to negatively impact the exploration and production expenditures by our customers throughout 2010 and beyond. Additionally, even as economic conditions appear to have begun to stabilize, it remains uncertain whether our customers, vendors and suppliers will be able to access financing necessary to return to their previous level of operations or to avoid further decreases in their level of operations, fulfill their commitments and fund future operations and obligations.

We may be unable to maintain pricing on our core services.

During the period from 2006 to 2008, we periodically increased the prices on our services to offset rising costs and to generate higher returns for our stockholders. However, as a result of pressures stemming from deteriorating market conditions and falling oil and natural gas prices beginning in the third quarter of 2008 and continuing through the first half of 2009, it became increasingly difficult to maintain our prices. We have and will likely continue to face pricing pressure from our competitors. We have made price concessions, and may be compelled to make further price concessions, in order to maintain market share.

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In addition, we expect our costs to rise if demand for our services increases with a recovering market, due in part to tighter labor markets and similar economic developments that would likely result from an improving market. In addition to the recent difficulty we have experienced maintaining prices as described above, even if we are able to increase our prices as market conditions improve, we may not be able to do so at a rate that would be sufficient to cover such rising costs.

The inability to maintain our pricing, to increase our pricing as costs increase, or a reduction in our pricing, may have a continuing and material negative impact on our operating results in the future.

Industry capacity may adversely affect our business.

Between 2006 and 2008, a significant amount of new capacity, including new well service rigs, new pressure pumping equipment and new fishing and rental equipment, entered the market. In some cases, the new capacity was attributable to start-up oilfield service companies and, in other cases, the new capacity was deployed by existing service providers to increase their service capacity. The combination of overcapacity and declining demand exacerbated the pricing pressure for our services in 2009. Although oilfield service companies are not likely to add significant new capacity under current market conditions, the overcapacity could cause us to experience continued pressure on the pricing of our services and experience lower utilization. This could continue to have a material negative impact on our operating results.

Our future financial results could be adversely impacted by asset impairments or other charges.

We have recorded goodwill impairment charges and asset impairment charges in the past. We evaluate our long-lived assets, including our property and equipment, indefinite-lived intangible assets, and goodwill for impairment. In performing these assessments, we project future cash flows on a discounted basis for goodwill, and on an undiscounted basis for other long-lived assets, and compare these cash flows to the carrying amount of the related assets. These cash flow projections are based on our current operating plans, estimates and judgmental assumptions. We perform the assessment of potential impairment on our goodwill and indefinite-lived intangible assets at least annually, or more often if events and circumstances warrant. We perform the assessment of potential impairment for our property and equipment whenever facts and circumstances indicate that the carrying value of those assets may not be recoverable due to various external or internal factors. If we determine that our estimates of future cash flows were inaccurate or our actual results for 2010 are materially different than we have predicted, we could record additional impairment charges for interim periods during 2010 or in future years, which could have a material adverse effect on our financial position and results of operations.

Our business involves certain operating risks, which are primarily self-insured, and our insurance may not be adequate to cover all losses or liabilities we might incur in our operations.

Our operations are subject to many hazards and risks, including the following:

- accidents resulting in serious bodily injury and the loss of life or property;
- liabilities from accidents or damage by our fleet of trucks, rigs and other equipment;
- pollution and other damage to the environment;
- reservoir damage;

blow-outs, the uncontrolled flow of natural gas, oil or other well fluids into the atmosphere or an underground formation; and

fires and explosions.

If any of these hazards occur, they could result in suspension of operations, damage to or destruction of our equipment and the property of others, or injury or death to our or a third party's personnel.

We self-insure a significant portion of these liabilities. For losses in excess of our self-insurance limits, we maintain insurance from unaffiliated commercial carriers. However, our insurance may not be adequate to

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cover all losses or liabilities that we might incur in our operations. Furthermore, our insurance may not adequately protect us against liability from all of the hazards of our business. We also are subject to the risk that we may not be able to maintain or obtain insurance of the type and amount we desire at a reasonable cost. If we were to incur a significant liability for which we were uninsured or for which we were not fully insured, it could have a material adverse effect on our financial position, results of operations and cash flows.

We are subject to the economic, political and social instability risks of doing business in certain foreign countries.

We currently have operations in Argentina, Mexico and the Russian Federation, a technology development group based in Canada, as well as investments in oilfield service companies based in Canada. In the future, we may expand our operations into other foreign countries as well. As a result, we are exposed to risks of international operations, including:

increased governmental ownership and regulation of the economy in the markets where we operate;

inflation and adverse economic conditions stemming from governmental attempts to reduce inflation, such as imposition of higher interest rates and wage and price controls;

increased trade barriers, such as higher tariffs and taxes on imports of commodity products;

exposure to foreign currency exchange rates;

exchange controls or other currency restrictions;

war, civil unrest or significant political instability;

restrictions on repatriation of income or capital;

expropriation, confiscatory taxation, nationalization or other government actions with respect to our assets located in the markets where we operate;

governmental policies limiting investments by and returns to foreign investors;

labor unrest and strikes, including the significant labor-related issues we have experienced in Argentina;

deprivation of contract rights; and

restrictive governmental regulation and bureaucratic delays.

The occurrence of one or more of these risks may:

negatively impact our results of operations;

restrict the movement of funds and equipment to and from affected countries; and

inhibit our ability to collect receivables.

We historically have experienced a high employee turnover rate. Any difficulty we experience replacing or adding workers could adversely affect our business.

We historically have experienced an annual employee turnover rate of almost 50%. We believe that the high turnover rate is attributable to the nature of the work, which is physically demanding and performed outdoors. As a result, workers may choose to pursue employment in fields that offer a more desirable work environment at wage rates that are competitive with ours. We cannot assure that at times of high demand we will be able to retain, recruit and train an adequate number of workers. Potential inability or lack of desire by workers to commute to our facilities and job sites and competition for workers from competitors or other industries are factors that could affect our ability to attract and retain workers. We believe that our wage rates are competitive with the wage rates of our competitors and other potential employers. A significant increase in the wages other employers pay could result in a reduction in our workforce, increases in our wage rates, or both. Either of these events could diminish our profitability and growth potential.

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Additionally, in response to the downturn in market conditions beginning in the second quarter of 2008 and continuing through the third quarter of 2009, we made significant reductions in the size of our workforce. Excluding the reductions in workforce during 2009 in response to market conditions, our turnover rate in 2009 was 33%. As market conditions and our activity levels improve, we will be required to expand our workforce to accommodate these increases. We may encounter difficulties in adding new headcount with the requisite experience levels, which could negatively impact our ability to take advantage of improving market conditions.

We may not be successful in implementing technology development and enhancements.

A component of our business strategy is to incorporate our technology into our well service rigs, primarily through the KeyView® system. The inability to successfully develop and integrate the technology could:

limit our ability to improve our market position;

increase our operating costs; and

limit our ability to recoup the investments made in technology initiatives.

We may incur significant costs and liabilities as a result of environmental, health and safety laws and regulations that govern our operations.

Our operations are subject to U.S. federal, state and local, and foreign laws and regulations that impose limitations on the discharge of pollutants into the environment and establish standards for the handling, storage and disposal of waste materials, including toxic and hazardous wastes. To comply with these laws and regulations, we must obtain and maintain numerous permits, approvals and certificates from various governmental authorities. While the cost of such compliance has not been significant in the past, new laws, regulations or enforcement policies could become more stringent and significantly increase our compliance costs or limit our future business opportunities, which could have a material adverse effect on our operations.

Failure to comply with environmental, health and safety laws and regulations could result in the assessment of administrative, civil or criminal penalties, imposition of cleanup and site restoration costs and liens, revocation of permits, and, to a lesser extent, orders to limit or cease certain operations. Certain environmental laws impose strict and/or joint and several liability, which could cause us to become liable for the conduct of others or for consequences of our own actions that were in compliance with all applicable laws at the time of those actions. For additional information, see the discussion under *Governmental Regulations* in *Item 1. Business*.

We rely on a limited number of suppliers for certain materials used in providing our pressure pumping services.

We rely on a limited number of suppliers for sized sand, a principal raw material that is critical for our pressure pumping operations. While the materials are generally available, if we were to have a problem sourcing raw materials or transporting these materials from these suppliers, our ability to provide pressure pumping services could be limited.

We may not be successful in identifying, making and integrating our acquisitions.

A component of our growth strategy is to make geographic-focused acquisitions that will strengthen our presence in selected regional markets. Pursuit of this strategy may be restricted by the deterioration of credit markets, which may significantly limit the availability of funds for such acquisitions. In addition to restricted funding availability, the success of this strategy will depend on our ability to identify suitable acquisition candidates and to negotiate acceptable financial and other terms. There is no assurance that we will be able to do so. The success of an acquisition

depends on our ability to perform adequate due diligence before the acquisition and on our ability to integrate the acquisition after it is completed. While we commit significant resources to ensure that we conduct comprehensive due diligence, there can be no assurance that all potential risks and liabilities will be identified in connection with an acquisition. Similarly, while we expect to commit

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substantial resources, including management time and effort, to integrating acquired businesses into ours, there is no assurance that we will be successful integrating these businesses. In particular, it is important that we be able to retain both key personnel of the acquired business and its customer base. A loss of either key personnel or customers could negatively impact the future operating results of the acquired business.

The loss of a significant customer could cause our revenue to decline.

For the year ended December 31, 2009, one customer of our Well Servicing segment comprised approximately 11% of our total consolidated revenues. The work that we perform for this customer is done under contracts that expire in the near term and are subject to renewal through a bidding process. We can provide no assurance that we will be able to secure renewals of these contracts, and if we are unable to do so, the loss of this customer could have a material negative impact on our revenues and profitability.

Compliance with climate change legislation or initiatives could negatively impact our business.

The U.S. Congress is considering legislation to mandate reductions of greenhouse gas emissions and certain states have already implemented, or are in the process of implementing, similar legislation. Additionally, the U.S. Supreme Court has held in its decisions that carbon dioxide can be regulated as an air pollutant under the CAA, which could result in future regulations even if the U.S. Congress does not adopt new legislation regarding emissions. At this time, it is not possible to predict how legislation or new federal or state government mandates regarding the emission of greenhouse gases could impact our business; however, any such future laws or regulations could require us or our customers to devote potentially material amounts of capital or other resources in order to comply with such regulations. These expenditures could have a material adverse impact on our financial condition, results of operations, or cash flows.

DEBT-RELATED RISK FACTORS

We may not be able to generate sufficient cash flow to meet our debt service obligations.

Our ability to make payments on our indebtedness, and to fund planned capital expenditures, will depend on our ability to generate cash in the future. This, to a certain extent, is subject to conditions in the oil and gas industry, general economic and financial conditions, competition in the markets where we operate, the impact of legislative and regulatory actions on how we conduct our business and other factors, all of which are beyond our control. This risk would be exacerbated by any economic downturn or instability in the U.S. and global credit markets.

February 28, 2005 August 31, 2004

City, County & State 25 % 25 %

Hospitals 12 13

Transportation 12 10

Education 11 11

Lease Revenue 11 10

Housing 10 10

Tobacco 9 11

Power 5 5

Water & Sewer 4 4

Industrial & Pollution Control 1 1

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	36%	33%
AA/Aa	5	5
A	24	25
BBB/Baa	14	15
B	1	□
CCC/Caa	□	1
Not Rated ⁵	20	21

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

⁵ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2005 and August 31, 2004, the market value of these securities was \$4,231,394 representing 2.3% and \$4,211,315 representing 2.4%, respectively, of the Trust's long-term investments.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock Florida Insured Municipal Income Trust (BAF)

Trust Information

Symbol on New York Stock Exchange:	BAF
Initial Offering Date:	October 31, 2002
Closing Market Price as of 2/28/05:	\$14.96
Net Asset Value as of 2/28/05:	\$146.9
Yield on Closing Market Price as of 2/28/05 (\$14.96): ¹	6.02%
Current Monthly Distribution per Common Share: ²	\$ 0.075
Current Annualized Distribution per Common Share: ²	\$ 0.900
Leverage as of 2/28/05: ³	37%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$14.96	\$14.14	5.80%	\$15.40	\$13.91
NAV	\$14.96	\$14.34	4.32%	\$15.25	\$14.32

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Tax Revenue	22%	22%
City, County & State	21	21
Education	16	16

Power	12	12
Transportation	9	9
Water & Sewer	7	8
Hospitals	7	7
Tobacco	5	4
Housing	1	1

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	83%	82%
AA/Aa	3	3
A	4	5
BBB/Baa	5	5
Not Rated ⁵	5	5

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

⁵ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2005 and August 31, 2004, the market value of these securities was \$5,202,950 representing 2.6% and \$9,959,662 representing 5.0%, respectively, of the Trust's long-term investments.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock Florida Municipal Bond Trust (BIE)

Trust Information

Symbol on New York Stock Exchange:	BIE
Initial Offering Date:	April 30, 2002
Closing Market Price as of 2/28/05:	\$14.94
Net Asset Value as of 2/28/05:	\$16.06
Yield on Closing Market Price as of 2/28/05 (\$14.94): ¹	6.25%
Current Monthly Distribution per Common Share: ²	\$0.077808
Current Annualized Distribution per Common Share: ²	\$0.933696
Leverage as of 2/28/05: ³	36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$14.94	\$14.17	5.43%	\$15.65	\$14.08
NAV	\$16.06	\$15.53	3.54%	\$16.32	\$15.48

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Hospitals	26%	27%
Tax Revenue	17	16

City, County & State	12	15
Education	7	7
Water & Sewer	7	7
Housing	7	3
Industrial & Pollution Control	6	2
Power	6	10
Lease Revenue	5	5
Transportation	3	4
Other	4	4

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	38%	38%
AA/Aa	17	17
A	23	23
BBB/Baa	8	8
BB/Ba	2	2
Not Rated ⁵	12	12

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

⁵ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2005, the market value of these securities was \$1,916,845 representing 2.4% of the Trust's long-term investments.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock Maryland Municipal Bond Trust (BZM)

Trust Information

Symbol on American Stock Exchange:	BZM
Initial Offering Date:	April 30, 2002
Closing Market Price as of 2/28/05:	\$15.31
Net Asset Value as of 2/28/05:	\$15.85
Yield on Closing Market Price as of 2/28/05 (\$15.31): ¹	5.59%
Current Monthly Distribution per Common Share: ²	\$ 0.07135
Current Annualized Distribution per Common Share: ²	\$ 0.85620
Leverage as of 2/28/05: ³	36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$15.31	\$14.99	2.13%	\$16.75	\$14.27
NAV	\$15.85	\$15.24	4.00%	\$16.10	\$15.22

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Education	20%	20%
City, County & State	18	17
Hospitals	17	17

Water & Sewer	12	12
Transportation	9	10
Housing	8	3
Lease Revenue	7	8
Power	5	4
Tobacco	4	4
Other	□	5

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	34%	35%
AA/Aa	8	8
A	36	37
BBB/Baa	16	16
Not Rated ⁵	6	4

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

⁵ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2005 and August 31, 2004, the market value of these securities was \$1,045,170 representing 2.1% and \$1,044,840 representing 2.2%, respectively, of the Trust's long-term investments.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock New Jersey Municipal Bond Trust (BLJ)

Trust Information

Symbol on American Stock Exchange:	BLJ
Initial Offering Date:	April 30, 2002
Closing Market Price as of 2/28/05:	\$15.28
Net Asset Value as of 2/28/05:	\$15.78
Yield on Closing Market Price as of 2/28/05 (\$15.28): ¹	6.17%
Current Monthly Distribution per Common Share: ²	\$ 0.078582
Current Annualized Distribution per Common Share: ²	\$ 0.942984
Leverage as of 2/28/05: ³	36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$15.28	\$13.91	9.85%	\$16.14	\$13.80
NAV	\$15.78	\$14.71	7.27%	\$16.00	\$14.70

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Hospitals	28%	29%
Tobacco	13	11

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Transportation	11	15
City, County & State	10	10
Education	9	8
Housing	8	5
Tax Revenue	6	2
Industrial & Pollution Control	6	6
Lease Revenue	5	5
Power	4	5
Other	□	4

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	25%	25%
A	24	29
BBB/Baa	47	43
B	4	3

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock New York Insured Municipal Income Trust (BSE)

Trust Information

Symbol on New York Stock Exchange:	BSE
Initial Offering Date:	October 31, 2002
Closing Market Price as of 2/28/05:	\$14.32
Net Asset Value as of 2/28/05:	\$14.96
Yield on Closing Market Price as of 2/28/05 (\$14.32): ¹	6.28%
Current Monthly Distribution per Common Share: ²	\$0.075
Current Annualized Distribution per Common Share: ²	\$0.900
Leverage as of 2/28/05: ³	37%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$14.32	\$14.08	1.70%	\$15.03	\$13.47
NAV	\$14.96	\$14.18	5.50%	\$15.17	\$14.17

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Education	33%	33%

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Transportation	29	33
Hospitals	14	14
Tax Revenue	12	9
Tobacco	11	10
Housing	1	1

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	83%	82%
AA/Aa	□	2
A	5	5
BBB/Baa	12	11

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock New York Municipal Bond Trust (BQH)

Trust Information

Symbol on New York Stock Exchange:	BQH
Initial Offering Date:	April 30, 2002
Closing Market Price as of 2/28/05:	\$14.50
Net Asset Value as of 2/28/05:	\$15.80
Yield on Closing Market Price as of 2/28/05 (\$14.50): ¹	6.38%
Current Monthly Distribution per Common Share: ²	\$ 0.077099
Current Annualized Distribution per Common Share: ²	\$ 0.925188
Leverage as of 2/28/05: ³	36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$14.50	\$13.97	3.79%	\$14.79	\$13.71
NAV	\$15.80	\$15.09	4.71%	\$15.96	\$15.07

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Housing	13%	9%
Transportation	12	16

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Tobacco	12	11
Education	12	12
Hospitals	10	11
City, County & State	10	10
Tax Revenue	9	8
Water & Sewer	9	8
Industrial & Pollution Control	5	5
Lease Revenue	5	2
Power	3	3
Other	□	5

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	23%	22%
AA/Aa	25	25
A	24	32
BBB/Baa	23	16
BB/Ba	1	1
CCC/Caa	4	4

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock New York Municipal Income Trust II (BFY)

Trust Information

Symbol on American Stock Exchange:	BFY
Initial Offering Date:	July 30, 2002
Closing Market Price as of 2/28/05:	\$14.60
Net Asset Value as of 2/28/05:	\$14.91
Yield on Closing Market Price as of 2/28/05 (\$14.60): ¹	6.47%
Current Monthly Distribution per Common Share: ²	\$ 0.07875
Current Annualized Distribution per Common Share: ²	\$ 0.94500
Leverage as of 2/28/05: ³	38%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$14.60	\$13.70	6.57%	\$14.85	\$13.56
NAV	\$14.91	\$14.16	5.30%	\$15.11	\$14.14

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Transportation	19%	20%
Education	19	19

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Industrial & Pollution Control	14	14
Tobacco	11	10
Tax Revenue	10	9
Hospitals	9	9
Housing	7	7
City, County & State	6	6
Water & Sewer	4	5
Power	1	1

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	17%	16%
AA/Aa	41	43
A	20	20
BBB/Baa	18	17
BB/Ba	1	1
CCC/Caa	3	3

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

TRUST SUMMARIES (unaudited)
FEBRUARY 28, 2005

BlackRock Virginia Municipal Bond Trust (BHV)

Trust Information

Symbol on American Stock Exchange:	BHV
Initial Offering Date:	April 30, 2002
Closing Market Price as of 2/28/05:	\$16.51
Net Asset Value as of 2/28/05:	\$16.08
Yield on Closing Market Price as of 2/28/05 (\$16.51): ¹	5.26%
Current Monthly Distribution per Common Share: ²	\$ 0.072428
Current Annualized Distribution per Common Share: ²	\$ 0.869136
Leverage as of 2/28/05: ³	36%

¹ Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

² The distribution is not constant and is subject to change.

³ As a percentage of managed assets (as defined in Note 2 of the Notes to Financial Statements).

The table below summarizes the changes in the Trust's market price and NAV:

	2/28/05	8/31/04	Change	High	Low
Market Price	\$16.51	\$15.34	7.63%	\$17.17	\$15.42
NAV	\$16.08	\$15.47	3.94%	\$16.35	\$15.45

The following charts show the portfolio composition and credit quality allocations of the Trust's long-term investments:

Sector Breakdown

Sector	February 28, 2005	August 31, 2004
Water & Sewer	18%	18%
Transportation	17	17

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City, County & State	17	17
Housing	17	13
Hospitals	15	15
Education	5	4
Tobacco	4	4
Lease Revenue	4	4
Industrial & Pollution Control	3	3
Other	□	5

Credit Breakdown⁴

Credit Rating	February 28, 2005	August 31, 2004
AAA/Aaa	46%	46%
AA/Aa	16	16
A	15	15
BBB/Baa	12	12
Not Rated ⁵	11	11

⁴ Using the higher of S&P's, Moody's or Fitch's rating.

⁵ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of February 28, 2005 and August 31, 2004, the market value of these securities was \$2,543,933 representing 6.8% and \$2,545,242 representing 7.0%, respectively, of the Trust's long-term investments.

PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock Insured Municipal Income Trust (BYM)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 151.4%				
Alabama 11.1%				
AAA	\$40,000 ³	Jefferson Cnty. Swr., Ser. D, 5.00%, 8/01/12, FGIC	N/A	\$ 44,215,600
California 32.5%				
A2	14,000	California Dept. of Wtr. Res., Pwr. Sply. Rev., Ser. A, 5.375%, 5/01/22	05/12 @ 101	15,201,900
AAA	10,100	California Infrastructure & Econ. Dev., Bay Area Toll Brdgs., Ser. A, 5.00%, 7/01/36, AMBAC	07/13 @ 100	10,519,554
BBB	6,500	Golden St. Tobacco Sec. Corp., Ser. A-1, 6.625%, 6/01/40	06/13 @ 100	6,730,880
BBB	14,500	Ser. A-1, 6.75%, 6/01/39	06/13 @ 100	15,179,325
AAA	22,500	Ser. B, 5.00%, 6/01/43, FSA	06/13 @ 100	22,939,875
AAA	17,500	Met. Wtr. Dist. So. California, Ser. B-1, 5.00%, 10/01/33, FGIC	10/13 @ 100	18,230,100
AAA	15,000	San Francisco City & Cnty. Pub. Utils. Comm., Wtr. Rev., Ser. A, 5.00%, 11/01/31, FSA	11/11 @ 100	15,505,200
AAA	53,000	San Joaquin Hills Transp. Corridor Agcy., Toll Road Rev., Ser. A, Zero Coupon, 1/15/31, MBIA	No Opt. Call	13,731,770
AAA	10,910	Univ. of California, Ser. O, 5.00%, 9/01/28, FGIC	09/10 @ 101	11,343,127
				129,381,731
District of Columbia 2.5%				
BBB	9,500	Tobacco Settlement Fin. Corp., 6.75%, 5/15/40	05/11 @ 101	9,831,265
Georgia 10.7%				
AAA	2,500	Atlanta Arpt. Passenger Fac., Ser. J, 5.00%, 1/01/34, FSA	01/15 @ 100	2,594,225
AAA	2,000	Atlanta Wtr. & Wstwr., 5.00%, 11/01/34, FSA	11/14 @ 100	2,080,720
AAA	3,235	5.00%, 11/01/37, FSA	11/14 @ 100	3,373,296
AAA	13,685	5.00%, 11/01/43, FSA	11/14 @ 100	14,172,049
AAA	9,555	Ser. A, 5.00%, 11/01/38, FGIC	05/09 @ 101	9,819,387
Baa2	10,000	De Kalb Cnty. Dev. Auth., PCR, General Mtrs. Corp. Proj., 6.00%, 3/15/21	12/12 @ 101	10,742,900
				42,782,577
Illinois 14.8%				
Chicago, GO,				
AAA	5,000	Ser. A, 5.00%, 1/01/34, FSA	01/14 @ 100	5,150,750
AAA	7,000	Ser. A, 5.00%, 1/01/34, MBIA	01/13 @ 100	7,191,170
AAA	11,550 ³	Chicago Spec. Transp., 5.25%, 1/01/27, AMBAC	N/A	12,407,934
AAA	9,150 ³	Chicago Wtr., 5.00%, 11/01/11, AMBAC	N/A	10,072,961

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Met. Pier & Exposition Auth., Ded. St. Tax Rev., McCormick Place Expansion Proj., MBIA,

AAA	18,835	Ser. A, 5.00%, 12/15/28	06/12 @ 101	19,465,784
AAA	15,000	Ser. B, Zero Coupon, 6/15/28	No Opt. Call	4,686,000
				58,974,599
Massachusetts 6.1%				
AAA	24,000	Massachusetts Tpke. Auth., Met. Hwy. Sys. Rev., Ser. A, 5.00%, 1/01/39, AMBAC	01/09 @ 101	24,451,440
Michigan 1.3%				
AAA	5,000	Detroit City Sch. Dist., GO, Ser. A, 5.125%, 5/01/31, FSA	05/12 @ 100	5,226,550
Nevada 7.2%				
AAA	6,000	Reno Transp. Proj., 5.125%, 6/01/32, AMBAC	06/12 @ 100	6,263,160
AAA	10,000	Truckee Meadows Wtr. Auth., Ser. A, FSA, 5.00%, 7/01/25	07/11 @ 100	10,378,000
AAA	6,500	5.125%, 7/01/30	07/11 @ 100	6,797,570
AAA	5,000	5.25%, 7/01/34	07/11 @ 100	5,271,750
				28,710,480

See Notes to Financial Statements.

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BlackRock Insured Municipal Income Trust (BYM) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
New York 7.8%				
AAA	\$12,650	New York City Mun. Wtr. Fin. Auth., Wtr. & Swr. Sys. Rev., Ser. B, 5.00%, 6/15/36, FSA	12/14 @ 100	\$ 13,145,248
AAA	7,305	Ser. C, 5.00%, 6/15/35, AMBAC	06/14 @ 100	7,607,354
AAA	10,000	New York City Trust Cultural Resources, American Museum of Natural History, Ser. A, 5.00%, 7/01/44, MBIA	07/14 @ 100	10,338,300
				31,090,902
Pennsylvania 3.8%				
BBB+	5,000	Lebanon Cnty. Hlth. Facs. Auth., Good Samaritan Hosp. Proj., 6.00%, 11/15/35	11/12 @ 101	5,181,050
AAA	4,560	Pennsylvania Tpke. Comm., 5.00%, 7/15/41, AMBAC	07/11 @ 101	4,717,274
AAA	5,200	Philadelphia Gas Wks., Ser. 3, 5.125%, 8/01/31, FSA	08/11 @ 100	5,408,416
				15,306,740
South Carolina 11.8%				

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AAA	5,000	So. Carolina Pub. Svc. Auth., Ser. B, 5.50%, 1/01/36, FSA	01/12 @ 100	5,397,450
		So. Carolina Transp. Infrastructure Bank, AMBAC,		
AAA	9,000 ³	Ser. A, 5.00%, 10/01/11	N/A	9,920,160
AAA	12,750	Ser. A, 5.00%, 10/01/33	10/12 @ 100	13,237,943
AAA	5,000	Ser. A, 5.00%, 10/01/33	10/13 @ 100	5,194,150
AAA	12,660	Ser. B, 5.125%, 10/01/26	10/11 @ 100	13,401,116
				47,150,819
Tennessee 3.8%				
Knox Cnty. Hlth. Edl. & Hsg. Facs. Brd., Hosp. Facs. Rev., Ser. A, FSA,				
AAA	11,705	Zero Coupon, 1/01/22	01/13 @ 59.566	4,718,754
AAA	9,260	Zero Coupon, 1/01/23	01/13 @ 56.016	3,497,224
AAA	8,500	Zero Coupon, 1/01/24	01/13 @ 52.749	3,009,170
AAA	6,850	Zero Coupon, 1/01/25	01/13 @ 49.712	2,281,872
AAA	5,000	Zero Coupon, 1/01/26	01/13 @ 46.781	1,561,450
				15,068,470
Texas 29.4%				
BBB	3,700	Comal Cnty. Hlth. Facs., Hlth. Care Sys., McKenna Mem. Proj., Ser. A, 6.25%, 2/01/32	02/13 @ 100	3,825,541
AAA	10,030	Coppell Indpt. Sch. Dist., Zero Coupon, 8/15/30	No Opt. Call	2,702,383
AAA	2,350	Dallas Area Rapid Trans., 5.00%, 12/01/31, AMBAC	12/11 @ 100	2,406,541
Harris Cnty.,				
AAA	7,485	GO, Zero Coupon, 8/15/25, MBIA	No Opt. Call	2,742,728
AAA	10,915	GO, Zero Coupon, 8/15/28, MBIA	No Opt. Call	3,343,046
AAA	5,510	Toll Road Rev., 5.00%, 8/15/30, FSA	08/12 @ 100	5,686,155
Harris Cnty. Sports Auth., MBIA,				
AAA	26,890	Ser. A-3, Zero Coupon, 11/15/38	11/24 @ 43.826	4,085,935
AAA	27,675	Ser. A-3, Zero Coupon, 11/15/39	11/24 @ 41.258	3,958,909
AAA	5,785	Ser. H, Zero Coupon, 11/15/38	11/31 @ 64.91	893,551
AAA	6,160	Ser. H, Zero Coupon, 11/15/39	11/31 @ 60.976	893,816
AAA	25,000 ^{3,4}	Houston Wtr. & Swr. Sys., Ser. A, 5.00%, 12/01/12, FSA	N/A	27,684,250
AAA	9,500	Northside Indpt. Sch. Dist., Sch. Bldg. Rmkt, 5.125%, 6/15/29	06/14 @ 100	9,990,010
San Antonio Wtr., FGIC,				
AAA	9,350	5.125%, 5/15/29	05/14 @ 100	9,879,491
AAA	10,000	5.125%, 5/15/34	05/14 @ 100	10,527,500
AAA	25,000	Texas Tpke. Auth., Central Sys. Rev., Ser. A, 5.00%, 8/15/42, AMBAC	08/12 @ 100	25,592,500
BBB+	3,000	Tyler Cnty. Hlth. Facs. Dev., Mother Frances Hosp. Proj., 6.00%, 7/01/31	07/12 @ 100	3,133,290
				117,345,646
Virginia 2.0%				
Chesterfield Cnty. Indl. Dev. Auth., PCR, Elec. & Pwr. Co.,				
A3	3,000	Ser. A, 5.875%, 6/01/17	11/10 @ 102	3,327,780
A3	4,000	Ser. B, 5.875%, 6/01/17	11/10 @ 102	4,437,040
				7,764,820

BlackRock Insured Municipal Income Trust (BYM) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
Washington 6.3%				
AAA	\$ 3,655	Chelan Cnty. Pub. Util. Dist. 1, Chelan Hydro Sys., Ser. C, 5.125%, 7/01/33, AMBAC	07/12 @ 100	\$ 3,814,577
AAA	4,500	Port of Seattle, Ser. A, 5.00%, 4/01/31, FGIC	10/11 @ 100	4,598,460
AAA	9,500	Seattle, GO, Ser. F, 5.125%, 12/15/28, MBIA	12/08 @ 100	9,838,295
AAA	6,380	Washington, GO, Ser. A, 5.00%, 7/01/25, FSA	07/11 @ 100	6,639,092
				24,890,424
West Virginia 0.3%				
AAA	1,295	West Virginia Econ. Dev. Auth., Correctional Juvenile Safety, Ser. A, 5.00%, 6/01/29, MBIA	06/14 @ 100	1,351,410
Total Long-Term Investments (cost \$566,779,604)				603,543,473
SHORT-TERM INVESTMENTS 4.6%				
Maryland 0.6%				
A1+	2,355 ⁵	Maryland Hlth. & Higher Edl. Facs. Auth., Pooled Ln. Prog., Ser. D, 1.86%, 3/03/05, FRWD	N/A	2,355,000
Shares (000)				
MONEY MARKET FUNDS 4.0%				
	15,950	AIM Tax Free Investment Co. Cash Reserve Portfolio	N/A	15,950,000
Total Short-Term Investments (cost \$18,305,000)				18,305,000
Total Investments 156.0% (cost \$585,084,604)				621,848,473
Other assets in excess of liabilities 1.4%				5,716,181
Preferred shares at redemption value, including dividends payable (57.4)%				(229,021,060)
Net Assets Applicable to Common Shareholders 100%				\$ 398,543,594

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

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³ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁴ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁵ For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown as of February 28, 2005.

The value (market value plus accrued interest) of securities that are covered by insurance, which ensures the payment of principal and interest, represent approximately 85.2% of the Trust's managed assets.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corp.	GO	General Obligation
FGIC	Financial Guaranty Insurance Co.	MBIA	Municipal Bond Insurance Association
FRWD	Floating Rate Weekly Demand	PCR	Pollution Control Revenue
FSA	Financial Security Assurance		

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited) FEBRUARY 28, 2005

BlackRock Municipal Bond Trust (BBK)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 144.0%				
Alabama 10.9%				
BBB	\$ 9,250	Courtland Ind. Dev. Brd., PCR, Champion Intl. Corp. Proj., Ser. A, 6.50%, 9/01/25	09/05 @ 102	\$ 9,587,162
A2	7,500	Huntsville Hlth. Care Auth., Ser. A, 5.75%, 6/01/31	06/11 @ 101	7,888,875
				17,476,037
California 14.6%				
Golden St. Tobacco Sec. Corp., Ser. B,				
A-	7,300	5.50%, 6/01/43	06/13 @ 100	7,752,308
A-	4,200	5.625%, 6/01/38	06/13 @ 100	4,540,956
B-	8,000	Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. B, 7.50%, 12/01/24	12/12 @ 102	8,081,600
San Marcos Spl. Tax, Cmnty. Facs. Dist. No. 02-01				
NR	465	5.90%, 9/01/28	09/10 @ 102	471,738
NR	865	5.95%, 9/01/35	09/10 @ 102	878,036
NR	1,585	Val Verde Unified Sch. Dist. Fin. Auth., Spec. Tax Rev., 6.25%, 10/01/28	10/13 @ 102	1,653,456
				23,378,094

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District of Columbia 11.0%

Dist. of Columbia,

A	595	Friendship Pub. Charter Sch., Inc., 5.25%, 6/01/33, ACA	06/14 @ 100	604,532
AAA	6,000	Tax Incr., Gallary Place Proj., 5.40%, 7/01/31, FSA	07/12 @ 100	6,368,100
AAA	33,450	Georgetown Univ., Ser. A, Zero Coupon, 4/01/38, MBIA	04/11 @ 20,243	4,892,397
BBB	5,580	Tobacco Settlement Fin. Corp., 6.75%, 5/15/40	05/11 @ 101	5,774,574

17,639,603

Florida 19.1%

BBB-	6,200	Martin Cnty. Indl. Dev. Auth., Indiantown Cogeneration Proj., Ser. A, 7.875%, 12/15/25	03/05 @ 102	6,363,990
BB	2,810	Miami Beach Hlth. Facs. Auth., Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21	11/14 @ 100	3,013,697
A	10,000	Orange Cnty. Hlth. Facs. Auth., Hosp. Adventist Hlth. Sys. Proj., 5.625%, 11/15/32	11/12 @ 101	10,621,000
AAA	7,255	Palm Beach Cnty. Hsg. Fin. Auth., Multi-Fam. Rev., Indian Trace Apts. Proj., Ser. A, 5.625%, 1/01/44, FSA	01/12 @ 100	7,467,499
NR	605	Pine Islands Cmnty. Dev. Dist., Spl. Assmt., 5.75%, 5/01/35	05/12 @ 101	606,167
NR	1,470	Reunion West Cmnty. Dev. Dist., Spl. Assmt., 6.25%, 5/01/36	05/12 @ 101	1,522,244
NR	1,000	Stevens Plantation Cmnty. Dev. Dist., Spl. Assmt. Rev., Ser. A, 7.10%, 5/01/35	05/14 @ 100	1,029,260

30,623,857

Georgia 12.8%

AAA	3,000	Atlanta Arpt. Passenger Fac., Ser. J, 5.00%, 1/01/34, FSA	01/15 @ 100	3,113,070
AAA	5,000	Atlanta Wtr. & Wstwr., FSA, 5.00%, 11/01/37	11/14 @ 100	5,213,750
AAA	11,770	5.00%, 11/01/43	11/14 @ 100	12,188,894

20,515,714

Illinois 19.1%

AAA	23,065	Bolingbrook, GO, Ser. B, Zero Coupon, 1/01/36, FGIC	01/12 @ 23,018	3,712,312
NR	1,150	Centerpoint Intermodal Ctr. Prog. Trust, Ser. A, 8.00%, 6/15/23	No Opt. Call	1,164,628
AAA	5,880 ³	Chicago, GO, Ser. A, 5.50%, 1/01/38, MBIA	01/11 @ 101	6,383,975
BBB	6,000	Illinois Edl. Facs. Auth., Student Hsg. Rev., Edl. Advancement Fund Univ. Ctr. Proj., 6.25%, 5/01/34	05/07 @ 100	6,119,340
Baa	2,525	Illinois Fin. Auth. Student Hsg., MJH Ed. Asst. IV Proj., Ser. A, 5.125%, 6/01/35	06/14 @ 100	514,285
Baa	3,425	Ser. B, 5.375%, 6/01/35	06/14 @ 100	412,904
A	6,000	Illinois Hlth. Facs. Auth., Lake Forest Hosp. Proj., Ser. A, 5.75%, 7/01/29	07/12 @ 100	6,228,060
AAA	10,000	Met. Pier & Exposition Auth., Ded. St. Tax Rev., McCormick Place Expansion Proj., Ser. A, MBIA, Zero Coupon, 6/15/35	No Opt. Call	2,137,800
AAA	10,000	Zero Coupon, 12/15/36	No Opt. Call	1,974,400
AAA	10,000	Zero Coupon, 12/15/37	No Opt. Call	1,870,200

30,517,904

See Notes to Financial Statements.

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BlackRock Municipal Bond Trust (BBK) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
Indiana 1.3%				
Aaa	\$ 2,010	Multi-Fam. Hsg., Canterbury House Apts. Proj., Ser. 1, 5.90%, 12/01/34	12/11 @ 100	\$ 2,127,625
Kansas 3.3%				
A-	5,000	Wichita Arpt. Auth., Arpt. Facs. Rev., Cessna Citation Svc. Ctr. Proj., Ser. A, 6.25%, 6/15/32	06/12 @ 101	5,355,150
Louisiana 0.7%				
Baa1	1,165	Louisiana Local Gov t. Env. Facs. & Cmnty. Dev. Auth., Oakleigh Apts. Proj., Ser. A, 6.375%, 6/01/38	06/13 @ 102	1,172,689
Maryland 3.4%				
NR	1,250	Baltimore, Spec. Oblig. Rev., Harborview Lot No. 2 Proj., 6.50%, 7/01/31	07/13 @ 101	1,315,550
NR	3,000	Frederick Cnty. Spl. Oblig., Urbana Cmnty. Dev. Auth., Ser. B, 6.25%, 7/01/30	07/07 @ 102	3,023,820
Baa1	1,040	Maryland Hlth. & Higher Edl. Facs. Auth., Medstar Hlth. Proj., 5.50%, 8/15/33	08/14 @ 100	1,085,126
				5,424,496
Multi-State 7.4%				
Baa1	10,500 ⁴	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	11,924,115
Nevada 1.2%				
NR	575	Director of the St. of Nevada Dept. of Business & Ind., Las Ventanas Retirement Proj., Ser. A, 7.00%, 11/15/34	11/14 @ 100	573,879
NR	1,400	Las Vegas Spec. Impvt. Dist. No. 809, Summerlin Area Proj., 5.65%, 6/01/23	06/05 @ 103	1,414,364
				1,988,243
New Jersey 9.0%				
New Jersey Econ. Dev. Auth.,				
BBB	1,500	Cigarette Tax Rev., 5.50%, 6/15/31	06/14 @ 100	1,540,815
B	3,000	Continental Airlines, Inc. Proj., 7.20%, 11/15/30	11/10 @ 101	2,634,960
Baa3	7,500	Kapkowski Road Landfill Proj., 6.50%, 4/01/28	No Opt. Call	8,671,125
BBB-	1,500	Winchester Proj., Ser. A, 5.80%, 11/01/31	11/14 @ 100	1,559,175
				14,406,075
New York 2.5%				
AAA	1,330	Env. Facs. Corp., Clean Wtr. & Drinking Wtr. Rev., NYC Mun. Wtr. Proj., Ser. B, 5.00%, 6/15/31	06/12 @ 100	1,380,859

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AAA	1,760	Met. Transp. Auth., Svc. Contract, Ser. A, 5.00%, 7/01/30, AMBAC	07/12 @ 100	1,824,311
AAA	765	New York Dorm. Auth., Montefiore Hosp. Proj., 5.00%, 8/01/33, FGIC	02/15 @ 100	795,286
				4,000,456
Ohio 1.0%				
NR	1,500	Port of Greater Cincinnati Dev. Auth., Coop. Pub. Pkg. Infrastructure Proj., 6.40%, 2/15/34	02/14 @ 102	1,538,985
Oklahoma 1.1%				
B-	1,725	Tulsa Mun. Arpt. Trust, Ser. A, 7.75%, 6/01/35	No Opt. Call	1,742,699
Oregon 0.7%				
Aaa	1,000	Multi-Fam. Hsg., Pacific Tower Apts. Proj., Ser. 6, 6.05%, 11/01/34	06/12 @ 100	1,059,330
Pennsylvania 3.3%				
BB-	4,895	Pennsylvania Econ. Dev. Fin. Auth., Exempt Facs. Rev., Reliant Energy Conv. Proj., Ser. A, 6.75%, 12/01/36	12/09 @ 103	5,229,035
South Carolina 0.7%				
BBB	1,000	So. Carolina Jobs Econ. Dev. Auth., Hosp. Facs. Rev., Palmetto Hlth. Alliance Proj., Ser. C, 7.00%, 8/01/30	08/13 @ 100	1,124,210
Texas 15.0%				
BBB	880	Brazos River Auth., PCR, TXU Elec. Co. Proj., Ser. C, 6.75%, 10/01/38	10/13 @ 101	957,695
AAA	940	Dallas Area Rapid Trans., 5.00%, 12/01/31, AMBAC	12/11 @ 100	962,617
AAA	11,690	Harris Cnty. Houston Sports Auth., Ser. G, Zero Coupon, 11/15/41, MBIA	11/31 @ 53.779	1,495,969
Aaa	2,840	Multi-Fam. Hsg., Copperwood Ranch Apts. Proj., Ser. 9, 5.95%, 11/01/35	06/12 @ 100	3,007,333
AAA	60,000	Texas Tpke. Auth., Central Sys. Rev., Zero Coupon, 8/15/35, AMBAC	08/12 @ 25.665	10,431,600
BBB+	6,840	Tyler Cnty. Hlth. Facs. Dev., Mother Frances Hosp. Proj., 6.00%, 7/01/31	07/12 @ 100	7,143,901
				23,999,115
West Virginia 0.3%				
AAA	520	West Virginia Econ. Dev. Auth., Correctional Juvenile Safety, Ser. A, 5.00%, 6/01/29, MBIA	06/14 @ 100	542,651

See Notes to Financial Statements.

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BlackRock Municipal Bond Trust (BBK) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
Wisconsin 5.6%				

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		Wisconsin Hlth. & Edl. Facs. Auth.,		
BBB+	\$ 1,350	Aurora Hlth. Care Proj., 6.40%, 4/15/33	04/13 @ 100	\$ 1,485,135
A-	7,000	Wheaton Franciscan Svcs. Proj., 5.75%, 8/15/30	02/12 @ 101	7,416,010
				8,901,145
Total Long-Term Investments (cost \$215,993,699)				230,687,228
SHORT-TERM INVESTMENTS 13.2%				
California 2.9%				
A-1+	4,610 ⁵	Orange Cnty. Sanit. Dist., COP, Ser. A, 1.77%, 3/01/05, FRDD	N/A	4,610,000
Massachusetts 2.5%				
A-1+	4,000 ⁵	Massachusetts St. Dev. Fin. Agcy., Boston Univ., Ser. R-4, 1.79%, 3/01/05, XLCA, FRDD	N/A	4,000,000
New York 0.7%				
A-1+	1,200 ⁵	New York City Transl. Fin. Auth., Ser. A-1, 1.86%, 3/02/05, FRWD	N/A	1,200,000
Shares				
(000)				
MONEY MARKET FUNDS 7.1%				
	8,000	AIM Tax Free Investment Co. Cash Reserve Portfolio	N/A	8,000,000
	3,350	SSgA Tax Free Money Mkt. Fund	N/A	3,350,000
				11,350,000
Total Short-Term Investments (cost \$21,160,000)				21,160,000
Total Investments 157.2% (cost \$237,153,699)				\$ 251,847,228
Liabilities in excess of other assets (0.7%)				(1,128,790)
Preferred shares at redemption value, including dividends payable (56.5%)				(90,523,359)
Net Assets Applicable to Common Shareholders 100%				\$ 160,195,079

¹ Using the higher of S&P ratings, Moody ratings or Fitch ratings.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 7.4% of its net assets, with a current market value of \$11,924,115, in securities restricted as to resale.

⁵ For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown as of February 28, 2005.

KEY TO ABBREVIATIONS

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ACA	American Capital Access	FSA	Financial Security Assurance
AMBAC	American Municipal Bond Assurance Corp.	GO	General Obligation
COP	Certificate of Participation	PCR	Pollution Control Revenue
FGIC	Financial Guaranty Insurance Co.	MBIA	Municipal Bond Insurance Association
FRDD	Floating Rate Daily Demand	XLCA	XL Capital Assurance
FRWD	Floating Rate Weekly Demand		

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock Municipal Income Trust II (BLE)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 151.4%				
California 15.3%				
A	\$ 2,250	Agua Caliente Band, Cahuilla Indians Proj., 6.00%, 7/01/18	07/13 @ 100	\$ 2,310,547
A	3,500	California Mobilehome Park Fin. Auth., Palomar Estates East & West Proj., Ser. A, 5.25%, 3/15/34, ACA	03/13 @ 102	3,601,710
A	5,000	California Statewide Cmnty. Dev. Auth., Mem. Hlth. Svcs., Ser. A, 5.50%, 10/01/33 Golden St. Tobacco Sec. Corp., Ser. B,	04/13 @ 100	5,242,100
A-	16,850	5.50%, 6/01/43	06/13 @ 100	17,894,026
A-	8,800	5.625%, 6/01/38	06/13 @ 100	9,514,384
B-	6,660	Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. C, 7.50%	12/12 @ 102	6,776,750
NR	4,620	San Francisco City & Cnty. Redev. Agcy., Cmnty. Facs. Dist., Mission Bay South Proj., 6.625%, 8/01/27	08/11 @ 101	4,860,841
		San Marcos Spl. Tax, Cmnty. Facs. Dist. No. 02-01		
NR	990	5.90%, 9/01/28	09/10 @ 102	1,004,345
NR	1,855	5.95%, 9/01/35	09/10 @ 102	1,882,955
				53,087,658
Colorado 4.4%				
AA	10,000 ³	Colorado Hlth. Facs. Auth., Catholic Hlth. Initiatives Proj., Ser. A, 5.50%, 3/01/32	ETM	10,971,500
AAA	4,000	Northwest Pkwy. Pub. Hwy. Auth., Ser. A, 5.25%, 6/15/41, FSA	06/11 @ 102	4,196,800
				15,168,300
District of Columbia 6.1%				
A	1,265	Dist. of Columbia, Friendship Pub. Charter Sch., Inc. Proj., 5.25%, 6/01/33, ACA Tobacco Settlement Fin. Corp.,	06/14 @ 100	1,285,265
BBB	7,500	6.50%, 5/15/33	No Opt. Call	7,767,300
BBB	11,500	6.75%, 5/15/40	05/11 @ 101	11,901,005

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20,953,570

Florida 16.6%

Fishhawk Cmnty. Dev. Dist. II, Spec. Assmnt. Rev,

NR	3,000	Ser. A, 6.25%, 5/01/34	05/13 @ 101	3,132,570
NR	3,815	Ser. B, 5.00%, 11/01/07	No Opt. Call	3,852,959
NR	4,780	Lakes by the Bay So. Cmnty. Dev. Dist., Florida Spl. Assmt., Ser. A, 6.25%, 5/01/34	05/14 @ 101	4,968,284
A-	2,650	Leesburg Hosp., Leesburg Regl. Med. Ctr. Proj., 5.50%, 7/01/32	07/12 @ 100	2,731,912
NR	3,200	Live Oak Comm. Dev., Dist. No. 1 Spec. Assmnt. Rev., Ser. A, 6.30%, 5/01/34	05/13 @ 101	3,341,184
BB	6,230	Miami Beach Hlth. Facs. Auth., Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21	11/14 @ 100	6,681,613
A	6,850	Orange Cnty. Hlth. Facs. Auth., Adventist Hlth. Sys. Proj., 5.625%, 11/15/32	11/12 @ 101	7,275,385
AA-	14,000	Pinellas Cnty. Hlth. Fac. Auth., Baycare Hlth. Sys. Proj., 5.50%, 11/15/33	05/13 @ 100	14,676,200
NR	2,085	Stevens Plantation Cmnty. Dev. Dist., Spl. Assmt. Rev., Ser. A, 7.10%, 5/01/35	05/14 @ 100	2,146,007
NR	4,625	Sumter Cnty. Ind. Dev. Auth., No. Sumter Util. Co. LLC Proj., 6.90%, 10/01/34	10/09 @ 100	4,714,633
NR	3,715	Sumter Landing Cmnty. Dev., Spec. Assmnt. Rev, 6.875%, 5/01/23	05/13 @ 101	3,910,446

57,431,193

Georgia 6.3%

AAA	4,000	Atlanta Arpt. Passenger Fac., Ser. J, 5.00%, 1/01/34, FSA	01/15 @ 100	4,150,760
AAA	11,995	Atlanta Wtr. & Wstwr., 5.00%, 11/01/43, FSA	11/14 @ 100	12,421,902
BBB	5,000	Milledgeville-Baldwin Cnty. Dev. Auth., Georgia Coll. & St. Univ. Fndtn. Proj., 5.625%, 9/01/30	09/14 @ 101	5,188,350

21,761,012

Illinois 15.9%

AAA	4,000	Bolingbrook, GO, Ser. A, 5.375%, 1/01/38, FGIC	01/12 @ 100	4,254,280
NR	2,470	Centerpoint Intermodal Ctr. Prog. Trust, Ser. A, 8.00%, 6/15/23	No Opt. Call	2,501,418
A	7,500 ⁴	Illinois Dev. Fin. Auth., Hosp. Rev., Adventist Hlth. Sys. Sunbelt Oblig. Proj., 5.65%, 11/15/24	11/09 @ 101	7,863,525
AA+	1,880	Illinois Fin. Auth., Northwestern Mem. Hosp. Proj., Ser. A, 5.50%, 8/15/43	08/14 @ 100	2,003,986
Baa2	1,125	Illinois Fin. Auth. Student Hsg., MJH Ed. Asst. IV Proj., Ser. A, 5.125%, 6/01/35	06/14 @ 100	1,102,039
Baa	3,900	Ser. B, 5.375%, 6/01/35	06/14 @ 100	874,386
A	8,000	Illinois Hlth. Facs. Auth., Elmhurst Mem. Hlth. Care Proj., 5.50%, 1/01/22	01/13 @ 100	8,414,560
AAA	15,000	Illinois Sports Facs. Auth., Ded. St. Tax Supported Rev., Zero Coupon, 6/15/30, AMBAC	06/15 @ 101	12,022,500

See Notes to Financial Statements.

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BlackRock Municipal Income Trust II (BLE) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
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Illinois (continued)

Met. Pier & Exposition Auth., Ded. St. Tax Rev., McCormick Place Expansion Proj.,
Ser. A, MBIA,

AAA	\$45,190	Zero Coupon, 6/15/33	No Opt. Call	\$
				10,726,750
AAA	5,000	Zero Coupon, 6/15/40	No Opt. Call	817,200
AAA	4,290	O Hare Intl. Arpt., Ser. C-2, 5.25%, 1/01/30, FSA	01/14 @ 100	4,430,412

55,011,056

Indiana 9.2%

Baa2	5,500	Fort Wayne, PCR, Gen. Mtrs. Corp. Proj., 6.20%, 10/15/25	12/12 @ 101	5,897,925
AA	5,000	Indiana Hlth. Fac. Fin. Auth., Ascension Hlth. Proj., Ser. F, 5.375%, 11/15/25	11/12 @ 101	5,173,350
AAA	19,735	Indianapolis Local Pub. Impvt. Bond Bank, Wtr. Wks. Proj., Ser. A, 5.25%, 7/01/33, MBIA	07/12 @ 100	20,736,946

31,808,221

Louisiana 0.7%

Baa1	2,485	Louisiana Local Gov t. Env. Facs. & Cmnty. Dev. Auth., Oakleigh Apts. Proj., Ser. A, 6.375%, 6/01/38	06/13 @ 102	2,501,401
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Maryland 3.4%

NR	3,000	Frederick Cnty. Spl. Oblig., Urbana Cmnty. Dev. Auth. Proj., Ser. A, 5.95%, 7/01/30	07/07 @ 102	3,024,060
Baa3	5,000	Maryland Econ. Dev. Corp., Student Hsg. Rev., Univ. of Maryland Proj., Ser. A, 5.75%, 10/01/33	10/13 @ 100	5,209,200
Baa1	2,240	Maryland Hlth. & Higher Edl. Facs. Auth., Medstar Hlth. Proj., 5.50%, 8/15/33	08/14 @ 100	2,337,194
A3	1,000	Union Hosp. of Cecil Cnty. Proj., 5.625%, 7/01/32	07/12 @ 100	1,047,870

11,618,324

Mississippi 1.7%

BBB	4,950	Lowndes Cnty. Sld. Wst. Disp., PCR, Weyerhaeuser Co. Proj., Ser. A, 6.80%, 4/01/22	No Opt. Call	5,958,612
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Missouri 1.8%

NR	6,000	Dept. of Transp., Rt. 370/Missouri Bottom Rd./Taussig Rd. Proj., 7.20%, 5/01/33	05/13 @ 100	6,274,080
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Multi-State 3.8%

Charter Mac Equity Issuer Trust,

A3	1,000 ⁵	Ser. A, 5.75%, 4/30/15	No Opt. Call	1,042,100
A3	3,500 ⁵	Ser. A, 6.00%, 4/30/19	No Opt. Call	3,663,240
Baa1	5,000 ⁵	Ser. B, 6.00%, 4/30/15	No Opt. Call	5,207,950
Baa1	3,000 ⁵	Ser. B, 6.30%, 4/30/19	No Opt. Call	3,152,130

13,065,420

Nevada 2.9%

NR	1,225	Director of the State of Nevada Dept. of Business & Ind., Las Ventanas Retirement Proj., Ser. A, 7.00%, 11/15/34	11/14 @ 100	1,222,611
NR	2,975	Henderson Local Impvt. Dist. No. T-14, 5.80%, 3/01/23	03/05 @ 103	3,068,088

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		No. Las Vegas Local Impvt., Spec. Impvt. Dist. 60 Aliante,		
NR	2,500	6.125%, 12/01/17	06/05 @ 103	2,577,025
NR	3,000	6.40%, 12/01/22	06/05 @ 103	3,092,160
				9,959,884
New Jersey 12.2%				
New Jersey Econ. Dev. Auth.,				
BBB	9,000	Cigarette Tax Rev., 5.50%, 6/15/31	06/14 @ 100	9,244,890
BBB	4,000	Cigarette Tax Rev., 5.75%, 6/15/34	06/14 @ 100	4,173,000
B	10,100	Continental Airlines, Inc. Proj., 7.20%, 11/15/30	11/10 @ 101	8,871,032
Baa3	7,475	Kapkowski Road Landfill Proj., 6.50%, 4/01/28	No Opt. Call	8,642,221
Baa3	10,000	Kapkowski Road Landfill Proj., 6.50%, 4/01/31	No Opt. Call	11,436,700
				42,367,843
New Mexico 1.4%				
Baa1	5,200	New Mexico Hsg. Auth., Region III, Villa Delaware Oso Apts. Proj., Ser. A, 6.00%, 1/01/38	01/13 @ 102	4,756,908
New York 4.5%				
AAA	2,845	Env. Facs. Corp., Clean Wtr. & Drinking Wtr. Rev., NYC Mun. Wtr. Proj., Ser. B, 5.00%, 6/15/31	06/12 @ 100	2,953,793
AAA	3,775	Met. Transp. Auth., Svc. Contract, Ser. A, 5.00%, 7/01/30, AMBAC	07/12 @ 100	3,912,938
Caa2	8,800	Port Auth. of NY & NJ, Spec. Oblig. Rev., Contl/Eastn. LaGuardia Proj., 9.00%, 12/01/10	03/05 @ 100	8,813,464
				15,680,195

See Notes to Financial Statements.

BlackRock Municipal Income Trust II (BLE) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
Oklahoma 1.1%				
B-	\$ 3,925	Tulsa Mun. Arpt. Trust, Ser. A, 7.75%, 6/01/35	No Opt. Call	\$ 3,965,271
Pennsylvania 6.3%				
BBB+	5,000	Monroe Cnty. Hosp. Auth., Pocono Med. Ctr. Proj., 6.00%, 1/01/43	01/14 @ 100	5,236,600
A3	5,175	Pennsylvania Econ. Dev. Fin. Auth., Ser. A, Amtrak Proj., 6.375%, 11/01/41	05/11 @ 101	5,374,444
BB-	10,565	Exempt Facs. Rev., Reliant Energy Conv. Proj., 6.75%, 12/01/36	12/09 @ 103	11,285,956

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21,897,000

South Carolina 6.7%

Greenwood Cnty. Hosp., Self Mem. Hosp. Facs. Proj.,

A	3,280	5.50%, 10/01/26	10/11 @ 100	3,409,921
A	3,250	5.50%, 10/01/31	10/11 @ 100	3,373,175
NR	3,995	Lancaster Cnty. Assmnt., Edgewater Impvt. Dist., Ser. A, 6.875%, 11/01/35 So. Carolina Jobs Econ. Dev. Auth., Hosp. Facs. Rev.,	11/13 @ 101	4,169,502
AA	3,750	Georgetown Mem. Hosp. Proj., 5.375%, 2/01/30, RAA	08/11 @ 100	3,937,200
BBB	2,640	Palmetto Hlth. Alliance Proj., Ser. A, 6.25%, 8/01/31	08/13 @ 100	2,810,121
BBB	5,000	Palmetto Hlth. Alliance Proj., Ser. C, 6.875%, 8/01/27	08/13 @ 100	5,557,250

23,257,169

Tennessee 2.5%

AAA	20,405	Knox Cnty. Hlth. Edl. & Hsg. Facs. Brd., Hosp. Facs. Rev., Ser. A, Zero Coupon, 1/01/21, FSA	01/13 @ 63.44	8,794,555
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Texas 16.0%

BBB	1,650	Brazos River Auth., PCR, TXU Elec. Co. Proj., Ser. C, 6.75%, 10/01/38	10/13 @ 101	1,795,679
AAA	2,015	Dallas Area Rapid Trans., 5.00%, 12/01/31, AMBAC	12/11 @ 100	2,063,481
BBB	20,000	Gulf Coast Wst. Disp. Auth., Env. Impvt. Rev., Ser. A, 6.10%, 8/01/24	08/12 @ 100	21,207,800
AAA	25,375	Harris Cnty. Houston Sports Auth., Ser. A-3, Zero Coupon, 11/15/36, MBIA Texas Tpke. Auth., Central Sys. Rev., AMBAC,	11/24 @ 49.423	4,348,006
AAA	73,370	Zero Coupon, 8/15/36	08/12 @ 24.171	12,012,870
AAA	65,000	Zero Coupon, 8/15/37	8/12 @ 22.708	10,000,250
AAA	27,600	Zero Coupon, 8/15/38	08/12 @ 21.384	3,998,688

55,426,774

Virginia 6.8%

NR ⁶	13,340	Alexandria Redev. & Hsg. Auth., 3001 Park Ctr. Apts. Proj., Ser. A, 6.375%, 4/01/34	04/08 @ 103	13,721,257
AAA	9,000	Halifax Cnty. Indl. Dev. Auth., Exempt Fac. Rev., Old Dominion Elec. Coop. Proj., 5.625%, 6/01/28, AMBAC	06/13 @ 101	9,739,710

23,460,967

West Virginia 1.8%

BBB	5,000	Mason Cnty., PCR, Rfdg. Appalachian Pwr. Co. Proj., Ser. L, 5.50%, 10/01/22	10/11 @ 100	5,135,650
AAA	1,115	West Virginia Econ. Dev. Auth., Correctional Juvenile Safety, Ser. A, 5.00%, 6/01/29, MBIA	06/14 @ 100	1,163,569

6,299,219

Wisconsin 4.0%

Wisconsin Hlth. & Edl. Facs. Auth.,

A-	3,930	Aurora Hlth. Care Proj., 6.40%, 4/15/33	04/13 @ 100	4,323,393
A-	4,000	Synergy Hlth., Inc. Proj., 6.00%, 11/15/32	08/13 @ 100	4,267,440
A	5,000	Wheaton Franciscan Svcs. Proj., 5.75%, 8/15/25	02/12 @ 101	5,317,500

13,908,333

Total Long-Term Investments (cost \$493,871,159)		524,412,965
SHORT-TERM INVESTMENTS 6.6%		
California 0.0%		
A-1	75 ⁷	California Hlth. Facs. Fin. Auth., Scripps Hlth. Proj., Ser. B, 1.77%, 3/02/05, MBIA, FRWD
		N/A
		75,000
Pennsylvania 0.5%		
A-1	1,815 ⁷	Emmaus Gen. Auth., 1.86%, 3/02/05, FSA, FRWD
		N/A
		1,815,000

See Notes to Financial Statements.

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BlackRock Municipal Income Trust II (BLE) (continued)

Shares (000)	Description	Value
MONEY MARKET FUNDS 6.1%		
17,350	AIM Tax Free Investment Co. Cash Reserve Portfolio	\$ 17,350,000
3,700	SSgA Tax Free Money Mkt. Fund	3,700,000
		21,050,000
Total Short-Term Investments (cost \$22,940,000)		22,940,000
Total Investments 158.0% (cost \$516,811,159)		\$ 547,352,965
	Other assets in excess of liabilities 1.3%	4,572,194
	Preferred shares at redemption value, including dividends payable (59.3)%	(205,607,050)
Net Assets Applicable to Common Shareholders 100%		\$ 346,318,109

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ This security is collateralized by U.S. Treasury obligations.

⁴ Entire or partial principal amount pledged as collateral for financial futures contracts.

Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 3.8% of its net assets, with a current market value of \$13,065,420, in securities restricted as to resale.

⁶ Security is deemed to be of investment grade quality by the investment advisor.

⁷ For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown as of February 28, 2005.

KEY TO ABBREVIATIONS

ACA	American Capital Access	FSA	Financial Security Assurance
AMBAC	American Municipal Bond Assurance Corp.	GO	General Obligation
ETM	Escrowed to Maturity	MBIA	Municipal Bond Insurance Association
FGIC	Financial Guaranty Insurance Co.	PCR	Pollution Control Revenue
FRWD	Floating Rate Weekly Demand	RAA	Radian Asset Assurance

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock California Insured Municipal Income Trust (BCK)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 143.0%				
California 143.0%				
AAA	\$ 6,500	Benicia Unified Sch. Dist., Ser. B, Zero Coupon, 8/01/23, MBIA	No Opt. Call	\$ 2,661,100
A	6,500	California Dept. of Wtr. Res., Pwr. Sply. Rev., Ser. A, 5.25%, 5/01/20	05/12 @ 101	7,016,425
AAA	2,385	California Edl. Facs. Auth., Scripps Coll. Proj., 5.00%, 8/01/31, MBIA	08/11 @ 100	2,456,025
AAA	4,500 ³	California Infrastructure & Econ. Dev., Rand Corp. Proj., Ser. A, 5.25%, 4/01/42, AMBAC	04/12 @ 100	4,713,570
AAA	5,000	California Pub. Wks. Brd., Dept. of Gen. Svcs., Ser. A, 5.00%, 12/01/27, AMBAC	12/12 @ 100	5,194,750
AAA	4,000	California St., 5.00%, 6/01/31, AMBAC	12/14 @ 100	4,159,320
AAA	3,055	Ceres Unified Sch. Dist., Ser. B, FGIC, Zero Coupon, 8/01/30	08/12 @ 34.887	750,644
AAA	3,180	Zero Coupon, 8/01/31	08/12 @ 32.868	735,693
AAA	3,300	Zero Coupon, 8/01/32	08/12 @ 30.966	720,621
AAA	3,440	Zero Coupon, 8/01/33	08/12 @ 29.174	708,502
AAA	3,575	Zero Coupon, 8/01/34	08/12 @ 27.782	695,016
AAA	3,275	Zero Coupon, 8/01/35	08/12 @ 26.186	600,930
A3	2,600	Kaweah Delta Hlth. Care Dist., 6.00%, 8/01/34	08/12 @ 102	2,807,064
AAA	2,000	Long Beach Unified Sch. Dist., Ser. D, 5.00%, 8/01/31, FSA	08/10 @ 101	2,065,200
AAA	5,000	Los Angeles Dept. of Wtr. & Pwr., Wtr. Wks. Rev., Ser. A, FGIC, 5.00%, 7/01/43	07/12 @ 100	5,148,000
AAA	5,000	5.125%, 7/01/41	07/11 @ 100	5,181,250
AAA	5,000	Los Angeles Unified Sch. Dist., Ser. E, 5.125%, 1/01/27, MBIA	07/12 @ 100	5,292,050
AAA	5,000	Los Angeles Wstwr. Sys., Ser. A, 5.00%, 6/01/27, MBIA	06/13 @ 100	5,233,400

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AAA	6,025	5.00%, 6/01/32, FGIC	06/12 @ 100	6,239,189
AAA	5,000	No. California Pwr. Agcy., Pub. Pwr. Rev., Hydroelec. Proj. 1, Ser. A, 5.00%, 7/01/28, MBIA	07/08 @ 101	5,189,200
AAA	2,500	No. Orange Cnty. Cmnty. Coll. Dist., Ser. A, 5.00%, 2/01/27, MBIA	08/12 @ 101	2,618,725
AAA	5,000	Riverside Unified Sch. Dist., Ser. A, 5.00%, 2/01/27, FGIC	02/12 @ 101	5,225,600
AAA	5,295	San Diego Cnty. Wtr. Auth., COP, Ser. A, 5.00%, 5/01/32, MBIA	05/12 @ 101	5,484,826
AAA	4,805	San Diego Redev. Agcy., Centre City Proj., Ser. A, 5.00%, 9/01/28, MBIA	09/11 @ 101	4,991,482
AAA	4,000	San Diego Univ. Fndtn Aux. Org., Ser. A, 5.00%, 3/01/37, MBIA	03/12 @ 100	4,123,720
AAA	20,000	San Joaquin Hills Transp. Corridor Agcy., Toll Road Rev., Ser. A, Zero Coupon, 1/15/31, MBIA	No Opt. Call	5,181,800
AAA	6,000	San Jose Fin. Auth., Civic Ctr. Proj., Ser. B, 5.00%, 6/01/37, AMBAC	06/12 @ 100	6,153,480
AAA	11,125	Santa Rosa Wstwr., Ser. B, Zero Coupon, 9/01/27, AMBAC	No Opt. Call	3,567,899
AAA	3,000	Tustin Unified Sch. Dist., Spec. Tax Rev., Cmnty. Facs. Dist. 97 1, Ser. A, 5.00%, 9/01/38, FSA	09/12 @ 100	3,079,170
AAA	4,000	Westlands Wtr. Dist., COP, 5.00%, 9/01/34, MBIA	09/12 @ 101	4,131,320
Total Long-Term Investments (cost \$107,680,297)				112,125,971
SHORT-TERM INVESTMENTS 14.4%				
California 4.5%				
A-1+	3,500 ⁴	California Econ. Recovery, Ser. C 5, 1.80%, 3/01/05, FRDD	N/A	3,500,000
MONEY MARKET FUNDS 9.9%				
	3,900	AIM Tax Free Investment Co. Cash Reserve Portfolio	N/A	3,900,000
	3,900	SSgA Tax Free Money Mkt. Fund	N/A	3,900,000
				7,800,000
Total Short-Term Investments (cost \$11,300,000)				11,300,000
Total Investments 157.4% (cost \$118,980,297)				\$ 123,425,971
Other assets in excess of liabilities 1.9%				1,476,136
Preferred shares at redemption value, including dividends payable (59.3)%				(46,502,166)
Net Assets Applicable to Common Shareholders 100%				\$ 78,399,941

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown as of February 28, 2005.

The value (market value plus accrued interest) of securities that are covered by insurance, which ensures the payment of principal and interest, represent approximately 89.1% of the Trust's managed assets.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corp.	FRDD	Floating Rate Daily Demand
COP	Certificate of Participation	FSA	Financial Security Assurance
FGIC	Financial Guaranty Insurance Co.	MBIA	Municipal Bond Insurance Association

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock California Municipal Bond Trust (BZA)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 142.2%				
California 134.6%				
AAA	\$ 5,000	Anaheim Pub. Fin. Auth., Pub. Impvt. Proj., Ser. C, Zero Coupon, 9/01/32, FSA	No Opt. Call	\$ 1,186,750
A2	4,000	California Edl. Facs. Auth., Univ. of San Diego Proj., Ser. A, 5.25%, 10/01/30	10/12 @ 100	4,190,680
A	3,270	California Hlth. Facs. Fin. Auth., Insured Hlth. Facs. Valleycare Proj., Ser. A, 5.375%, 5/01/27	05/12 @ 100	3,463,813
California Infrastructure & Econ. Dev.,				
AAA	3,000 ³	5.25%, 6/01/07, MBIA	N/A	3,216,120
AAA	1,600	Bay Area Toll Brdgs., Ser. A, 5.00%, 7/01/36, AMBAC	07/13 @ 100	1,666,464
A	3,750	J. David Gladstone Inst. Proj., 5.25%, 10/01/34	10/11 @ 101	3,860,813
AAA	3,500 ⁴	Rand Corp. Proj., Ser. A, 5.25%, 4/01/42, AMBAC	04/12 @ 100	3,666,110
California Statewide Cmnty. Dev. Auth.,				
A	5,000	Kaiser Permanente Proj., Ser. A, 5.50%, 11/01/32	11/12 @ 100	5,241,400
AA-	3,250	Sutter Hlth. Oblig. Grp. Proj., Ser. B, 5.625%, 8/15/42	08/12 @ 100	3,399,630
BBB	3,845	Foothill/Eastn. Transp. Corridor Agcy., Toll Road Rev., 5.75%, 1/15/40	01/10 @ 101	3,906,405
Golden St. Tobacco Sec. Corp.,				
BBB	2,000	Ser. A-1, 6.625%, 6/01/40	06/13 @ 100	2,071,040
BBB	1,000	Ser. A-1, 6.75%, 6/01/39	06/13 @ 100	1,046,850
A-	2,500	Ser. B, 5.50%, 6/01/43	06/13 @ 100	2,654,900
A-	1,300	Ser. B, 5.625%, 6/01/38	06/13 @ 100	1,405,534
A3	1,745	Kaweah Delta Hlth. Care Dist., 6.00%, 8/01/34	08/12 @ 102	1,883,972
Lathrop Fin. Auth., Wtr. Sply. Proj.,				
NR ⁵	655	5.90%, 6/01/27	06/13 @ 100	660,711
NR ⁵	1,180	6.00%, 6/01/35	06/13 @ 100	1,201,311
Live Oak Unified Sch. Dist., XLCA, Cap. Apprec. Election Proj.,				
AAA	795	Ser. B, Zero Coupon, 8/01/30	08/18 @ 52.942	197,995
AAA	830	Ser. B, Zero Coupon, 8/01/31	08/18 @ 50.064	195,199
AAA	865	Ser. B, Zero Coupon, 8/01/32	08/18 @ 47.332	192,549
AAA	905	Ser. B, Zero Coupon, 8/01/33	08/18 @ 44.74	189,489
AAA	945	Ser. B, Zero Coupon, 8/01/34	08/18 @ 42.283	186,732
AAA	705	Ser. N, Zero Coupon, 8/01/29	08/18 @ 55.976	185,894
B-	1,000	Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. B, 7.50%, 12/01/24	12/12 @ 102	1,010,200
B-	680	Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. C, 7.50%, Multi-Fam. Hsg.,	12/12 @ 102	691,920
Aaa	2,240	San Lucas Apts. Proj., Ser. 5, Zero Coupon, 11/01/34	06/12 @ 100	2,370,592

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Aaa	2,410	Westgate Courtyard Apts. Proj., Ser. 3, Zero Coupon, 11/01/34	12/11 @ 100	2,526,042
NR	2,400	Orange Cnty. Cmnty. Facs. Dist., Spl. Tax Rev., Ladera Ranch Proj., Ser. A, 6.00%, 8/15/32	08/10 @ 101	2,536,224
BBB	3,000	Palm Springs Mobile Home Park, Sahara Mobile Home Park Proj., 5.75%, 5/15/37	05/12 @ 102	3,139,290
NR	2,500	San Francisco City & Cnty. Redev. Agcy., Cmnty. Facs. Dist., Mission Bay South Proj., 6.25%, 8/01/33	08/11 @ 101	2,578,975
AAA	15,000	Santa Ana Unified Sch. Dist., COP, Zero Coupon, 4/01/29, FSA	No Opt. Call	4,347,750
AAA	2,500	Santa Clara Valley Wtr. Dist., Wtr. Util. Sys. Rev., Ser. A, 5.125%, 6/01/31, FGIC	06/10 @ 100	2,594,550
BBB+	1,500	Statewide Cmnty. Dev. Auth., Daughters of Charity Health Proj., Ser. A, 5.25%, 7/01/30	07/15 @ 100	1,539,600
A+	1,500	Torrance Hosp. Rev., Torrance Mem. Med. Ctr. Proj., Ser. A, 5.50%, 6/01/31	06/11 @ 101	1,557,915
				70,763,419

Multi-State 7.6%

Baa1	3,500 ⁶	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	3,974,705
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Total Long-Term Investments (cost \$69,781,384)

74,738,124

SHORT-TERM INVESTMENTS 17.1%

California 7.2%

A-1+	2,300 ⁷	California Econ. Recovery, Ser. C-5, 1.80%, 3/01/05, FRDD	N/A	2,300,000
A-1+	1,500 ⁷	Newport Beach Rev., Hoag Mem. Presbyterian Hosp. Proj., 1.80%, 3/01/05, FRDD	N/A	1,500,000

3,800,000

See Notes to Financial Statements.

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BlackRock California Municipal Bond Trust (BZA) (continued)

Shares (000)	Description		Value
MONEY MARKET FUNDS 9.9%			
2,600	AIM Tax Free Investment Co. Cash Reserve Portfolio	N/A	\$ 2,600,000
2,600	SSgA Tax Free Money Mkt. Fund	N/A	2,600,000
			5,200,000
Total Short-Term Investments (cost \$9,000,000)			9,000,000
Total Investments 159.3% (cost \$78,781,384)			\$ 83,738,124
Liabilities in excess of other assets (2.3)%			(1,184,826)
Preferred shares at redemption value, including dividends payable (57.0)%			(29,976,304)

Net Assets Applicable to Common Shareholders 100%

\$ 52,576,994

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁴ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁵ Security is deemed to be of investment grade quality by the investment advisor.

⁶ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 7.6% of its net assets, with a current market value of \$3,974,705, in securities restricted as to resale.

⁷ For purposes of amortized cost valuation, the maturity date of this instrument is considered to be the earlier of the next date on which the security can be redeemed at par, or the next date on which the rate of interest is adjusted. Rate shown as of February 28, 2005.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corp.	FSA	Financial Security Assurance
COP	Certificate of Participation	MBIA	Municipal Bond Insurance Association
FGIC	Financial Guaranty Insurance Co.	XLCA	XL Capital Assurance
FRDD	Floating Rate Daily Demand		

See Notes to Financial Statements.

**PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005**

BlackRock California Municipal Income Trust II (BCL)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 153.2%				
California 149.6%				
		Anaheim Pub. Fin. Auth., Pub. Impvt. Proj., Ser. C, FSA,		
AAA	\$15,000	Zero Coupon, 9/01/34	No Opt. Call	\$ 3,197,400
AAA	10,000	Zero Coupon, 9/01/36	No Opt. Call	1,919,500
A	8,000	California, GO, 5.50%, 11/01/33	11/13 @ 100	8,693,600
A	6,000 ³	California Dept. of Wtr. Res., Pwr. Sply. Rev., Ser. A, 5.375%, 5/01/21	05/12 @ 101	6,538,500
		California Infrastructure & Econ. Dev., Ser. A,		
AAA	6,100	Bay Area Toll Brdgs., 5.00%, 7/01/36, AMBAC	07/13 @ 100	6,353,394
A	1,735	Kaiser Hosp. Asst. LLC Proj., 5.55%, 8/01/31	08/11 @ 102	1,821,646
AAA	2,500	Rand Corp. Proj., 5.25%, 4/01/42, AMBAC	04/12 @ 100	2,618,650
A	3,500	California Mobilehome Park Fin. Auth., Palomar Estates East & West, Ser. A, 5.25%, 3/15/34, ACA	03/13 @ 102	3,601,710
		California Statewide Cmnty. Dev. Auth.,		
A	5,000	Kaiser Permanente Proj., Ser. A, 5.50%, 11/01/32	11/12 @ 100	5,241,400

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A	7,000	Mem. Hlth. Svcs. Proj., Ser. A, 5.50%, 10/01/33	04/13 @ 100	7,338,940
AA-	8,000	Sutter Hlth. Oblig. Corp. Proj., Ser. B, 5.50%, 8/15/34	08/12 @ 100	8,357,280
AAA	6,000	Corona Norco Unified Sch. Dist., Spec. Tax Rev., Cmnty. Facs. Dist. No. 98-1 Proj., 5.10%, 9/01/32, AMBAC	09/12 @ 100	6,219,120
		Foothill/Eastn. Transp. Corridor Agcy., Toll Road Rev.,		
BBB	6,550	Zero Coupon, 1/15/30	01/10 @ 30.966	1,504,273
AAA	15,470 ⁴	Ser. A, Zero Coupon, 1/01/26	ETM	5,823,527
AAA	4,890 ⁴	Ser. A, Zero Coupon, 1/01/30	ETM	1,442,696
		Golden St. Tobacco Sec. Corp.,		
BBB	2,900	Ser. A-1, 6.625%, 6/01/40	06/13 @ 100	3,003,008
BBB	11,100	Ser. A-1, 6.75%, 6/01/39	06/13 @ 100	11,620,035
A-	5,650	Ser. B, 5.50%, 6/01/43	06/13 @ 100	6,000,074
A-	3,000	Ser. B, 5.625%, 6/01/38	06/13 @ 100	3,243,540
AAA	5,000	La Quinta Redevel. Agcy. Tax Alloc., Redevel. Proj. Area No. 1, 5.125%, 9/01/32, AMBAC	09/12 @ 102	5,251,100
		Lathrop Fin. Auth., Wtr. Sply. Proj.,		
NR ⁵	1,490	5.90%, 6/01/27	06/13 @ 100	1,502,993
NR ⁵	2,680	6.00%, 6/01/35	06/13 @ 100	2,728,401
AAA	5,500	Los Angeles Dept. of Wtr. & Pwr., Wtr. Wks. Rev., Ser. A, 5.125%, 7/01/41, FGIC	07/11 @ 100	5,699,375
B-	1,785	Los Angeles Regl. Arpt. Impvt., Corp. Lease Rev., Amer. Airlines, Inc. Proj., Ser. C, 7.50%,	12/12 @ 102	1,816,291
		Oxnard Impvt. Bond, Dist. No. 1 Spec. Assmt., 1 Rice Ave. Proj.,		
NR	1,910	5.625%, 9/02/27	03/05 @ 103	1,917,869
NR	1,905	5.70%, 9/02/32	03/05 @ 103	1,913,058
		Poway Unified Sch. Dist., Spl. Tax Rev., Cmnty. Facs. Dist. No. 6 Proj.,		
NR	1,500	5.50%, 9/01/25	09/10 @ 102	1,501,620
NR	1,700	5.60%, 9/01/33	09/10 @ 102	1,707,327
BBB	2,470	Rohnert Park Fin. Auth., Rancho Feliz Mobile Home Park Proj., Ser. A, 5.625%, 9/15/28	09/13 @ 100	2,414,820
AAA	5,000	Sacramento City Fin. Auth., Cap. Impvt., Ser. A, 5.00%, 12/01/32, AMBAC	06/11 @ 100	5,156,400
NR	6,000	San Bernardino Cnty., Spl. Tax Rev., Cmnty. Facs., 5.90%, 9/01/33	09/12 @ 102	6,017,280
AAA	8,665	San Diego Unified Sch. Dist., Ser. D, 5.25%, 7/01/23, FGIC	07/12 @ 101	9,765,542
NR	5,000	San Francisco City & Cnty. Redevel. Agcy., Cmnty. Facs. Dist., Mission Bay South Proj., 6.25%, 8/01/33	08/11 @ 101	5,157,950
AAA	30,000	San Joaquin Hills Transp. Corridor Agcy., Toll Road Rev. Proj., Ser. A, Zero Coupon, 1/15/34, MBIA	No Opt. Call	6,608,700
NR	8,000	San Jose Multi-Fam. Hsg., Helzer Courts Apts. Proj., Ser. A, 6.40%, 12/01/41 Santa Clarita Facs. Dist., Valencia Town Ctr. Proj.,	12/09 @ 102	7,589,280
NR	1,640	5.80%, 11/15/25	11/10 @ 102	1,662,288
NR	1,500	5.85%, 11/15/32	11/10 @ 102	1,528,680
AAA	2,685	Santa Rosa Wstwr., Ser. B, Zero Coupon, 9/01/25, AMBAC	No Opt. Call	971,970
BBB	2,200	So. Tahoe Joint Pwr. Fin. Auth., So. Tahoe Redevel. Proj. 1-A, 5.45%, 10/01/33	10/13 @ 100	2,248,268
BBB	1,600	Tobacco Sec. Auth. So. California, Tobacco Settlement Rev., Ser. A, 5.625%, 6/01/43	06/12 @ 100	1,519,728
NR	2,000	Tustin Unified Sch. Dist., Spec. Tax Rev., Cmnty. Facs. Dist. 97-1 Proj., Ser. B, 5.60%, 9/01/29	09/12 @ 101	2,026,280
AAA	2,000	Univ. of California, Ser. A, 5.00%, 5/15/33, AMBAC	05/13 @ 100	2,070,580

See Notes to Financial Statements.

BlackRock California Municipal Income Trust II (BCL) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
California (continued)				
NR	\$ 1,170	Val Verde Unified Sch. Dist. Fin. Auth., Spec. Tax Rev., 6.25%, 10/01/28	10/13 @ 102	\$ 1,220,532
Aaa	2,000 ⁶	Vernon Elec. Sys., Malburg Generating Station Proj., 5.50%, 4/01/33	N/A	2,172,920
				176,707,545
Multi-State 3.6%				
Charter Mac Equity Issuer Trust,				
A3	500 ⁷	Ser. A, 5.75%, 4/30/15	No Opt. Call	521,050
A3	1,000 ⁷	Ser. A, 6.00%, 4/30/19	No Opt. Call	1,046,640
Baa1	1,500 ⁷	Ser. B, 6.00%, 4/30/15	No Opt. Call	1,562,385
Baa1	1,000 ⁷	Ser. B, 6.30%, 4/30/19	No Opt. Call	1,050,710
				4,180,785
Total Long-Term Investments (cost \$170,896,982)				180,888,330
SHORT-TERM INVESTMENTS 5.5%				
	5,900	AIM Tax Free Investment Co. Cash Reserve Portfolio	N/A	5,900,000
	650	SSgA Tax Free Money Mkt. Fund	N/A	650,000
Total Short-Term Investments (cost \$6,550,000)				6,550,000
Total Investments 158.7% (cost \$177,446,982)				\$ 187,438,330
Other assets in excess of liabilities 2.2%				2,644,179
Preferred shares at redemption value, including dividends payable (60.9)%				(71,968,192)
Net Assets Applicable to Common Shareholders 100%				\$ 118,114,317

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ This security is collateralized by U.S. Treasury obligations.

⁵ Security is deemed to be of investment grade quality by the investment advisor.

⁶ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁷ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 3.6% of its net assets, with a current market value of \$4,180,785, in securities restricted as to resale.

KEY TO ABBREVIATIONS

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ACA	American Capital Access	FSA	Financial Security Assurance
AMBAC	American Municipal Bond Assurance Corp.	GO	General Obligation
ETM	Escrowed to Maturity	MBIA	Municipal Bond Insurance Association

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock Florida Insured Municipal Income Trust (BAF)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 155.7%				
Florida 148.6%				
		Capital Trust Agcy. Multi-Fam., American Oppty. Proj.,		
Baa1	\$ 1,000	Ser. A, 5.875%, 12/01/38	06/13 @ 102	\$ 971,470
Baa3	995	Ser. C, 7.25%, 12/01/38	06/13 @ 102	964,533
NR	3,935	Colonial Cntry. Club Cmnty. Dev. Dist., 6.40%, 5/01/33	05/13 @ 101	4,162,482
		Florida Brd. of Ed.,		
AAA	9,000	GO, Ser. A, 5.00%, 6/01/27, FSA	06/12 @ 101	9,413,730
AAA	8,640 ³	Lottery Rev., Ser. C, 5.00%, 1/01/22, MBIA	01/13 @ 101	9,197,453
AAA	7,000	Florida Dept. of Transp., 5.00%, 7/01/27, FSA	07/12 @ 101	7,324,590
AAA	8,695	Gainesville Util. Sys., Ser. A, 5.00%, 10/01/33, FSA	10/13 @ 100	9,020,019
A	8,500	Highlands Cnty. Hlth. Facs. Auth., Adventist/Sunbelt Proj., Ser. A, 6.00%, 11/15/31	11/11 @ 101	9,210,770
AAA	7,580	Hillsborough Cnty. Sch. Brd., COP, Ser. A, 5.00%, 7/01/25, MBIA	07/10 @ 100	7,845,452
		Jacksonville,		
AAA	8,000	Excise Tax, Ser. B, 5.00%, 10/01/26, AMBAC	10/12 @ 100	8,369,120
AAA	9,500	Sales Tax, 5.00%, 10/01/27, MBIA	10/13 @ 100	9,951,725
AAA	9,500	Transp., 5.00%, 10/01/31, MBIA	10/11 @ 100	9,794,785
AAA	2,865	Jacksonville Cap. Impvt., Ser. A, 5.00%, 10/01/30, AMBAC	10/12 @ 100	2,967,194
AAA	1,480	Julington Creek Plantation Cmnty. Dev., Assmt. Rev., 5.00%, 5/01/29, MBIA	05/12 @ 101	1,540,251
AAA	9,000	Lake Cnty. Sch. Brd., COP, Ser. A, 5.00%, 7/01/28, AMBAC	07/13 @ 100	9,353,520
AAA	26,935	Miami Dade Cnty., Spec. Oblig. Rev., Ser. B, Zero Coupon, 10/01/31, MBIA	04/08 @ 28.079	6,307,100
AAA	7,975	Orange Cnty., Sales Tax, Ser. B, 5.125%, 1/01/32, FGIC	01/13 @ 100	8,348,549
AAA	2,000	Orange Cnty. Sch. Brd., COP, Ser. A, 5.00%, 8/01/27, MBIA	08/12 @ 100	2,077,680
AAA	9,250	Orange Cnty. Tourist Dev., Tax Rev., 5.125%, 10/01/30, AMBAC	04/12 @ 100	9,630,915
AAA	4,000	Osceola Cnty. Sch. Brd., COP, Ser. A, 5.25%, 6/01/27, AMBAC	06/12 @ 101	4,307,520
		Palm Bay Util., FGIC,		
AAA	4,015	Zero Coupon, 10/01/28	No Opt. Call	1,233,127
AAA	5,570	Zero Coupon, 10/01/31	No Opt. Call	1,441,906
AAA	9,200	Palm Beach Cnty. Sch. Brd., COP, Ser. D, 5.00%, 8/01/28, FSA	08/12 @ 100	9,527,888
AA-	5,000	Pinellas Cnty. Hlth. Fac. Auth., Baycare Hlth. Sys. Proj., 5.50%, 11/15/33	05/13 @ 100	5,241,500
AAA	9,500	Pinellas Cnty. Swr., 5.00%, 10/01/32, FSA	10/13 @ 100	9,862,045

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AAA	5,000	Polk Cnty. Util. Sys., 5.00%, 10/01/29, FGIC	10/13 @ 100	5,212,250
AAA	825 ⁴	Port St. Lucie Util., 5.125%, 9/01/31, MBIA	No Opt. Call	911,856
AAA	2,945	Sarasota Cnty. Util. Sys., Ser. C, 5.25%, 10/01/22, FGIC	10/12 @ 100	3,203,571
AAA	3,500	St. Petersburg Pub. Util., Ser. A, 5.00%, 10/01/28, FSA	10/09 @ 101	3,623,760
AAA	2,000	Tampa Bay Wtr. Util. Sys., Ser. A, 5.00%, 10/01/28, FGIC	10/11 @ 100	2,070,140
		Tohopekaliga Wtr. Auth., Ser. B, FSA,		
AAA	1,980	5.00%, 10/01/21	10/13 @ 100	2,110,660
AAA	1,000	5.00%, 10/01/23	10/13 @ 100	1,060,050
		Vlg. Cmnty. Dev. Dist., Assmt. Rev.,		
NR ⁵	150	Ser. B, 5.40%, 5/01/07	No Opt. Call	151,878
NR ⁵	4,730	No. 5, Spl. Assmt. Rev., Ser. A, 6.50%, 5/01/33	05/13 @ 101	5,051,072
AAA	12,000	Vlg. Cntr. Cmnty. Dev. Dist., Ser. A, 5.00%, 11/01/32, MBIA	11/13 @ 101	12,408,120
				193,868,681

See Notes to Financial Statements.

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BlackRock Florida Insured Municipal Income Trust (BAF) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
		Puerto Rico 7.1%		
BBB	\$ 9,405	Children s Trust Fund, Tobacco Settlement Rev., 5.625%, 5/15/43	05/12 @ 100	\$ 9,211,351
Total Long-Term Investments (cost \$195,839,943)				203,080,032
		Shares (000)		
		MONEY MARKET FUND 0.3%		
	400	AIM Tax Free Investment Co. Cash Reserve Portfolio (cost \$400,000)	N/A	400,000
Total Investments 156.0% (cost \$196,239,943)				\$ 203,480,032
Other assets in excess of liabilities 2.3%				3,001,763
Preferred shares at redemption value, including dividends payable (58.3)%				(76,027,694)
Net Assets Applicable to Common Shareholders 100%				\$ 130,454,101

¹ Using the higher of S&P s, Moody s or Fitch s rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

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³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁵ Security is deemed to be of investment grade quality by the investment advisor.

The value (market value plus accrued interest) of securities that are covered by insurance, which ensures the payment of principal and interest, represent approximately 82.7% of the Trust's managed assets.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corp.	FSA	Financial Security Assurance
COP	Certificate of Participation	GO	General Obligation
FGIC	Financial Guaranty Insurance Co.	MBIA	Municipal Bond Insurance Association

See Notes to Financial Statements.

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**PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005**

BlackRock Florida Municipal Bond Trust (BIE)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 152.3%				
Florida 138.7%				
AAA	\$ 1,250	Bay Cnty., Sales Tax Rev., 5.125%, 9/01/32, AMBAC	09/12 @ 100	\$ 1,310,575
A	1,000	Boynton Beach Multi-Fam., Clipper Cove Apts. Proj., 5.30%, 1/01/23, ACA	01/13 @ 100	1,033,560
Baa1	1,000	Capital Trust Agcy. Multi-Fam. Hsg., American Oppty. Proj., Ser. A, 5.875%, 12/01/38	06/13 @ 102	971,470
NR	1,670	Colonial Cntry. Club Cmnty. Dev. Dist., 6.40%, 5/01/33	05/13 @ 101	1,766,543
AAA	3,150	Florida Mun. Loan Council, Ser. A, 5.125%, 5/01/32, MBIA	05/12 @ 101	3,302,775
NR	1,335	Gateway Svcs. Cmnty. Dev. Dist., Spec. Assmt., Stoneybrook Proj., 5.50%, 7/01/08	No Opt. Call	1,361,393
AAA	2,100	Greater Orlando Aviation Auth., Orlando Arpt. Facs. Proj., Ser. A, 5.125%, 10/01/32, FSA	10/12 @ 100	2,194,374
A	4,900	Highlands Cnty. Hlth. Facs. Auth., Adventist/Sunbelt Proj., Ser. A, 6.00%, 11/15/31	11/11 @ 101	5,309,738
BBB+	1,810	Hillsborough Cnty. Ind. Dev. Auth., PCR, Tampa Elec. Co. Proj., 5.50%, 10/01/23	10/12 @ 100	1,858,381
AA	3,500	Jacksonville Econ. Dev. Comm. Hlth. Facs., Mayo Clinic Proj., Ser. B, 5.50%, 11/15/36 JEA, Ser. A,	11/11 @ 101	3,755,640
AA	5,000 ³	Elec. Sys., 5.50%, 10/01/07	N/A	5,315,400
AAA	5,425 ⁴	Wtr. & Swr. Sys., 5.375%, 10/01/30, MBIA	04/07 @ 100	5,689,252
A1	3,000	Lakeland Hosp. Sys., Lakeland Regl. Hlth. Sys. Proj., 5.50%, 11/15/32	11/12 @ 101	3,160,770
BB	1,500	Miami Beach Hlth. Facs. Auth., Mt. Sinai Med. Ctr. Proj., 6.75%, 11/15/21 Miami Dade Cnty., MBIA,	11/14 @ 100	1,608,735
AAA	5,410	Ser. B, Zero Coupon, 10/01/32	04/08 @ 26.494	1,194,961
AAA	5,500	Spec. Oblig. Rev., Ser. A, Zero Coupon, 10/01/26	04/08 @ 37.301	1,736,625
AAA	10,000	Spec. Oblig. Rev., Ser. B, Zero Coupon, 10/01/30	04/08 @ 29.688	2,478,500
A	5,000	Orange Cnty. Hlth. Facs. Auth., Orlando Regl. Hlth. Care Proj., 5.75%, 12/01/32	12/12 @ 100	5,360,600
AAA	3,350	Orange Cnty. Tourist Dev., Tax Rev., 5.125%, 10/01/30, AMBAC	04/12 @ 100	3,487,953
AAA	3,105	Osceola Cnty. Tourist Dev., Tax Rev., Ser. A, 5.00%, 10/01/32, FGIC	10/12 @ 100	3,211,688

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AAA	3,630	Palm Bay Util., Zero Coupon, 10/01/28, FGIC	No Opt. Call	1,114,882
AAA	3,000	Palm Beach Cnty. Sch. Brd., COP, Ser. C, 5.00%, 8/01/27, FSA	08/12 @ 100	3,116,520
AAA	1,500 ³	Port St. Lucie Util., 5.125%, 9/01/11, MBIA	N/A	1,657,920
AA-	2,000	So. Broward Hosp. Dist., 5.60%, 5/01/27	05/12 @ 101	2,129,080
NR	1,765	Stevens Plantation Impvt., 6.375%, 5/01/13	No Opt. Call	1,814,667
NR	2,815	Sumter Cnty. Indl. Dev. Auth., No. Sumter Util. Co. LLC Proj., 6.80%, 10/01/32	10/09 @ 100	2,875,325
NR ⁵	1,795	Vlg. Cmnty. Dev. Dist., No. 5, Spl. Assmt. Rev., Ser. A, 6.50%, 5/01/33	05/13 @ 101	1,916,845
		Volusia Cnty Edl. Fac. Auth., Embry Riddle Aeronautical Proj., RAA,		
AA	1,250	5.20%, 10/15/26	10/13 @ 100	1,313,687
AA	1,610	5.20%, 10/15/33	10/13 @ 100	1,681,500
				73,729,359
Multi-State 6.4%				
Baa1	3,000 ⁶	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	3,406,890
Puerto Rico 7.2%				
		Puerto Rico Pub. Bldgs. Auth., Gov t Facs., Ser. D,		
A-	2,565 ³	5.25%, 7/01/12	N/A	2,847,535
A-	935	5.25%, 7/01/36	07/12 @ 100	978,898
				3,826,433
Total Long-Term Investments (cost \$75,381,489)				80,962,682

See Notes to Financial Statements.

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BlackRock Florida Municipal Bond Trust (BIE) (continued)

Rating ¹	Shares (000)	Description	Option Call Provisions ²	Value
MONEY MARKET FUND 0.7%				
	400	AIM Tax Free Investment Co. Cash Reserve Portfolio (cost \$400,000)	N/A	\$ 400,000
Total Investments 153.0% (cost \$75,781,489)				\$ 81,362,682
Other assets in excess of liabilities 3.0%				1,583,015
Preferred shares at redemption value, including dividends payable (56.0)%				(29,782,665)
Net Assets Applicable to Common Shareholders 100%				\$ 53,163,032

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¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁴ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁵ Security is deemed to be of investment grade quality by the investment advisor.

⁶ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 6.4% of its net assets, with a current market value of \$3,406,890, in securities restricted as to resale.

KEY TO ABBREVIATIONS

ACA	American Capital Access	FSA	Financial Security Assurance
AMBAC	American Municipal Bond Assurance Corp.	MBIA	Municipal Bond Insurance Association
COP	Certificate of Participation	PCR	Pollution Control Revenue
FGIC	Financial Guaranty Insurance Co.	RAA	Radian Asset Assurance

See Notes to Financial Statements.

**PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005**

BlackRock Maryland Municipal Bond Trust (BZM)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 153.9%				
Maryland 122.1%				
A3	\$ 2,870	Anne Arundel Cnty. Econ. Dev., Cmnty. Coll. Proj., 5.25%, 9/01/28	09/12 @ 102	\$ 3,043,922
NR	1,000	Baltimore, Spec. Oblig. Rev., Harborview Lot No. 2 Proj., 6.50%, 7/01/31	07/13 @ 101	1,052,440
		Baltimore Cnty., GO,		
AAA	2,000 ³	Met. 67th Dist., 5.00%, 6/01/22	06/11 @ 101	2,134,200
AAA	2,000	Met. 68th Dist., 5.00%, 8/01/28	08/12 @ 100	2,094,440
		Baltimore Wstwtr. Proj., Ser. A, FGIC,		
AAA	2,000	5.125%, 7/01/42	07/12 @ 100	2,087,320
AAA	3,500	5.20%, 7/01/32	07/12 @ 100	3,723,125
NR	750	City of Annapolis Spec. Oblig., Park Place Proj., Ser. A, 5.35%, 7/01/34	01/15 @ 101	742,687
NR ⁴	1,000	Frederick Cnty., Urbana Cmnty. Dev. Auth. Proj., 6.625%, 7/01/25	07/07 @ 102	1,045,170
Baa3	1,500	Maryland Econ. Dev. Corp., Student Hsg. Rev., Univ. of Maryland Proj., Ser. A, 5.75%, 10/01/33	10/13 @ 100	1,562,760
		Maryland Hlth. & Higher Edl. Facs. Auth.,		
A	2,000	Brd. of Child Care Proj., 5.375%, 7/01/32	07/12 @ 100	2,122,180
BBB+	1,990	Carroll Cnty. Gen. Hosp. Proj., 6.00%, 7/01/37	07/12 @ 100	2,114,435
A-	750	Goucher Coll. Proj., 5.375%, 7/01/25	07/14 @ 100	804,217
AA	2,000	Johns Hopkins Univ. Proj., Ser. B, 5.00%, 7/01/41	07/11 @ 100	2,059,960
A	2,000	Loyola Coll. Issue Proj., 5.00%, 10/01/39	10/09 @ 101	2,041,840
A3	2,000	Union Hosp. of Cecil Cnty. Proj., 5.625%, 7/01/32	07/12 @ 100	2,095,740
A	2,000	Univ. of Maryland Med. Sys. Proj., 5.25%, 7/01/34	07/11 @ 100	2,053,960

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A+	1,905	Maryland Ind. Dev. Fin. Auth., Econ. Dev. Rev., Nat. Aquarium Baltimore Fac. Proj., Ser. B, 5.20%, 11/01/26	11/12 @ 100	2,000,555
AAA	2,000	Maryland Transp. Auth., Arpt. Pkg. Rev., Baltimore/Wash. Intl. Arpt. Proj., Ser. B, 5.125%, 3/01/24, AMBAC	03/12 @ 101	2,081,620
		Montgomery Cnty. Lease, Metrorail Garage Proj.,		
AA	500	5.00%, 6/01/23	06/12 @ 100	529,535
AA	1,435	5.00%, 6/01/24	06/12 @ 100	1,515,145
		St. Mary's Coll., Academic & Auxil. Fees, Ser. A, AMBAC,		
AAA	1,000	5.00%, 9/01/27	09/12 @ 101	1,047,920
AAA	1,000	5.00%, 9/01/32	09/12 @ 101	1,041,420
				38,994,591
Multi-State 7.1%				
Baa1	2,000 ⁶	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	2,271,260
Puerto Rico 24.7%				
BBB	2,000	Children's Trust Fund, Tobacco Settlement Rev., 5.50%, 5/15/39	05/12 @ 100	1,982,080
AAA	2,060	Puerto Rico Elec. Pwr. Auth., Ser. HH, 5.25%, 7/01/29, FSA	07/10 @ 101	2,220,618
A	2,000	Puerto Rico Hwy. & Transp. Auth., Ser. D, 5.25%, 7/01/38	07/12 @ 100	2,090,080
		Puerto Rico Pub. Bldgs. Auth., Gov't Facs., Ser. D,		
A-	1,100 ⁵	5.375%, 7/01/33	N/A	1,229,976
A-	350	5.375%, 7/01/33	07/12 @ 100	372,736
				7,895,490
Total Investments 153.9% (cost \$46,049,823)				\$ 49,161,341
Other assets in excess of liabilities 2.5%				783,512
Preferred shares at redemption value, including dividends payable (56.4)%				(18,003,156)
Net Assets Applicable to Common Shareholders 100%				\$ 31,941,697

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ Security is deemed to be of investment grade quality by the investment advisor.

⁵ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁶ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 7.1% of its net assets, with a current market value of \$2,271,260, in securities restricted as to resale.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corporation	GO	General Obligation
FGIC	Financial Guaranty Insurance Company	FSA	Financial Security Assurance

See Notes to Financial Statements.

PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock New Jersey Municipal Bond Trust (BLJ)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 153.7%				
Multi-State 6.4%				
Baa1	\$ 2,000 ⁴	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	\$ 2,271,260
New Jersey 127.5%				
AAA	4,000	Garden St. Pres. Trust, Open Space & Farmland Pres. Proj., Ser. B, Zero Coupon, 11/01/27, FSA New Jersey Econ. Dev. Auth.,	No Opt. Call	1,347,360
BBB	2,000	Cigarette Tax Rev., 5.75%, 6/15/34	06/14 @ 100	2,086,500
B	2,335	Continental Airlines, Inc. Proj., 7.00%, 11/15/30	11/10 @ 101	2,014,872
BBB-	2,000	Fellowship Vlg. Proj., Ser. A, 5.50%, 1/01/25	01/08 @ 102	2,010,840
Baa3	2,250	Kapkowski Road Landfill Proj., 6.50%, 4/01/28	No Opt. Call	2,601,337
BBB	1,000	Sld. Wst. Rev., Disp. Wst. Mgmt. Proj., Ser. A, 5.30%, 6/01/15	No Opt. Call	1,068,320
Aaa	1,750	Victoria Hlth. Proj., Ser. A, 5.20%, 12/20/36	12/11 @ 103	1,856,050
BBB-	2,500	Winchester Proj., Ser. A, 5.80%, 11/01/31 New Jersey Edl. Facs. Auth.,	11/14 @ 100	2,598,625
BBB-	500	Fairleigh Dickinson Univ. Proj., Ser. C, 5.50%, 7/01/23	07/14 @ 100	523,355
BBB-	1,000	Fairleigh Dickinson Univ. Proj., Ser. C, 6.00%, 7/01/20	07/14 @ 100	1,085,390
BBB-	1,000	Fairleigh Dickinson Univ. Proj., Ser. D, 6.00%, 7/01/25	07/13 @ 100	1,069,460
BBB+	630	Georgian Court Coll. Proj., Ser. C, 6.50%, 7/01/33 New Jersey Hlth. Care Fac. Fin. Auth.,	07/13 @ 100	704,592
A	2,000	Atlantic City Med. Ctr. Proj., 5.75%, 7/01/25	07/12 @ 100	2,119,860
A+	2,000	Catholic Hlth. East Proj., Ser. A, 5.375%, 11/15/33	11/12 @ 100	2,071,840
A2	2,000 ³	Kennedy Hlth. Sys. Proj., 5.625%, 7/01/31	07/11 @ 100	2,112,420
Baa1	2,500	So. Jersey Hosp. Proj., 6.00%, 7/01/32	07/12 @ 100	2,639,050
AAA	2,250	New Jersey Hsg. & Mtg. Fin. Agcy., Multi-Fam. Hsg. Rev., Ser. A, 5.65%, 5/01/40, AMBAC Port Auth. of NY & NJ,	11/07 @ 101.5	2,336,962
Caa2	130	Contl./Eastn. LaGuardia Proj., 9.125%, 12/01/15	03/05 @ 100	130,218
AAA	1,500	Ser. 125, 5.00%, 4/15/32, FSA	04/12 @ 101	1,566,345
AAA	2,250	Ser. 126, 5.25%, 5/15/37, FGIC	05/12 @ 101	2,359,058
BBB	7,000	Tobacco Settlement Fin. Corp., 6.125%, 6/01/42 Univ. of Med. & Dentistry,	06/12 @ 100	6,918,450
AAA	1,000	Ser. A, 5.00%, 12/01/31, AMBAC	12/12 @ 100	1,038,290
AAA	750	COP, 5.00%, 6/15/36, MBIA Vineland, GO, MBIA,	06/14 @ 100	779,880
AAA	1,000	5.30%, 5/15/29	05/10 @ 101	1,052,740
AAA	1,500	5.375%, 5/15/32	05/10 @ 101	1,573,530
				45,665,344

See Notes to Financial Statements

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BlackRock New Jersey Municipal Bond Trust (BLJ) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
Puerto Rico 19.8%				
A-	\$ 2,250	Puerto Rico Elec. Pwr. Auth., Ser. 2, 5.25%, 7/01/31	07/12 @ 101	\$ 2,378,790
A	2,100	Puerto Rico Hwy. & Transp. Auth., Ser. D, 5.25%, 7/01/38	07/12 @ 100	2,194,584
A-	1,685 ⁵	Puerto Rico Pub. Bldgs. Auth., Gov t Facs., Ser. D, 5.25%, 7/01/12	N/A	1,870,603
A-	615	5.25%, 7/01/27	07/12 @ 100	649,772
				7,093,749
Total Investments 153.7% (cost \$52,045,286)				\$ 55,030,353
Other assets in excess of liabilities 2.8%				1,014,185
Preferred shares at redemption value, including dividends payable (56.5)%				(20,232,370)
Net Assets Applicable to Common Shareholders 100%				\$ 35,812,168

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 6.4% of its net assets, with a current market value of \$2,271,260, in securities restricted as to resale.

⁵ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corp.	FSA	Financial Security Assurance
COP	Certificate of Participation	GO	General Obligation
FGIC	Financial Guaranty Insurance Co.	MBIA	Municipal Bond Insurance Association

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock New York Insured Municipal Income Trust (BSE)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 156.0%				
New York 143.1%				
BBB-	\$ 1,000	Herkimer Cnty. Incl. Dev. Agcy., Civic Fac. Rev., Coll. Fndtn., Inc. Student Hsg. Proj., 6.25%, 8/01/34	08/13 @ 100	\$ 1,019,500
		Met. Transp. Auth.,		
AAA	1,085	Ser. A, 5.00%, 11/15/25, FGIC	11/12 @ 100	1,139,347
AAA	8,470	Ser. A, 5.00%, 11/15/30, FSA	11/12 @ 100	8,792,707
AAA	5,000	Ser. A, 5.25%, 11/15/31, FGIC	11/12 @ 100	5,315,000
AAA	5,000	Dedicated Tax Fund, Ser. A, 5.00%, 11/15/31, FGIC	11/11 @ 100	5,163,350
AAA	2,660	Refdg. Transp., Ser. E, 5.25%, 11/15/31, FGIC	11/12 @ 100	2,827,580
AAA	10,000	Svc. Contract, Ser. A, 5.00%, 7/01/30, AMBAC	07/12 @ 100	10,365,400
A	2,500	New York City Incl. Dev. Agcy., Lycee Francais De Proj., Ser. A, 5.375%, 6/01/23, ACA	12/12 @ 100	2,586,975
AAA	6,000	New York City Transl. Fin. Auth., Ser. B, 5.00%, 5/01/30, AMBAC	11/11 @ 101	6,227,700
AAA	5,000	New York City Trust Cultural Resources, American Museum of Natural History Proj., Ser. A, 5.00%, 7/01/44, MBIA	07/14 @ 100	5,169,150
BBB	3,320	New York Cntys. Tobacco Trust III, 6.00%, 6/01/43	06/13 @ 100	3,356,354
		New York Dorm. Auth.,		
AAA	5,000	Brooklyn Law School Proj., Ser. B, 5.125%, 7/01/30, XLCA	07/13 @ 100	5,246,600
AAA	7,000	Hosp. Lutheran Med. Proj., 5.00%, 8/01/31, MBIA	02/13 @ 100	7,239,960
AAA	2,500	Insured Fit Student Hsg. Corp. Proj., 5.125%, 7/01/34, FGIC	07/14 @ 100	2,637,300
AAA	3,160	Iona Coll. Proj., 5.00%, 7/01/27, XLCA	07/12 @ 100	3,291,551
Aa3	3,000	Joachim & Ann Residence Proj., 5.25%, 7/01/27	07/12 @ 100	3,086,100
AAA	10,000	Memorial Sloan Kettering Ctr. Proj., Ser. 1, Zero Coupon, 7/01/30, MBIA	No Opt. Call	2,876,900
AAA	5,000	New York & Presbyterian Hosp. Proj., 5.00%, 8/01/32, AMBAC	02/08 @ 101	5,111,050
AAA	7,000	New York Univ. Proj., Ser. 2, 5.00%, 7/01/41, AMBAC	07/11 @ 100	7,190,470
AAA	2,000	Sch. Dist. Fin., Ser. A, 5.00%, 4/01/31, MBIA	10/12 @ 100	2,072,640
AAA	3,500	Sch. Dist. Fin., Ser. D, 5.00%, 10/01/30, MBIA	10/12 @ 100	3,631,670
AAA	7,000 ³	St. Barnabas Proj., Ser. A, 5.00%, 2/01/31, AMBAC	08/12 @ 100	7,227,150
AAA	5,000 ⁴	Univ. Dorm. Facs., 5.00%, 7/01/12, MBIA	No Opt. Call	5,538,750
AAA	2,000	Winthrop Univ. Hosp. Assoc. Proj., Ser. A, 5.25%, 7/01/31, AMBAC	07/11 @ 101	2,120,800
		New York Urban Dev. Corp.,		
AAA	3,000 ⁴	Ser. B, 5.00%, 3/15/13, MBIA	N/A	3,330,450
AAA	2,500 ⁴	Ser. C-1, 5.00%, 3/15/13, FGIC	N/A	2,775,375
AAA	6,000	Sales Tax Asset Receivable Corp., Ser. A, 5.00%, 10/15/32, AMBAC	10/14 @ 100	6,274,740
AAA	10,000	Triborough Brdg. & Tunl. Auth., Ser. E, 5.00%, 11/15/32, MBIA	11/12 @ 100	10,361,200
BBB	6,000	TSASC, Inc., Tobacco Settlement Rev., Ser. 1, 5.75%, 7/15/32	07/12 @ 100	6,074,640
				138,050,409
Puerto Rico 12.9%				
BBB	7,600	Children s Trust Fund, Tobacco Settlement Rev., 5.625%, 5/15/43	05/12 @ 100	7,443,516

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A	5,000	Puerto Rico Indl. Fin. Auth., Med. & Env. Ctrl. Facs., Polytechnic Univ. Proj., Ser. A, 5.00%, 8/01/32, ACA	08/12 @ 100	5,024,340
				12,467,856
Total Long-Term Investments (cost \$144,871,076)				150,518,265
MONEY MARKET FUND 1.3%				
1,200		AIM Tax Free Investment Co. Cash Reserve Portfolio (cost \$1,200,000)	N/A	1,200,000
Total Investments 157.3% (cost \$146,071,076)				\$ 151,718,265
Other assets in excess of liabilities 0.8%				765,593
Preferred shares at redemption value, including dividends payable (58.1)%				(56,009,203)
Net Assets Applicable to Common Shareholders 100%				\$ 96,474,655

See Notes to Financial Statements.

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BlackRock New York Insured Municipal Income Trust (BSE) (continued)

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Entire or partial principal amount pledged as collateral for financial futures contracts.

⁴ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

The value (market value plus accrued interest) of securities that are covered by insurance, which ensures the payment of principal and interest, represent approximately 86.0% of the Trust's managed assets.

KEY TO ABBREVIATIONS

ACA	American Capital Access	FSA	Financial Security Assurance
AMBAC	American Municipal Bond Assurance Corp.	MBIA	Municipal Bond Insurance Association
FGIC	Financial Guaranty Insurance Co.	XLCA	XL Capital Assurance

See Notes to Financial Statements.

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**PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005**

BlackRock New York Municipal Bond Trust (BQH)

**Principal
Amount**

Option Call

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Rating ¹	(000)	Description	Provisions ²	Value
LONG-TERM INVESTMENTS 154.3%				
Multi-State 6.7%				
Baa1	\$ 2,500 ³	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	\$ 2,839,075
New York 114.1%				
AA	2,000	Dutchess Cnty. Ind. Dev. Agcy., Civic Facs. Rev., Vassar Coll. Proj., 5.35%, 9/01/40	08/11 @ 101	2,131,720
A	3,000	Met. Transp. Auth., Ded. Tax Fund, Ser. A, 5.125%, 11/15/31	11/12 @ 100	3,124,650
A+	3,000	New York City, GO, Ser. D, 5.375%, 6/01/32	06/12 @ 100	3,175,740
BBB+	1,100	New York City Hlth. & Hosp. Corp., Hlth. Sys., Ser. A, 5.375%, 2/15/26	02/12 @ 100	1,139,600
AA	2,500	New York City Hsg. Dev. Corp., Multi-Fam. Hsg. Rev., Ser. A, 5.50%, 11/01/34	05/12 @ 100	2,574,275
AAA	2,500	New York City Mun. Wtr. Fin. Auth., Ser. A, 5.25%, 6/15/33, FGIC	06/11 @ 100	2,629,400
BBB	1,445	New York Cntys. Tobacco Trust III, 6.00%, 6/01/43	06/13 @ 100	1,460,823
		New York Dorm. Auth.,		
AA-	2,750 ⁴	City Univ. Proj., Ser. A, 5.25%, 7/01/11	N/A	3,067,971
AAA	2,500	Iona Coll. Proj., 5.125%, 7/01/32, XLCA	07/12 @ 100	2,613,925
BBB+	3,000	Lenox Hill Hosp. Oblig. Grp. Proj., 5.50%, 7/01/30	07/11 @ 101	3,052,200
AAA	2,500	Willow Towers, Inc. Proj., 5.40%, 2/01/34	08/12 @ 101	2,644,875
AAA	2,750 ⁵	New York Env. Facs. Corp., Mun. Wtr. Proj., Ser. D, 5.125%, 6/15/31	06/12 @ 100	2,885,135
Aa1	2,980	New York Mtg. Agcy., Ser. 101, 5.40%, 4/01/32	10/11 @ 100	3,025,981
AA-	5,000 ⁴	New York Urban Dev. Corp., Ser. A, 5.25%, 3/15/12	N/A	5,597,500
		Port Auth. of NY & NJ,		
Caa2	2,600	Contl./Eastn. LaGuardia Proj., 9.125%, 12/01/15	03/05 @ 100	2,604,368
AAA	500	Sales Tax Asset Receivable Corp., Ser. A, 5.00%, 10/15/32, AMBAC	10/14 @ 100	522,890
AAA	2,750	Ser. 126, 5.25%, 5/15/37, FGIC	05/12 @ 101	2,883,293
A	500	Suffolk Cnty. Indl. Dev. Agcy., Keyspan Port Jefferson Proj., 5.25%, 6/01/27	06/13 @ 100	515,475
BBB	3,000	TSASC, Inc., Tobacco Settlement Rev., Ser. 1, 5.75%, 7/15/32	07/12 @ 100	3,037,320
				48,687,141
Puerto Rico 32.0%				
BBB	3,650	Children s Trust Fund, Tobacco Settlement Rev., 5.625%, 5/15/43	05/12 @ 100	3,574,846
A-	2,000	Puerto Rico Elec. Pwr. Auth., Ser. 2, 5.25%, 7/01/31	07/12 @ 101	2,114,480
A	2,000	Puerto Rico Hwy. & Transp. Auth., Ser. D, 5.25%, 7/01/38	07/12 @ 100	2,090,080
		Puerto Rico Pub. Bldgs. Auth., Gov t Facs., Ser. D,		
A-	1,980 ⁴	5.25%, 7/01/12	N/A	2,198,097
A-	720	5.25%, 7/01/27	07/12 @ 100	760,709
		Puerto Rico Pub. Impvt., Ser. A,		
AAA	925 ⁴	5.125%, 7/01/11	N/A	1,025,668
A-	1,825	5.125%, 7/01/31	07/11 @ 100	1,884,039
				13,647,919
Trust Territories 1.5%				
Ba3	635	Northern Mariana Islands Commerce, Ser. A, 6.75%, 10/01/33	10/13 @ 100	657,923
Total Long-Term Investments (cost \$61,700,703)				65,832,058

Shares

(000)

MONEY MARKET FUND 0.8%			
350	AIM Tax Free Investment Co. Cash Reserve Portfolio (cost \$350,000)	N/A	350,000
Total Investments 155.1% (cost \$62,050,703)			\$ 66,182,058
Other assets in excess of liabilities 1.6%			689,232
Preferred shares at redemption value, including dividends payable (56.7)%			(24,205,767)
Net Assets Applicable to Common Shareholders 100%			\$ 42,665,523

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 6.7% of its net assets, with a current market value of \$2,839,075, in securities restricted as to resale.

⁴ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁵ Entire or partial principal amount pledged as collateral for financial futures contracts.

KEY TO ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corp.	GO	General Obligation
FGIC	Financial Guaranty Insurance Co.	XLCA	XL Capital Assurance

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited) FEBRUARY 28, 2005

BlackRock New York Municipal Income Trust II (BFY)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 158.7%				
Multi-State 5.7%				
Charter Mac Equity Issuer Trust,				
A3	\$ 500 ³	Ser. A, 5.75%, 4/30/15	No Opt. Call	\$ 521,050
A3	1,000 ³	Ser. A, 6.00%, 4/30/19	No Opt. Call	1,046,640
Baa1	1,500 ³	Ser. B, 6.00%, 4/30/15	No Opt. Call	1,562,385
Baa1	1,000 ³	Ser. B, 6.30%, 4/30/19	No Opt. Call	1,050,710
				4,180,785

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New York 145.3%				
Aaa	1,750	Clarence Indl. Dev. Agcy., Civic Fac. Rev., Bristol Vlg. Proj., 6.00%, 1/20/44	01/13 @ 102	1,900,185
AA	4,000	Dutchess Cnty. Ind. Dev. Agcy., Civic Facs. Rev., Vassar Coll. Proj., 5.35%, 9/01/40	08/11 @ 101	4,263,440
BBB	625	Essex Cnty. Indl. Dev. Agcy., Sld. Wst. Disp. Rev., Intl. Paper Co. Proj., Ser. A, 5.50%, 10/01/26	10/12 @ 100	633,075
A	3,250	Geneva Indl. Dev. Agcy., Civic Fac. Rev., Hobart & William Smith Proj., Ser. A, 5.375%, 2/01/33	02/13 @ 100	3,426,345
BBB-	385	Herkimer Cnty. Indl. Dev. Agcy., Civic Fac. Rev., Coll. Fndtn., Inc. Student Hsg. Proj., 6.25%, 8/01/34	08/13 @ 100	392,508
AAA	3,515	Long Island Pwr. Auth., Elec. Sys. Rev., Ser. A, Zero Coupon, 6/01/28, FSA Met. Transp. Auth., Ser. A, 5.25%, 11/15/31, FGIC	No Opt. Call	1,143,465
AAA	2,000		11/12 @ 100	2,126,000
AA-	5,000	Ded. Tax Fund, 5.00%, 11/15/30	11/12 @ 100	5,121,600
AA-	5,000	Svc. Contract Rev., 5.125%, 1/01/29	07/12 @ 100	5,211,950
A	5,000	New York City, GO, Ser. B, 5.75%, 12/01/22	12/11 @ 100	5,553,000
		New York City Indl. Dev. Agcy., Eger Harbor Proj., Ser. A, 4.95%, 11/20/32	11/12 @ 101	1,027,890
AA+	1,000		11/12 @ 105	1,123,470
BBB	4,000	Indl. Dev. Rev., Empowerment Zone Harlem Mall Proj., 5.125%, 12/30/23	07/14 @ 100	4,030,680
A	1,500	Lycee Francais De Proj., Ser. A, 5.375%, 6/01/23, ACA	12/12 @ 100	1,552,185
AA+	5,000	New York City Mun. Wtr. Fin. Auth., Ser. A, 5.125%, 6/15/34	06/12 @ 100	5,207,650
AAA	5,000 ⁴	New York City Trans. Auth., Met. Transp. Auth., Triborough Brdg. & Tunl. Auth. Proj., COP, Ser. A, 5.25%, 1/01/10, AMBAC	N/A	5,550,000
AA+	5,000	New York City Trans. Fin. Auth., Ser. B, 5.00%, 11/01/27	11/12 @ 100	5,206,250
BBB	2,535	New York Cntys. Tobacco Trust III, 6.00%, 6/01/43 New York Dorm. Auth., Brooklyn Law School Proj., Ser. B, 5.125%, 7/01/30, XLCA	07/13 @ 100	2,623,300
AAA	2,500		07/13 @ 100	2,063,080
Aa3	2,000	Kateri Residence Proj., 5.00%, 7/01/22	07/13 @ 100	5,154,200
AA	5,000	Memorial Sloan Kettering Ctr. Proj., Ser. 1, 5.00%, 7/01/34	07/13 @ 100	2,056,100
AA	2,000	Mount St. Mary Coll. Proj., 5.00%, 7/01/32, RAA	07/11 @ 100	2,500,393
AAA	2,425	New York Univ. Proj., 5.00%, 7/01/31, MBIA	08/12 @ 100	2,581,125
AAA	2,500 ⁵	St. Barnabas Proj., Ser. A, 5.00%, 2/01/31, AMBAC	N/A	5,521,650
AA-	5,000 ⁴	Univ. Dorm. Facs. Proj., 5.00%, 7/01/12	10/05 @ 100	5,518,040
A+	5,500	New York Energy Res. & Dev. Auth., Facs. Rev., 4.70%, 6/01/36	N/A	5,532,250
AA	5,000 ⁴	New York Urban Dev. Corp., Ser. C-1, 5.00%, 3/15/13	03/05 @ 100	3,681,174
Caa2	3,675	Port Auth. of NY & NJ, Contl./Eastn. LaGuardia Proj., 9.125%, 12/01/15	10/14 @ 100	1,045,780
AAA	1,000	Sales Tax Asset Receivable Corp., Ser. A, 5.00%, 10/15/32, AMBAC	06/13 @ 100	2,577,375
A	2,500	Suffolk Cnty. Indl. Dev. Agcy., Keyspan Port Jefferson Proj., 5.25%, 6/01/27	01/12 @ 100	1,029,640
AA	1,000	Triborough Brdg. & Tunl. Auth., Ser. A, 5.00%, 1/01/32	07/12 @ 100	9,111,960
BBB	9,000	TSASC, Inc., Tobacco Settlement Rev., Ser. 1, 5.75%, 7/15/32		
				107,028,518
Puerto Rico 6.1%				
BBB	1,400	Children s Trust Fund, Tobacco Settlement Rev., 5.625%, 5/15/43 Puerto Rico Hwy. & Transp. Auth., Ser. D, 5.375%, 7/01/36	05/12 @ 100	1,371,174
A	2,000		07/12 @ 100	2,129,920
A	1,000	Ser. G, 5.00%, 7/01/42	07/13 @ 100	1,024,570

See Notes to Financial Statements.

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BlackRock New York Municipal Income Trust II (BFY) (continued)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
		Trust Territories 1.6%		
Ba3	\$ 1,105	Northern Mariana Islands Commerce, Ser. A, 6.75%, 10/01/33	10/13 @ 100	\$ 1,144,890
		Total Long-Term Investments (cost \$111,514,728)		116,879,857
		Shares (000)		
		MONEY MARKET FUND 1.2%		
	900	AIM Tax Free Investment Co. Cash Reserve Portfolio (cost \$900,000)	N/A	900,000
		Total Investments 159.9% (cost \$112,414,728)		\$ 117,779,857
		Other assets in excess of liabilities 0.7%		513,916
		Preferred shares at redemption value, including dividends payable (60.6)%		(44,657,642)
		Net Assets Applicable to Common Shareholders 100%		\$ 73,636,131

¹ Using the higher of S&P's, Moody's or Fitch's rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 5.7% of its net assets, with a current market value of \$4,180,785, in securities restricted as to resale.

⁴ This bond is prerefunded. U.S. government securities, held in escrow, are used to pay interest on this security, as well as retire the bond in full at the date indicated, typically at a premium to par.

⁵ Entire or partial principal amount pledged as collateral for financial futures contracts.

KEY TO ABBREVIATIONS

ACA	American Capital Access	GO	General Obligation
AMBAC	American Municipal Bond Assurance Corp.	MBIA	Municipal Bond Insurance Association
COP	Certificate of Participation	RAA	Radian Asset Assurance
FGIC	Financial Guaranty Insurance Co.	XLCA	XL Capital Assurance

See Notes to Financial Statements.

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PORTFOLIO OF INVESTMENTS (unaudited)
FEBRUARY 28, 2005

BlackRock Virginia Municipal Bond Trust (BHV)

Rating ¹	Principal Amount (000)	Description	Option Call Provisions ²	Value
LONG-TERM INVESTMENTS 152.1%				
Multi-State 6.9%				
Baa1	\$1,500 ³	Charter Mac Equity Issuer Trust, Ser. B-2, 7.20%, 10/31/52	10/14 @ 100	\$ 1,703,445
Virginia 139.2%				
NR	1,480 ⁴	Alexandria Redev. & Hsg. Auth., 3001 Park Ctr. Apts. Proj., Ser. A, 6.375%, 4/01/34	04/08 @ 103	1,522,299
AAA	1,500 ⁵	Arlington Cnty., GO, 5.00%, 2/01/21	02/11 @ 100	1,579,830
A	2,150	Arlington Cnty. Ind. Dev. Auth., Hosp. Fac. Rev., Virginia Hosp. Ctr., Arlington Hlth. Sys. Proj., 5.25%, 7/01/31	07/11 @ 101	2,232,345
NR	1,500	Celebrate North Cmnty. Dev. Auth., Spl. Assmt. Rev., Ser. B, 6.75%, 3/01/34	03/14 @ 102	1,558,020
AAA	1,500	Danville Ind. Dev. Auth., Hosp. Rev., Danville Regl. Med. Ctr. Proj., 5.25%, 10/01/28, AMBAC	No Opt. Call	1,657,755
NR	995 ⁴	Dulles Town Ctr. Cmnty. Dev. Auth., Spl. Assmt. Tax, Dulles Town Ctr. Proj., 6.25%, 3/01/26	03/08 @ 102	1,021,656
AAA	1,500	Fairfax Cnty. Wtr. Auth., Wtr. Rev, 5.00%, 4/01/27	04/12 @ 100	1,570,890
AA	1,000	Hampton, GO, 5.00%, 4/01/20	04/12 @ 101	1,074,400
A-	1,500	Henrico Cnty. Econ. Dev. Auth., Bon Secours Hlth. Sys., Inc. Proj., Ser. A, 5.60%, 11/15/30	11/12 @ 100	1,577,355
BBB	1,300	Isle Wight Cnty. Incl. Dev. Auth., Env. Impvt. Rev., Ser. A, 5.70%, 11/01/27	11/13 @ 100	1,332,916
AAA	1,500	Met. Arpts. Auth., Arpt. Sys. Rev., Ser. A, 5.25%, 10/01/32, FGIC	10/12 @ 100	1,551,060
AAA	1,500	Norfolk Arpt. Auth., Ser. A, 5.125%, 7/01/31, FGIC	07/11 @ 100	1,550,205
A	5,000	Pocahontas Pkwy. Assoc., Toll Road Rev., Ser. B, Zero Coupon, 8/15/22, ACA	08/08 @ 45.5	1,828,050
AA+	1,375	Prince William Cnty., COP, 5.00%, 12/01/21	06/12 @ 100	1,462,436
AAA	1,250	Richmond Met. Auth., Expwy. Rev., 5.25%, 7/15/22, FGIC	No Opt. Call	1,439,100
AAA	3,000	Richmond Pub. Util., 5.00%, 1/15/33, FSA	01/12 @ 100	3,101,940
AAA	500	Virginia Coll. Bldg. Auth., Edl. Facs. Rev., Washington & Lee Univ. Proj., MBIA, 5.25%, 1/01/26	No Opt. Call	570,115
AAA	1,000	5.25%, 1/01/31	No Opt. Call	1,133,700
AAA	3,000	Virginia Hsg. Dev. Auth., Comnwlth. Mtg. Rev., Ser. H, 5.375%, 7/01/36, MBIA	07/11 @ 100	3,056,910
AA	1,000	Virginia Res. Auth., Infrastructure Rev., Ser. A, 5.00%, 5/01/22	05/11 @ 101	1,062,320
AA	635	Infrastructure Rev., Ser. A, 5.125%, 5/01/27	05/11 @ 101	670,160
AA	1,500	Wtr. & Swr. Sys. Rev., Frederick Cnty. Sanitation Auth. Proj., 5.20%, 10/01/28	10/10 @ 100	1,573,095
				34,126,557

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BBB	1,455	Puerto Rico 6.0% Children s Trust Fund, Tobacco Settlement Rev., 5.375%, 5/15/33	05/12 @ 100	1,468,197
Total Investments 152.1% (cost \$34,768,599)				\$ 37,298,199
Other assets in excess of liabilities 3.1%				748,060
Preferred shares at redemption value, including dividends payable (55.2)%				(13,527,371)
Net Assets Applicable to Common Shareholders 100%				\$ 24,518,888

¹ Using the higher of S&P s, Moody s or Fitch s rating.

² Date (month/year) and price of the earliest call or redemption. There may be other call provisions at varying prices at later dates.

³ Security is not registered under the Securities Act of 1933. These securities may be resold in transactions in accordance with Rule 144A under that Act, to qualified institutional buyers. As of February 28, 2005, the Trust held 6.9% of its net assets, with a current market value of \$1,703,445, in securities restricted as to resale.

⁴ Security is deemed to be of investment grade quality by the investment advisor.

⁵ Entire or partial principal amount pledged as collateral for financial futures contracts.

KEY TO ABBREVIATIONS

ACA	American Capital Access	FSA	Financial Security Assurance
AMBAC	American Municipal Bond Assurance Corp.	GO	General Obligation
COP	Certificate of Participation	MBIA	Municipal Bond Insurance Association
FGIC	Financial Guaranty Insurance Co.		

See Notes to Financial Statements.

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**STATEMENTS OF ASSETS AND LIABILITIES (unaudited)
February 28, 2005**

	Insured Municipal Income Trust (BYM)	Municipal Bond Trust (BBK)	Municipal Income Trust II (BLE)	California Insured Municipal Income Trust (BCK)
Assets				
Investments at value ¹	\$621,848,473	\$251,847,228	\$547,352,965	\$123,425,971
Cash	528,574			462,926
Receivable from investments sold			15,450	
Variation margin receivable	913,417	329,359	763,083	194,806
Interest receivable	6,545,575	3,050,911	7,242,135	1,262,247
Other assets	85,396	40,053	66,987	34,806

	629,921,435	255,267,551	555,440,620	125,380,756
Liabilities				
Payable to custodian		3,461,860	1,316,048	
Payable for investments purchased				
Dividends payable - common shares	2,042,917	874,379	1,907,915	395,286
Investment advisory fee payable	169,272	77,478	169,841	33,743
Payable to affiliates	5,048	4,034	4,358	544
Deferred Trustees' fees	33,967	16,298	31,475	5,500
Other accrued expenses	105,577	115,063	85,824	43,576
	2,356,781	4,549,112	3,515,461	478,649
Preferred Shares at Redemption Value				
\$25,000 liquidation value per share, including dividends payable ^{2,3}	229,021,060	90,523,360	205,607,050	46,502,166
Net Assets Applicable to Common Shareholders				
	\$398,543,594	\$160,195,079	\$346,318,109	\$ 78,399,941
Composition of Net Assets Applicable to Common Shareholders:				
Par value	\$ 26,149	\$ 10,123	\$ 22,781	\$ 5,270
Paid-in capital in excess of par	371,097,993	143,571,298	323,306,247	74,722,201
Undistributed net investment income	2,321,340	3,350,299	4,768,174	496,570
Accumulated net realized loss	(12,484,775)	(1,725,417)	(13,005,260)	(1,444,376)
Net unrealized appreciation	37,582,887	14,988,776	31,226,167	4,620,276
Net assets applicable to common shareholders, February 28, 2005	\$398,543,594	\$160,195,079	\$346,318,109	\$ 78,399,941
Net asset value per common share ⁴	\$15.24	\$15.82	\$15.20	\$14.88
¹ Investments at cost	\$585,084,604	\$237,153,699	\$516,811,159	\$118,980,297
² Preferred shares outstanding	9,159	3,620	8,222	1,860
³ Par value per share	0.001	0.001	0.001	0.001
⁴ Common shares outstanding	26,149,334	10,123,055	22,781,072	5,270,479

See Notes to Financial Statements.

		Florida			
California	California	Insured	Florida	Maryland	New Jersey
Municipal	Municipal	Municipal	Municipal	Municipal	Municipal
Bond Trust	Income Trust II	Income Trust	Bond Trust	Bond Trust	Bond Trust
(BZA)	(BCL)	(BAF)	(BIE)	(BZM)	(BLJ)

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Assets

Investments at value ¹	\$83,738,124	\$187,438,330	\$203,480,032	\$81,362,682	\$49,161,341	\$55,030,353
Cash	804,160	501,461	525,738	520,224	301,961	452,485
Receivable from investments sold		20,600				
Variation margin receivable	117,219	315,278	275,165	93,877	57,990	82,486
Interest receivable	922,006	2,564,651	2,947,120	1,277,016	617,605	714,917
Other assets	28,651	25,545	40,883	27,250	8,197	9,021
	85,610,160	190,865,865	207,268,938	83,281,049	50,147,094	56,289,262

Liabilities

Payable to custodian						
Payable for investments purchased	2,695,581					
Dividends payable - common shares	266,939	648,757	654,106	257,504	143,812	178,331
Investment advisory fee payable	22,219	58,539	55,675	22,355	13,455	15,084
Payable to affiliates	1,398	1,939	3,073	1,452		651
Deferred Trustees' fees	7,698	9,222	9,758	6,261	7,362	8,087
Other accrued expenses	63,027	64,899	64,531	47,780	37,612	42,571
	3,056,862	783,356	787,143	335,352	202,241	244,724

Preferred Shares at Redemption Value

\$25,000 liquidation value per share, including dividends payable ^{2,3}	29,976,304	71,968,192	76,027,694	29,782,665	18,003,156	20,232,370
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Net Assets Applicable to Common Shareholders

	\$52,576,994	\$118,114,317	\$130,454,101	\$53,163,032	\$31,941,697	\$35,812,168
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Composition of Net Assets Applicable to Common Shareholders:

Par value	\$ 3,351	\$ 7,985	\$ 8,721	\$ 3,309	\$ 2,016	\$ 2,269
Paid-in capital in excess of par	47,456,833	113,257,811	123,724,337	46,855,683	28,504,150	32,099,779
Undistributed net investment income	1,080,725	125,969	669,607	1,119,163	646,410	731,288
Accumulated net realized loss	(1,025,644)	(5,551,439)	(1,435,335)	(480,400)	(374,347)	(80,163)
Net unrealized appreciation	5,061,729	10,273,991	7,486,771	5,665,277	3,163,468	3,058,995

Net assets applicable to common shareholders, February 28, 2005	\$52,576,994	\$118,114,317	\$130,454,101	\$53,163,032	\$31,941,697	\$35,812,168
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Net asset value per common share ⁴	\$15.69	\$14.79	\$14.96	\$16.06	\$15.85	\$15.78
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¹ Investments at cost	\$78,781,384	\$177,446,982	\$196,239,943	\$75,781,489	\$46,049,823	\$52,045,286
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² Preferred shares outstanding	1,199	2,878	3,040	1,191	720	809
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³ Par value per share	0.001	0.001	0.001	0.001	0.001	0.001
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⁴ Common shares outstanding	3,351,150	7,984,696	8,721,409	3,309,483	2,015,589	2,269,366
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**STATEMENTS OF ASSETS AND LIABILITIES (unaudited) (continued)
February 28, 2005**

	New York Insured Municipal Income Trust (BSE)	New York Municipal Bond Trust (BQH)	New York Municipal Income Trust II (BFY)	Virginia Municipal Bond Trust (BHV)
Assets				
Investments at value ¹	\$151,718,265	\$66,182,058	\$117,779,857	\$37,298,199
Cash	518,817	525,678	516,117	329,687
Receivable from investments sold				5,000
Variation margin receivable	206,707	77,535	138,350	50,991
Interest receivable	1,637,357	868,396	1,394,591	511,986
Other assets	35,533	27,299	15,103	6,847
	154,116,679	67,680,966	119,844,018	38,202,710
Liabilities				
Payable for investments purchased	1,062,308	531,154	1,062,308	
Dividends payable common shares	483,649	208,244	388,840	110,438
Investment advisory fee payable	41,033	17,971	36,361	10,253
Payable to affiliates		1,521	593	233
Deferred Trustees fees	5,755	6,604	6,551	6,213
Other accrued expenses	40,076	44,182	55,592	29,314
	1,632,821	809,676	1,550,245	156,451
Preferred Shares at Redemption Value				
\$25,000 liquidation value per share, including dividends payable ^{2,3}	56,009,203	24,205,767	44,657,642	13,527,371
Net Assets Applicable to Common Shareholders				
	\$ 96,474,655	\$42,665,523	\$ 73,636,131	\$24,518,888
Composition of Net Assets Applicable to Common Shareholders:				
Par value	\$ 6,449	\$ 2,701	\$ 4,938	\$ 1,525
Paid-in capital in excess of par	91,452,972	38,226,462	70,007,203	21,552,996
Undistributed (distributions in excess of) net investment income	367,050	783,625	(118,258)	618,188
Accumulated net realized loss	(1,184,220)	(548,092)	(1,746,911)	(229,077)
Net unrealized appreciation	5,832,404	4,200,827	5,489,159	2,575,256
Net assets applicable to common shareholders, February 28, 2005	\$ 96,474,655	\$42,665,523	\$ 73,636,131	\$24,518,888
Net asset value per common share ⁴	\$14.96	\$15.80	\$14.91	\$16.08
¹ Investments at cost	\$146,071,076	\$62,050,703	\$112,414,728	\$34,768,599
² Preferred shares outstanding	2,240	968	1,786	541

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³ Par value per share	0.001	0.001	0.001	0.001
⁴ Common shares outstanding	6,448,651	2,700,991	4,937,652	1,524,794

See Notes to Financial Statements.

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STATEMENTS OF OPERATIONS (unaudited)
For the six months ended February 28, 2005

	Insured Municipal Income Trust (BYM)	Municipal Bond Trust (BBK)	Municipal Income Trust II (BLE)	California Insured Municipal Income Trust (BCK)
Net Investment Income				
Interest income	\$15,214,954	\$ 6,792,974	\$15,348,556	\$3,030,118
Expenses				
Investment advisory	1,687,740	793,742	1,476,765	333,495
Transfer agent	7,421	7,421	7,421	7,421
Custodian	56,468	34,913	55,358	18,480
Reports to shareholders	45,121	19,329	39,183	9,774
Trustees	26,969	10,498	22,444	6,516
Registration	11,306	7,114	6,199	10,381
Independent accountants	20,196	17,738	19,186	17,738
Legal	29,257	13,376	25,362	9,815
Insurance	23,437	9,231	20,449	4,591
Auction Agent	289,829	119,002	265,533	59,749
Miscellaneous	34,917	18,550	30,419	13,728
Total expenses	2,232,661	1,050,914	1,968,319	491,688
Less: fees waived by Advisor	(613,724)	(366,342)	(402,754)	(121,271)
Less: fees paid indirectly	(2,970)	(3,781)	(3,592)	(3,819)
Net expenses	1,615,967	680,791	1,561,973	366,598
Net investment income	13,598,987	6,112,183	13,786,583	2,663,520
Realized and Unrealized Gain (Loss)				
Net realized gain (loss) on:				
Investments	5,879,936	1,437,362	2,407,032	(432,550)
Futures	(720,578)	(259,203)	(601,366)	(153,646)
	5,159,358	1,178,159	1,805,666	(586,196)

Net change in unrealized appreciation/depreciation on:

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Investments	10,644,828	6,652,764	16,313,028	4,985,976
Futures	819,018	295,247	684,361	174,602
	11,463,846	6,948,011	16,997,389	5,160,578
Net gain	16,623,204	8,126,170	18,803,055	4,574,382
Dividends to Preferred Shareholders from:				
Net investment income	(1,686,415)	(688,632)	(1,593,864)	(313,246)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations				
	\$28,535,776	\$13,549,721	\$30,995,774	\$6,924,656

See Notes to Financial Statements

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**STATEMENTS OF OPERATIONS (unaudited) (continued)
For the six months ended February 28, 2005**

	California Municipal Bond Trust (BZA)	California Municipal Income Trust II (BCL)	Florida Insured Municipal Income Trust (BAF)	Florida Municipal Bond Trust (BIE)
Net Investment Income				
Interest income	\$2,179,535	\$ 4,957,266	\$5,014,150	\$2,176,523
Expenses				
Investment advisory	260,300	506,526	555,283	264,788
Transfer agent	7,421	7,421	7,421	7,421
Custodian	14,856	37,248	31,685	13,566
Reports to shareholders	7,108	13,937	16,223	7,421
Trustees	6,335	7,964	9,050	6,335
Registration	8,952	2,132	10,383	9,017
Independent accountants	16,902	17,376	18,100	16,898
Legal	6,388	10,883	12,478	7,019
Insurance	3,007	6,975	7,690	3,081
Organization				
Auction Agent	39,683	92,338	96,481	39,435
Miscellaneous	12,544	15,321	15,998	12,497
Total expenses	383,496	718,121	780,792	387,478
Less fees waived by Advisor	(120,139)	(138,143)	(201,921)	(122,210)
Less fees paid indirectly	(4,358)	(4,120)	(3,449)	(3,068)

Net expenses	258,999	575,858	575,422	262,200
Net investment income	1,920,536	4,381,408	4,438,728	1,914,323
Realized and Unrealized Gain (Loss)				
Net realized gain (loss) on:				
Investments	1,119,829	(506,727)	(357)	39,145
Futures	(92,312)	(248,964)	(216,856)	(73,574)
	1,027,517	(755,691)	(217,213)	(34,429)
Net change in unrealized appreciation/depreciation on:				
Investments	2,183,236	8,617,242	5,316,748	1,553,294
Futures	104,989	282,643	246,682	84,084
	2,288,225	8,899,885	5,563,430	1,637,378
Net gain	3,315,742	8,144,194	5,346,217	1,602,949
Dividends to Preferred Shareholders from:				
Net investment income	(202,755)	(470,976)	(498,430)	(192,030)
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations				
	\$5,033,523	\$12,054,626	\$9,286,515	\$3,325,242

See Notes to Financial Statements

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	Maryland Municipal Bond Trust (BZM)	New Jersey Municipal Bond Trust (BLJ)	New York Insured Municipal Income Trust (BSE)	New York Municipal Bond Trust (BQH)	New York Municipal Income Trust II (BFY)	Virginia Municipal Bond Trust (BHV)
Net Investment Income						
Interest income	\$1,254,917	\$1,507,701	\$3,683,524	\$1,747,511	\$2,964,392	\$ 978,549
Expenses						
Investment advisory	158,828	176,647	407,757	211,792	317,312	120,947
Transfer agent	7,421	7,421	7,421	7,421	7,421	7,421
Custodian	13,103	14,634	14,637	14,165	21,512	12,702
Reports to shareholders	5,495	5,647	12,670	6,565	9,774	4,568
Trustees	6,154	6,154	6,697	6,335	6,516	6,154
Registration	595	695	10,417	8,952	1,289	438

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Independent accountants	16,732	16,755	17,738	16,820	17,072	11,403
Legal	5,776	5,834	8,848	5,974	8,432	5,778
Insurance	1,845	2,041	5,627	2,449	4,384	1,405
Organization						
Auction Agent	24,814	27,583	71,516	32,515	57,291	19,261
Miscellaneous	11,814	11,465	13,241	11,914	13,599	11,444
<hr/>						
Total expenses	252,577	274,876	576,569	324,902	464,602	201,521
Less fees waived by Advisor	(73,305)	(81,529)	(148,275)	(97,750)	(86,540)	(55,821)
Less fees paid indirectly	(2,605)	(4,136)	(1,811)	(3,667)	(2,718)	(2,204)
<hr/>						
Net expenses	176,667	189,211	426,483	223,485	375,344	143,496
<hr/>						
Net investment income	1,078,250	1,318,490	3,257,041	1,524,026	2,589,048	835,053
<hr/>						
Realized and Unrealized Gain (Loss)						
Net realized gain (loss) on:						
Investments	39,037	63,506	218,716	21,239	61,145	653
Futures	(45,508)	(64,935)	(162,818)	(60,729)	(109,026)	(40,179)
<hr/>						
	(6,471)	(1,429)	55,898	(39,490)	(47,881)	(39,526)
<hr/>						
Net change in unrealized appreciation/depreciation on:						
Investments	1,092,094	2,245,710	4,810,197	1,771,230	3,657,127	849,590
Futures	51,950	73,928	185,215	69,472	124,030	45,656
<hr/>						
	1,144,044	2,319,638	4,995,412	1,840,702	3,781,157	895,246
<hr/>						
Net gain	1,137,573	2,318,209	5,051,310	1,801,212	3,733,276	855,720
<hr/>						
Dividends to Preferred Shareholders from:						
Net investment income	(132,897)	(138,679)	(367,568)	(167,026)	(291,327)	(95,867)
<hr/>						
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations						
	\$2,082,926	\$3,498,020	\$7,940,783	\$3,158,212	\$6,030,997	\$1,594,906

STATEMENTS OF CHANGES IN NET ASSETS (unaudited)
For the six months ended February 28, 2005, and for the year ended August 31, 2004

	Insured Municipal Income Trust (BYM)	Municipal Bond Trust (BBK)
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	2005	2004	2005	2004
Increase (Decrease) in Net Assets Applicable to Common Shareholders				
Operations				
Net investment income	\$ 13,598,987	\$ 27,748,279	\$ 6,112,183	\$ 12,608,952
Net realized gain (loss)	5,159,358	(13,455,750)	1,178,159	(1,870,747)
Net change in unrealized appreciation/depreciation	11,463,846	37,888,538	6,948,011	9,408,728
Dividends and distributions to preferred shareholders from:				
Net investment income	(1,686,415)	(2,158,934)	(688,632)	(841,788)
Net realized gains				
Net increase in net assets resulting from operations	28,535,776	50,022,133	13,549,721	19,305,145
Dividends and Distributions to Common Shareholders from:				
Net investment income	(12,257,497)	(24,514,999)	(5,246,274)	(10,492,542)
Net realized gains				
Total dividends and distributions	(12,257,497)	(24,514,999)	(5,246,274)	(10,492,542)
Capital Share Transactions:				
Net proceeds from the underwriters over-allotment option exercised				
Underwriting discounts and unused (additional) offering costs relating to the issuance of preferred shares		(2,051)		128,162
Reinvestment of common dividends		322,573		
Net proceeds from capital share transactions		320,522		128,162
Total increase	16,278,279	25,827,656	8,303,447	8,940,765
Net Assets Applicable to Common Shareholders:				
Beginning of period	382,265,315	356,437,659	151,891,632	142,950,867
End of period	\$398,543,594	\$382,265,315	\$160,195,079	\$151,891,632
End of period undistributed net investment income	\$ 2,321,340	\$ 2,666,265	\$ 3,350,299	\$ 3,173,022

See Notes to Financial Statements

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	(BLE)		(BCK)		(BZA)	
	2005	2004	2005	2004	2005	2004
Increase (Decrease) in Net Assets Applicable to Common Shareholders						
Operations						
Net investment income	\$ 13,786,583	\$ 27,275,595	\$ 2,663,520	\$ 5,347,246	\$ 1,920,536	\$ 3,850,978
Net realized gain (loss)	1,805,666	(7,324,788)	(586,196)	(858,180)	1,027,517	(1,931,210)
Net change in unrealized appreciation/depreciation	16,997,389	29,272,430	5,160,578	5,570,494	2,288,225	4,972,095
Dividends and distributions to preferred shareholders from:						
Net investment income	(1,593,864)	(1,987,241)	(313,246)	(397,111)	(202,755)	(241,570)
Net realized gains				(5,802)		(18,799)
Net increase in net assets resulting from operations	30,995,774	47,235,996	6,924,656	9,656,647	5,033,523	6,631,494
Dividends and Distributions to Common Shareholders from:						
Net investment income	(11,447,471)	(22,894,966)	(2,371,712)	(4,740,793)	(1,601,635)	(3,203,268)
Net realized gains				(67,945)		(223,187)
Total dividends and distributions	(11,447,471)	(22,894,966)	(2,371,712)	(4,808,738)	(1,601,635)	(3,426,455)
Capital Share Transactions:						
Net proceeds from the underwriters over-allotment option exercised		(9,000)				
Underwriting discounts and unused (additional) offering costs relating to the issuance of preferred shares						
Reinvestment of common dividends		101,150	23,730	65,451		
Net proceeds from capital share transactions		92,150	23,730	65,451		
Total increase	19,548,303	24,433,180	4,576,674	4,913,360	3,431,888	3,205,039
Net Assets Applicable to Common Shareholders:						
Beginning of period	326,769,806	302,336,626	73,823,267	68,909,907	49,145,106	45,940,067
End of period	\$346,318,109	\$326,769,806	\$ 78,399,941	\$ 73,823,267	\$ 52,576,994	\$ 49,145,106
End of period undistributed net investment income	\$ 4,768,174	\$ 4,022,926	\$ 496,570	\$ 518,008	\$ 1,080,725	\$ 964,579

STATEMENTS OF CHANGES IN NET ASSETS (unaudited) (continued)
For the six months ended February 28, 2005, and for the year ended August 31, 2004

	California Municipal Income Trust II (BCL)		Florida Insured Municipal Income Trust (BAF)	
	2005	2004	2005	2004
Increase (Decrease) in Net Assets Applicable to Common Shareholders Operations				
Net investment income	\$4,381,408	\$8,709,910	\$4,438,728	\$8,930,146
Net realized gain (loss)	(755,691)	(1,707,439)	(217,213)	(1,131,981)
Net change in unrealized appreciation/ depreciation	8,899,885	9,498,500	5,563,430	6,692,461
Dividends and distributions to preferred shareholders from:				
Net investment income	(470,976)	(636,870)	(498,430)	(648,710)
Net realized gains				(61,378)
Net increase in net assets resulting from operations	12,054,626	15,864,101	9,286,515	13,780,538
Dividends and Distributions to Common Shareholders from:				
Net investment income	(3,892,533)	(7,782,748)	(3,924,051)	(7,846,940)
Net realized gains				(657,399)
Total dividends and distributions	(3,892,533)	(7,782,748)	(3,924,051)	(8,504,339)
Capital Share Transactions:				
Net proceeds from the underwriters over-allotment option exercised		(4,500)		
Reinvestment of common dividends		137,224	37,281	
Net proceeds from capital share transactions		132,724	37,281	
Total increase	8,162,093	8,214,077	5,399,745	5,276,199
Net Assets Applicable to Common Shareholders:				
Beginning of period	109,952,224	101,738,147	125,054,356	119,778,157
End of period	\$118,114,317	\$109,952,224	\$130,454,101	\$125,054,356
End of period undistributed net investment income	\$ 125,969	\$ 108,070	\$ 669,607	\$ 653,360

See Notes to Financial Statements.

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	Florida Municipal Bond Trust (BIE)		Maryland Municipal Bond Trust (BZM)		New Jersey Municipal Bond Trust (BLJ)	
	2005	2004	2005	2004	2005	2004
Increase (Decrease) in Net Assets Applicable to Common Shareholders Operations						
Net investment income	\$1,914,323	\$3,841,844	\$1,078,250	\$2,140,119	\$1,318,490	\$2,634,283
Net realized gain (loss)	(34,429)	(770,346)	(6,471)	(375,659)	(1,429)	(78,747)
Net change in unrealized appreciation/ depreciation	1,637,378	3,708,985	1,144,044	1,899,235	2,319,638	2,002,739
Dividends and distributions to preferred shareholders from:						
Net investment income	(192,030)	(268,790)	(132,897)	(162,726)	(138,679)	(164,119)
Net realized gains		(6,733)				(9,757)
Net increase in net assets resulting from operations	3,325,242	6,504,960	2,082,926	3,500,969	3,498,020	4,384,399
Dividends and Distributions to Common Shareholders from:						
Net investment income	(1,545,026)	(3,090,049)	(862,750)	(1,724,926)	(1,069,988)	(2,139,974)
Net realized gains		(74,132)				(111,653)
Total dividends and distributions	(1,545,026)	(3,164,181)	(862,750)	(1,724,926)	(1,069,988)	(2,251,627)
Capital Share Transactions:						
Net proceeds from the underwriters over-allotment option exercised						
Reinvestment of common dividends			6,787	16,038		25,241
Net proceeds from capital share transactions			6,787	16,038		25,241
Total increase	1,780,216	3,340,779	1,226,963	1,792,081	2,428,032	2,158,013
Net Assets Applicable to Common Shareholders:						
Beginning of period	51,382,816	48,042,037	30,714,734	28,922,653	33,384,136	31,226,123
End of period	\$ 53,163,032	\$ 51,382,816	\$ 31,941,697	\$ 30,714,734	\$ 35,812,168	\$ 33,384,136
End of period undistributed net investment income	\$ 1,119,163	\$ 941,896	\$ 646,410	\$ 563,807	\$ 731,288	\$ 621,465

**STATEMENTS OF CHANGES IN NET ASSETS (unaudited) (continued)
For the six months ended February 28, 2005, and for the year ended August 31, 2004**

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	New York Insured Municipal Income Trust (BSE)		New York Municipal Bond Trust (BQH)	
	2005	2004	2005	2004
Increase (Decrease) in Net Assets Applicable to Common Shareholders Operations				
Net investment income	\$ 3,257,041	\$ 6,554,060	\$ 1,524,026	\$ 3,057,394
Net realized gain (loss)	55,898	(1,182,079)	(39,490)	(366,905)
Net change in unrealized appreciation/ depreciation	4,995,412	5,560,936	1,840,702	2,552,152
Dividends and distributions to preferred shareholders from:				
Net investment income	(367,568)	(480,323)	(167,026)	(194,186)
Net increase in net assets resulting from operations	7,940,783	10,452,594	3,158,212	5,048,455
Dividends to Common Shareholders from:				
Net investment income	(2,899,613)	(5,792,278)	(1,249,462)	(2,498,922)
Capital Share Transactions:				
Net proceeds from the underwriters over-allotment option exercised				
Reinvestment of common dividends	173,546	168,608		
Net proceeds from capital share transactions	173,546	168,608		
Total increase	5,214,716	4,828,924	1,908,750	2,549,533
Net Assets Applicable to Common Shareholders:				
Beginning of period	91,259,939	86,431,015	40,756,773	38,207,240
End of period	\$ 96,474,655	\$ 91,259,939	\$ 42,665,523	\$ 40,756,773
End of period undistributed (distributions in excess of) net investment income	\$ 367,050	\$ 377,190	\$ 783,625	\$ 676,087

See Notes to Financial Statements.

	New York Municipal Income Trust II (BFY)		Virginia Municipal Bond Trust (BHV)	
	2005	2004	2005	2004

**Increase (Decrease) in Net Assets Applicable
to Common Shareholders**

Operations

Net investment income	\$ 2,589,048	\$ 5,153,888	\$ 835,053	\$ 1,664,339
Net realized gain (loss)	(47,881)	(976,345)	(39,526)	(277,156)
Net change in unrealized appreciation/ depreciation	3,781,157	4,849,996	895,246	1,565,169
Dividends and distributions to preferred shareholders from:				
Net investment income	(291,327)	(410,703)	(95,867)	(109,756)
Net increase in net assets resulting from operations	6,030,997	8,616,836	1,594,906	2,842,596

Dividends to Common Shareholders from:

Net investment income	(2,332,470)	(4,663,823)	(661,945)	(1,320,868)
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Capital Share Transactions:

Net proceeds from the underwriters over-allotment option exercised		(2,250)		
Reinvestment of common dividends	34,135		59,303	61,031
Net proceeds from capital share transactions	34,135	(2,250)	59,303	61,031

Total increase	3,732,662	3,950,763	992,264	1,582,759
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**Net Assets Applicable to
Common Shareholders:**

Beginning of period	69,903,469	65,952,706	23,526,624	21,943,865
End of period	\$ 73,636,131	\$ 69,903,469	\$ 24,518,888	\$ 23,526,624
End of period undistributed (distributions in excess of) net investment income	\$ (118,258)	\$ (83,509)	\$ 618,188	\$ 540,947

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FINANCIAL HIGHLIGHTS

BlackRock Insured Municipal Income Trust (BYM)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, 2004	For the period October 31, 2002 ¹ through August 31, 2003
PER COMMON SHARE OPERATING PERFORMANCE:			
Net asset value, beginning of period	\$ 14.62	\$ 13.64	\$ 14.33) ²
Investment operations:			
Net investment income	0.52	1.06	0.83

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Net realized and unrealized gain (loss)	0.63	0.94	(0.62)
Dividends to preferred shareholders from net investment income	(0.06)	(0.08)	(0.07)
<hr/>			
Net increase from investment operations	1.09	1.92	0.14
<hr/>			
Dividends to common shareholders from net investment income	(0.47)	(0.94)	(0.70)
<hr/>			
Capital charges with respect to issuance of:			
Common shares			(0.03)
Preferred shares			(0.10)
<hr/>			
Total capital charges			(0.13)
<hr/>			
Net asset value, end of period	\$ 15.24	\$ 14.62	\$ 13.64
<hr/>			
Market price, end of period	\$ 14.60	\$ 13.97	\$ 13.51
<hr/>			
TOTAL INVESTMENT RETURN³	7.96%	10.57%	(5.39)%
<hr/>			
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴			
Expenses after fees waived and paid indirectly	0.84% ⁵	0.84%	0.77% ⁵
Expenses after fees waived and before fees paid indirectly	0.84% ⁵	0.84%	0.79% ⁵
Expenses before fees waived and paid indirectly	1.15% ⁵	1.16%	1.10% ⁵
Net investment income before preferred share dividends	7.03% ⁵	7.30%	6.95% ⁵
Preferred share dividends	0.87% ⁵	0.57%	0.55% ⁵
Net investment income available to common shareholders	6.16% ⁵	6.73%	6.40% ⁵
SUPPLEMENTAL DATA:			
Average net assets of common shareholders (000)	\$389,835	\$380,007	\$372,269
Portfolio turnover	25%	57%	46%
Net assets of common shareholders, end of period (000)	\$398,544	\$382,265	\$356,438
Preferred shares value outstanding, end of period (000)	\$228,975	\$228,975	\$228,975
Asset coverage per preferred share, end of period	\$ 68,519	\$ 66,739	\$ 63,919

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Municipal Bond Trust (BBK)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31,		For the period
		2004	2003	April 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 15.00	\$ 14.12	\$ 14.76	\$ 14.33 ²
Investment operations:				
Net investment income	0.61	1.25	1.28	0.31
Net realized and unrealized gain (loss)	0.80	0.74	(0.74)	0.52
Dividends and distributions to preferred shareholders:				
Net investment income	(0.07)	(0.08)	(0.10)	(0.03)
Net realized gains			(0.01)	
Net increase from investment operations	1.34	1.91	0.43	0.80
Dividends and distributions to common shareholders:				
Net investment income	(0.52)	(1.04)	(1.02)	(0.25)
Net realized gains			(0.05)	
Total dividends and distributions	(0.52)	(1.04)	(1.07)	(0.25)
Capital charges with respect to issuance of:				
Common shares				(0.03)
Preferred shares		0.01		(0.09)
Total capital charges		0.01		(0.12)
Net asset value, end of period	\$ 15.82	\$ 15.00	\$ 14.12	\$ 14.76
Market price, end of period	\$ 14.98	\$ 14.61	\$ 13.66	\$ 14.90
TOTAL INVESTMENT RETURN³	6.13%	14.87%	(1.20)%	1.07%

RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴

Expenses after fees waived and paid indirectly	0.88% ⁵	0.89%	0.91%	0.90% ⁵
Expenses after fees waived and before fees paid indirectly	0.89% ⁵	0.90%	0.92%	0.91% ⁵
Expenses before fees waived and paid indirectly	1.36% ⁵	1.37%	1.41%	1.32% ⁵
Net investment income before preferred share dividends	7.91% ⁵	8.28%	8.66%	6.35% ⁵
Preferred share dividends	0.89% ⁵	0.55%	0.67%	0.53% ⁵
Net investment income available to common shareholders	7.02% ⁵	7.73%	7.99%	5.82% ⁵

SUPPLEMENTAL DATA:

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Average net assets of common shareholders (000)	\$155,752	\$152,200	\$148,670	\$144,196
Portfolio turnover	40%	65%	21%	22%
Net assets of common shareholders, end of period (000)	\$160,195	\$151,892	\$142,951	\$149,253
Preferred shares value outstanding, end of period (000)	\$ 90,500	\$ 90,500	\$ 90,500	\$ 90,500
Asset coverage per preferred share, end of period	\$ 69,259	\$ 66,963	\$ 64,491	\$ 66,233

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

BlackRock Municipal Income Trust II (BLE)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, <hr/> 2004 2003		For the period July 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 14.34	\$ 13.28	\$ 14.40	\$ 14.33 ²
Investment operations:				
Net investment income	0.60	1.20	1.14	0.03
Net realized and unrealized gain (loss)	0.83	0.95	(1.06)	0.07
Dividends to preferred shareholders from net investment income	(0.07)	(0.09)	(0.10)	
Net increase (decrease) from investment operations	1.36	2.06	(0.02)	0.10
Dividends to common shareholders from net investment income	(0.50)	(1.00)	(1.00)	
Capital charges with respect to issuance of:				
Common shares				(0.03)
Preferred shares			(0.10)	

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Total capital charges			(0.10)	(0.03)
Net asset value, end of period	\$ 15.20	\$ 14.34	\$ 13.28	\$ 14.40
Market price, end of period	\$ 14.54	\$ 13.92	\$ 13.11	\$ 15.00
TOTAL INVESTMENT RETURN³	8.14%	14.15%	(6.00)%	0.00%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴				
Expenses after fees waived and paid indirectly	0.94% ⁵	0.95%	0.92%	0.65% ^{5,6}
Expenses after fees waived and before fees paid indirectly	0.94% ⁵	0.95%	0.93%	0.65% ^{5,6}
Expenses before fees waived and paid indirectly	1.18% ⁵	1.20%	1.17%	0.80% ^{5,6}
Net investment income before preferred share dividends	8.28% ⁵	8.37%	8.15%	2.82% ^{5,6}
Preferred share dividends	0.96% ⁵	0.61%	0.69%	% ⁶
Net investment income available to common shareholders	7.32% ⁵	7.76%	7.46%	2.82% ^{5,6}
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$335,906	\$325,680	\$318,014	\$307,165
Portfolio turnover	20%	64%	118%	%
Net assets of common shareholders, end of period (000)	\$346,318	\$326,770	\$302,337	\$323,483
Preferred shares value outstanding, end of period (000)	\$206,550	\$205,550	\$205,550	\$
Asset coverage per preferred share, end of period	\$ 67,128	\$ 64,747	\$ 61,774	\$

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

⁶ These annualized ratios are not indicative of future expense ratios, due to the short operating history of the Trust.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock California Insured Municipal Income Trust (BCK)

Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, 2004	For the period October 31, 2002 ¹ through August 31, 2003
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PER COMMON SHARE OPERATING PERFORMANCE:

Net asset value, beginning of period	\$ 14.01	\$ 13.09	\$ 14.33 ²
Investment operations:			
Net investment income	0.51	1.02	0.79
Net realized and unrealized gain (loss)	0.87	0.89	(1.15)
Dividends to preferred shareholders from net investment income	(0.06)	(0.08)	(0.06)
Net increase (decrease) from investment operations			
	1.32	1.83	(0.42)
Dividends to common shareholders:			
Net investment income	(0.45)	(0.90)	(0.67)
Net realized gains		(0.01)	
Total dividends and distributions			
	(0.45)	(0.91)	(0.67)
Capital charges with respect to issuance of:			
Common shares			(0.03)
Preferred shares			(0.12)
Total capital charges			
			(0.15)
Net asset value, end of period	\$ 14.88	\$ 14.01	\$ 13.09
Market price, end of period	\$ 14.13	\$ 14.00	\$ 13.01
TOTAL INVESTMENT RETURN³	4.23%	14.97%	(8.98)%

RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴

Expenses after fees waived and paid indirectly	0.98% ⁵	0.99%	0.92% ⁵
Expenses after fees waived and before fees paid indirectly	0.99% ⁵	0.99%	0.96% ⁵
Expenses before fees waived and paid indirectly	1.31% ⁵	1.32%	1.27% ⁵
Net investment income before preferred share dividends	7.09% ⁵	7.26%	6.69% ⁵
Preferred share dividends	0.83% ⁵	0.54%	0.50% ⁵
Net investment income available to common shareholders	6.26% ⁵	6.72%	6.19% ⁵

SUPPLEMENTAL DATA:

Average net assets of common shareholders (000)	\$ 75,776	\$ 73,679	\$ 74,302
Portfolio turnover	3%	4%	41%
Net assets of common shareholders, end of period (000)	\$ 78,400	\$ 73,823	\$ 68,910
Preferred shares value outstanding, end of period (000)	\$ 46,500	\$ 46,500	\$ 46,500
Asset coverage per preferred share, end of period	\$ 67,152	\$ 64,691	\$ 62,052

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

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⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

BlackRock California Municipal Bond Trust (BZA)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31,		For the period
		2004	2003	April 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 14.67	\$ 13.71	\$ 14.87	\$ 14.33 ²
Investment operations:				
Net investment income	0.57	1.15	1.18	0.28
Net realized and unrealized gain (loss)	0.99	0.92	(1.21)	0.63
Dividends and distributions to preferred shareholders:				
Net investment income	(0.06)	(0.07)	(0.09)	(0.02)
Net realized gains		(0.01)	(0.01)	
Net increase (decrease) from investment operations	1.50	1.99	(0.13)	0.89
Dividends and distributions to common shareholders:				
Net investment income	(0.48)	(0.96)	(0.94)	(0.23)
Net realized gains		(0.07)	(0.08)	
Total dividends and distributions	(0.48)	(1.03)	(1.02)	(0.23)
Capital charges with respect to issuance of:				
Common shares				(0.03)
Preferred shares			(0.01)	(0.09)
Total capital charges			(0.01)	(0.12)
Net asset value, end of period	\$ 15.69	\$ 14.67	\$ 13.71	\$ 14.87
Market price, end of period	\$ 14.55	\$ 13.90	\$ 13.15	\$ 14.58
TOTAL INVESTMENT RETURN³	8.20%	13.80%	(2.92)%	(1.23)%

**RATIOS TO AVERAGE NET ASSETS OF
COMMON SHAREHOLDERS:⁴**

Expenses after fees waived and paid indirectly	1.03% ⁵	1.06%	1.06%	1.12% ⁵
Expenses after fees waived and before fees paid indirectly	1.05% ⁵	1.07%	1.06%	1.12% ⁵
Expenses before fees waived and paid indirectly	1.52% ⁵	1.55%	1.54%	1.53% ⁵
Net investment income before preferred share dividends	7.63% ⁵	7.87%	7.99%	5.75% ⁵
Preferred share dividends	0.81% ⁵	0.49%	0.58%	0.49% ⁵
Net investment income available to common shareholders	6.82% ⁵	7.38%	7.41%	5.26% ⁵

SUPPLEMENTAL DATA:

Average net assets of common shareholders (000)	\$ 50,781	\$ 48,928	\$ 49,107	\$ 47,390
Portfolio turnover	6%	24%	22%	18%
Net assets of common shareholders, end of period (000)	\$ 52,577	\$ 49,145	\$ 45,940	\$ 49,834
Preferred shares value outstanding, end of period (000)	\$ 29,975	\$ 29,975	\$ 29,975	\$ 29,975
Asset coverage per preferred share, end of period	\$ 68,852	\$ 65,990	\$ 63,318	\$ 66,569

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

BlackRock California Municipal Income Trust II (BCL)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, 2004 2003		For the period July 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 13.77	\$ 12.76	\$ 14.42	\$ 14.33 ²
Investment operations:				
Net investment income	0.55	1.09	1.02	0.02
Net realized and unrealized gain (loss)	1.02	0.97	(1.51)	0.10
Dividends to preferred shareholders from net investment income	(0.06)	(0.08)	(0.09)	

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Net increase (decrease) from investment operations	1.51	1.98	(0.58)	0.12
Dividends to common shareholders from net investment income	(0.49)	(0.97)	(0.97)	
Capital charges with respect to issuance of:				
Common shares				(0.03)
Preferred shares			(0.11)	
Total capital charges			(0.11)	(0.03)
Net asset value, end of period	\$ 14.79	\$ 13.77	\$ 12.76	\$ 14.42
Market price, end of period	\$ 14.38	\$ 13.71	\$ 13.01	\$ 15.01
TOTAL INVESTMENT RETURN³	8.54%	13.21%	(6.94)%	0.07%

RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴

Expenses after fees waived and paid indirectly	1.02% ⁵	1.05%	0.97%	1.05% ^{5,6}
Expenses after fees waived and before fees paid indirectly	1.03% ⁵	1.05%	0.99%	1.05% ^{5,6}
Expenses before fees waived and paid indirectly	1.27% ⁵	1.30%	1.23%	1.20% ^{5,6}
Net investment income before preferred share dividends	7.77% ⁵	7.97%	7.38%	1.35% ^{5,6}
Preferred share dividends	0.83% ⁵	0.58%	0.63%	0% ⁶
Net investment income available to common shareholders	6.94% ⁵	7.39%	6.75%	1.35% ^{5,6}
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$113,768	\$109,252	\$110,286	\$105,895
Portfolio turnover	7%	19%	85%	%
Net assets of common shareholders, end of period (000)	\$118,114	\$109,952	\$101,738	\$112,576
Preferred shares value outstanding, end of period (000)	\$ 71,950	\$ 71,950	\$ 71,950	\$
Asset coverage per preferred share, end of period	\$ 66,047	\$ 63,209	\$ 60,353	\$

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

⁶ These annualized ratios are not indicative of future expense ratios, due to the short operating history of the Trust.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS
BlackRock Florida Insured Municipal Income Trust (BAF)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, 2004	For the period October 31, 2002 ¹ through August 31, 2003
PER COMMON SHARE OPERATING PERFORMANCE:			
Net asset value, beginning of period	\$ 14.34	\$ 13.74	\$ 14.33 ²
Investment operations:			
Net investment income	0.51	1.02	0.75
Net realized and unrealized gain (loss)	0.62	0.64	(0.47)
Dividends and distributions to preferred shareholders:	(0.06)	(0.07)	(0.06)
Net investment income			
Net realized gains		(0.01)	
Net increase from investment operations	(1.07)	1.58	0.22
Dividends and distributions to common shareholders:	(0.45)	(0.90)	(0.67)
Net investment income			
Net realized gains		(0.08)	
Total dividends and distributions	(0.45)	(0.98)	(0.67)
Capital charges with respect to issuance of:			
Common shares			(0.03)
Preferred shares			(0.11)
Total capital charges			(0.14)
Net asset value, end of period	\$ 14.96	\$ 14.34	\$ 13.74
Market price, end of period	\$ 14.96	\$ 14.14	\$ 13.20
TOTAL INVESTMENT RETURN³	9.13%	14.82%	(7.78)%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴			
Expenses after fees waived and paid indirectly	0.91% ⁵	0.91%	0.83% ⁵
Expenses after fees waived and before fees paid indirectly	0.91% ⁵	0.93%	0.87% ⁵
Expenses before fees waived and paid indirectly	1.23% ⁵	1.25%	1.17% ⁵
Net investment income before preferred share dividends	7.02% ⁵	7.13%	6.39% ⁵
Preferred share dividends	0.79% ⁵	0.52%	0.54% ⁵
Net investment income available to common shareholders	6.23% ⁵	6.61%	5.85% ⁵
SUPPLEMENTAL DATA:			
Average net assets of common shareholders (000)	\$127,594	\$125,315	\$124,543

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Portfolio turnover		%	2%	50%
Net assets of common shareholders, end of period (000)	\$130,454		\$125,054	\$119,778
Preferred shares value outstanding, end of period (000)	\$ 76,000		\$ 76,000	\$ 76,000
Asset coverage per preferred share, end of period	\$ 67,922		\$ 66,137	\$ 64,404

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

BlackRock Florida Municipal Bond Trust (BIE)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, <hr/> 2004 2003		For the period April 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 15.53	\$ 14.52	\$ 14.90	\$ 14.33 ²
Investment operations:				
Net investment income	0.58	1.16	1.14	0.26
Net realized and unrealized gain (loss)	0.48	0.88	(0.43)	0.68
Dividends and distributions to preferred shareholders:				
Net investment income	(0.06)	(0.08)	(0.09)	(0.02)
Net realized gains			(0.01)	
Net increase from investment operations	1.00	1.96	0.61	0.92
Dividends and distributions to common shareholders:				
Net investment income	(0.47)	(0.93)	(0.92)	(0.23)
Net realized gains		(0.02)	(0.06)	
Total dividends and distributions	(0.47)	(0.95)	(0.98)	(0.23)

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Capital charges with respect to issuance of:

Common shares					(0.03)
Preferred shares				(0.01)	(0.09)

Total capital charges					(0.01) (0.12)
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Net asset value, end of period	\$ 16.06	\$ 15.53	\$ 14.52		\$ 14.90
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Market price, end of period	\$ 14.94	\$ 14.17	\$ 13.55		\$ 14.92
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TOTAL INVESTMENT RETURN³	8.75%	11.82%	(2.90)%		1.03%
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RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴

Expenses after fees waived and paid indirectly	1.01% ⁵	1.02%	1.05%		1.12% ⁵
Expenses after fees waived and before fees paid indirectly	1.02% ⁵	1.03%	1.05%		1.12% ⁵
Expenses before fees waived and paid indirectly	1.49% ⁵	1.50%	1.53%		1.54% ⁵
Net investment income before preferred share dividends	7.37% ⁵	7.62%	7.54%		5.36% ⁵
Preferred share dividends	0.74% ⁵	0.53%	0.59%		0.49% ⁵
Net investment income available to common shareholders	6.63% ⁵	7.09%	6.95%		4.87% ⁵

SUPPLEMENTAL DATA:

Average net assets of common shareholders (000)	\$ 52,373	\$ 50,422	\$ 49,915		\$ 46,792
Portfolio turnover	%	10%	19%		%
Net assets of common shareholders, end of period (000)	\$ 53,163	\$ 51,383	\$ 48,042		\$ 49,284
Preferred shares value outstanding, end of period (000)	\$ 29,775	\$ 29,775	\$ 29,775		\$ 29,775
Asset coverage per preferred share, end of period	\$ 69,644	\$ 68,147	\$ 65,340		\$ 66,383

- ¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.
- ² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.
- ³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.
- ⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.
- ⁵ Annualized.

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See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Maryland Municipal Bond Trust (BZM)

Six Months Ended

For the period
April 30, 2002¹

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	February 28, 2005 (unaudited)	Year Ended August 31,		through August 31, 2002
		2004	2003	
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 15.24	\$ 14.36	\$ 14.76	\$ 14.33 ²
Investment operations:				
Net investment income	0.53	1.06	1.07	0.25
Net realized and unrealized gain (loss)	0.58	0.76	(0.45)	0.53
Dividends and distributions to preferred shareholders:				
Net investment income	(0.07)	(0.08)	(0.10)	(0.03)
Net realized gains			(0.01)	
Net increase from investment operations	1.04	1.74	0.51	0.75
Dividends and distributions to common shareholders:				
Net investment income	(0.43)	(0.86)	(0.84)	(0.21)
Net realized gains			(0.04)	
Total dividends and distributions	(0.43)	(0.86)	(0.88)	(0.21)
Capital charges with respect to issuance of:				
Common shares				(0.02)
Preferred shares			(0.03)	(0.09)
Total capital charges			(0.03)	(0.11)
Net asset value, end of period	\$ 15.85	\$ 15.24	\$ 14.36	\$ 14.76
Market price, end of period	\$ 15.31	\$ 14.99	\$ 13.90	\$ 14.95
TOTAL INVESTMENT RETURN³	5.06%	14.31%	(1.32)%	1.10%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴				
Expenses after fees waived and paid indirectly	1.14% ⁵	1.18%	1.15%	1.12% ⁵
Expenses after fees waived and before fees paid indirectly	1.16% ⁵	1.19%	1.15%	1.12% ⁵
Expenses before fees waived and paid indirectly	1.63% ⁵	1.67%	1.63%	1.54% ⁵
Net investment income before preferred share dividends	6.95% ⁵	7.05%	7.18%	5.30% ⁵
Preferred share dividends	0.86% ⁵	0.54%	0.64%	0.54% ⁵
Net investment income available to common shareholders	6.09% ⁵	6.51%	6.54%	4.76% ⁵
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$ 31,275	\$ 30,350	\$ 30,069	\$ 28,153
Portfolio turnover	1%	12%	14%	1%
Net assets of common shareholders, end of period (000)	\$ 31,942	\$ 30,715	\$ 28,923	\$ 29,705
Preferred shares value outstanding, end of period (000)	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
Asset coverage per preferred share, end of period	\$ 69,368	\$ 67,662	\$ 65,172	\$ 66,259

- ¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.
- ² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.
- ³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.
- ⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.
- ⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

BlackRock New Jersey Municipal Bond Trust (BLJ)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31,		For the period
		2004	2003	April 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 14.71	\$ 13.77	\$ 14.58	\$ 14.33 ²
Investment operations:				
Net investment income	0.58	1.16	1.15	0.25
Net realized and unrealized gain (loss)	1.02	0.84	(0.85)	0.37
Dividends and distributions to preferred shareholders:				
Net investment income	(0.06)	(0.07)	(0.09)	(0.02)
Net realized gains			(0.01)	
Net increase from investment operations	1.54	1.93	0.20	0.60
Dividends and distributions to common shareholders:				
Net investment income	(0.47)	(0.94)	(0.93)	(0.23)
Net realized gains		(0.05)	(0.06)	
Total dividends and distributions	(0.47)	(0.99)	(0.99)	(0.23)
Capital charges with respect to issuance of:				
Common shares				(0.03)
Preferred shares			(0.02)	(0.09)
Total capital charges			(0.02)	(0.12)

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Net asset value, end of period	\$ 15.78	\$ 14.71	\$ 13.77	\$ 14.58
Market price, end of period	\$ 15.28	\$ 13.91	\$ 13.64	\$ 14.65
TOTAL INVESTMENT RETURN³	13.36%	9.32%	(0.10)%	(0.75)%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴				
Expenses after fees waived and paid indirectly	1.10% ⁵	1.14%	1.14%	1.15% ⁵
Expenses after fees waived and before fees paid indirectly	1.13% ⁵	1.15%	1.14%	1.15% ⁵
Expenses before fees waived and paid indirectly	1.60% ⁵	1.63%	1.62%	1.57% ⁵
Net investment income before preferred share dividends	7.69% ⁵	7.93%	7.94%	5.29% ⁵
Preferred share dividends	0.81% ⁵	0.49%	0.60%	0.45% ⁵
Net investment income available to common shareholders	6.88% ⁵	7.44%	7.34%	4.84% ⁵
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$ 34,578	\$ 33,214	\$ 32,652	\$ 31,611
Portfolio turnover	4%	20%	20%	17%
Net assets of common shareholders, end of period (000)	\$ 35,812	\$ 33,384	\$ 31,226	\$ 32,981
Preferred shares value outstanding, end of period (000)	\$ 20,225	\$ 20,225	\$ 20,225	\$ 20,225
Asset coverage per preferred share, end of period	\$ 69,276	\$ 66,266	\$ 63,602	\$ 65,771

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each year indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock New York Insured Municipal Income Trust (BSE)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, 2004	For the period October 31, 2002 ¹ through August 31, 2003
PER COMMON SHARE OPERATING PERFORMANCE:			
Net asset value, beginning of period	\$ 14.18	\$ 13.45	\$ 14.33 ²

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Investment operations:			
Net investment income	0.51	1.01	0.75
Net realized and unrealized gain (loss)	0.78	0.69	(0.75)
Dividends to preferred shareholders from net investment income	(0.06)	(0.07)	(0.07)
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Net increase (decrease) from investment operations	1.23	1.63	(0.07)
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Dividends to common shareholders from net investment income	(0.45)	(0.90)	(0.67)
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Capital charges with respect to issuance of:			
Common shares			(0.03)
Preferred shares			(0.11)
<hr/>			
Total capital charges			(0.14)
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Net asset value, end of period	\$ 14.96	\$ 14.18	\$ 13.45
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Market price, end of period	\$ 14.32	\$ 14.08	\$ 13.28
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TOTAL INVESTMENT RETURN³	4.95%	13.04%	(7.13)%
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RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴			
Expenses after fees waived and paid indirectly	0.92% ⁵	0.93%	0.87% ⁵
Expenses after fees waived and before fees paid indirectly	0.92% ⁵	0.95%	0.91% ⁵
Expenses before fees waived and paid indirectly	1.24% ⁵	1.27%	1.22% ⁵
Net investment income before preferred share dividends	7.02% ⁵	7.14%	6.35% ⁵
Preferred share dividends	0.79% ⁵	0.52%	0.55% ⁵
Net investment income available to common shareholders	6.23% ⁵	6.62%	5.80% ⁵
SUPPLEMENTAL DATA:			
Average net assets of common shareholders (000)	\$ 93,504	\$ 91,808	\$ 90,967
Portfolio turnover	9%	11%	80%
Net assets of common shareholders, end of period (000)	\$ 96,475	\$ 91,260	\$ 86,431
Preferred shares value outstanding, end of period (000)	\$ 56,000	\$ 56,000	\$ 56,000
Asset coverage per preferred share, end of period	\$ 68,073	\$ 65,744	\$ 63,587

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS**BlackRock New York Municipal Bond Trust (BQH)**

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31,		For the period
		2004	2003	April 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 15.09	\$ 14.15	\$ 14.83	\$ 14.33 ²
Investment operations:				
Net investment income	0.56	1.13	1.12	0.25
Net realized and unrealized gain (loss)	0.67	0.81	(0.71)	0.62
Dividends and distributions to preferred shareholders:				
Net investment income	(0.06)	(0.07)	(0.09)	(0.02)
Net realized gains			(0.01)	
Net increase from investment operations	1.17	1.87	0.31	0.85
Dividends and distributions to common shareholders:				
Net investment income	(0.46)	(0.93)	(0.92)	(0.23)
Net realized gains			(0.06)	
Total dividends and distributions	(0.46)	(0.93)	(0.98)	(0.23)
Capital charges with respect to issuance of:				
Common shares				(0.03)
Preferred shares			(0.01)	(0.09)
Total capital charges			(0.01)	(0.12)
Net asset value, end of period	\$ 15.80	\$ 15.09	\$ 14.15	\$ 14.83
Market price, end of period	\$ 14.50	\$ 13.97	\$ 13.35	\$ 14.50
TOTAL INVESTMENT RETURN³	7.20%	11.83%	(1.26)%	(1.78)%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴				
Expenses after fees waived and paid indirectly	1.09% ⁵	1.11%	1.12%	1.12% ⁵
Expenses after fees waived and before fees paid indirectly	1.10% ⁵	1.12%	1.12%	1.12% ⁵
Expenses before fees waived and paid indirectly	1.58% ⁵	1.60%	1.60%	1.54% ⁵
Net investment income before preferred share dividends	7.40% ⁵	7.57%	7.57%	5.24% ⁵
Preferred share dividends	0.81% ⁵	0.48%	0.62%	0.50% ⁵

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Net investment income available to common shareholders	6.59% ⁵	7.09%	6.95%	4.74% ⁵
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$ 41,507	\$ 40,396	\$ 40,072	\$ 38,183
Portfolio turnover	%	16%	7%	15%
Net assets of common shareholders, end of period (000)	\$ 42,666	\$ 40,757	\$ 38,207	\$ 40,062
Preferred shares value outstanding, end of period (000)	\$ 24,200	\$ 24,200	\$ 24,200	\$ 24,200
Asset coverage per preferred share, end of period	\$ 69,082	\$ 67,108	\$ 64,473	\$ 66,390

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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FINANCIAL HIGHLIGHTS

BlackRock New York Municipal Income Trust II (BFY)

	Six Months Ended February 28, 2005 (unaudited)	Year Ended August 31, 2004 2003		For the period July 30, 2002 ¹ through August 31, 2002
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 14.16	\$ 13.36	\$ 14.47	\$ 14.33 ²
Investment operations:				
Net investment income	0.53	1.04	0.98	0.02
Net realized and unrealized gain (loss)	0.75	0.79	(0.94)	0.15
Dividends to preferred shareholders from net investment income	(0.06)	(0.08)	(0.10)	
Net increase (decrease) from investment operations	1.22	1.75	(0.06)	0.17
Dividends to common shareholders from net investment income	(0.47)	(0.95)	(0.94)	
Capital charges with respect to issuance of:				
Common shares				(0.03)

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Preferred shares				(0.11)
Total capital charges			(0.11)	(0.03)
Net asset value, end of period	\$ 14.91	\$ 14.16	\$ 13.36	\$ 14.47
Market price, end of period	\$ 14.60	\$ 13.70	\$ 13.12	\$ 15.10
TOTAL INVESTMENT RETURN³	10.13%	11.82%	(6.93)%	0.67%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴				
Expenses after fees waived and paid indirectly	1.06% ⁵	1.07%	1.00%	1.43% ^{5,6}
Expenses after fees waived and before fees paid indirectly	1.06% ⁵	1.08%	1.03%	1.43% ^{5,6}
Expenses before fees waived and paid indirectly	1.31% ⁵	1.32%	1.27%	1.58% ^{5,6}
Net investment income before preferred share dividends	7.28% ⁵	7.36%	6.95%	1.77% ^{5,6}
Preferred share dividends	0.82% ⁵	0.59%	0.68%	0% ⁶
Net investment income available to common shareholders	6.46% ⁵	6.77%	6.27%	1.77% ^{5,6}
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$ 71,693	\$ 70,018	\$ 69,863	\$ 64,673
Portfolio turnover	5%	14%	40%	%
Net assets of common shareholders, end of period (000)	\$ 73,636	\$ 69,903	\$ 65,953	\$ 70,276
Preferred shares value outstanding, end of period (000)	\$ 44,650	\$ 44,650	\$ 44,650	\$
Asset coverage per preferred share, end of period	\$ 66,234	\$ 64,144	\$ 61,930	\$

¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.

² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.

³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.

⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.

⁵ Annualized.

⁶ These annualized ratios are not indicative of future expense ratios, due to the short operating history of the Trust.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

FINANCIAL HIGHLIGHTS

BlackRock Virginia Municipal Bond Trust (BHV)

Six Months Ended

For the period
April 30, 2002¹

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	February 28, 2005 (unaudited)	Year Ended August 31,		through August 31, 2002
		2004	2003	
PER COMMON SHARE OPERATING PERFORMANCE:				
Net asset value, beginning of period	\$ 15.47	\$ 14.46	\$ 14.90	\$ 14.33 ²
Investment operations:				
Net investment income	0.54	1.09	1.09	0.27
Net realized and unrealized gain (loss)	0.56	0.86	(0.44)	0.65
Dividends and distributions to preferred shareholders:				
Net investment income	(0.06)	(0.07)	(0.08)	(0.03)
Net realized gains			(0.02)	
Net increase from investment operations	1.04	1.88	0.55	0.89
Dividends and distributions to common shareholders:				
Net investment income	(0.43)	(0.87)	(0.85)	(0.21)
Net realized gains			(0.10)	
Total dividends and distributions	(0.43)	(0.87)	(0.95)	(0.21)
Capital charges with respect to issuance of:				
Common shares				(0.02)
Preferred shares			(0.04)	(0.09)
Total capital charges			(0.04)	(0.11)
Net asset value, end of period	\$ 16.08	\$ 15.47	\$ 14.46	\$ 14.90
Market price, end of period	\$ 16.51	\$ 15.34	\$ 14.40	\$ 15.20
TOTAL INVESTMENT RETURN³	10.62%	12.79%	0.94%	2.81%
RATIOS TO AVERAGE NET ASSETS OF COMMON SHAREHOLDERS:⁴				
Expenses after fees waived and paid indirectly	1.21% ⁵	1.25%	1.17%	1.12% ⁵
Expenses after fees waived and before fees paid indirectly	1.22% ⁵	1.26%	1.17%	1.12% ⁵
Expenses before fees waived and paid indirectly	1.69% ⁵	1.73%	1.64%	1.54% ⁵
Net investment income before preferred share dividends	7.02% ⁵	7.15%	7.23%	5.70% ⁵
Preferred share dividends	0.81% ⁵	0.47%	0.53%	0.54% ⁵
Net investment income available to common shareholders	6.21% ⁵	6.68%	6.70%	5.16% ⁵
SUPPLEMENTAL DATA:				
Average net assets of common shareholders (000)	\$ 23,998	\$ 23,273	\$ 22,896	\$ 21,321
Portfolio turnover	%	14%	18%	8%
Net assets of common shareholders, end of period (000)	\$ 24,519	\$ 23,527	\$ 21,944	\$ 22,545
Preferred shares value outstanding, end of period (000)	\$ 13,525	\$ 13,525	\$ 13,525	\$ 13,525
Asset coverage per preferred share, end of period	\$ 70,326	\$ 68,490	\$ 65,562	\$ 66,674

- ¹ Commencement of investment operations. This information includes the initial investment by BlackRock Funding, Inc.
- ² Net asset value, beginning of period, reflects a deduction of \$0.675 per share sales charge from the initial offering price of \$15.00 per share.
- ³ Total investment return is calculated assuming a purchase of a common share at the current market price on the first day and a sale at the current market price on the last day of each year reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Trust's dividend reinvestment plan. Total investment returns do not reflect brokerage commissions. Total investment returns for less than a full year are not annualized. Past performance is not a guarantee of future results.
- ⁴ Ratios are calculated on the basis of income and expenses applicable to both the common and preferred shares relative to the average net assets of common shareholders.
- ⁵ Annualized.

The information in the above Financial Highlights represents the operating performance for a common share outstanding, total investment returns, ratios to average net assets and other supplemental data for each period indicated. This information has been determined based upon financial information provided in the financial statements and market price data for the Trust's common shares.

See Notes to Financial Statements.

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NOTES TO FINANCIAL STATEMENTS (unaudited)

Note 1. Organization & Accounting Policies

BlackRock Insured Municipal Income Trust (["Insured Municipal"]), BlackRock California Insured Municipal Income Trust (["California Insured"]), BlackRock Florida Insured Municipal Income Trust (["Florida Insured"]), BlackRock New York Insured Municipal Income Trust (["New York Insured"]) (collectively, the ["Insured Trusts"]), BlackRock Municipal Bond Trust (["Municipal Bond"]), BlackRock California Municipal Bond Trust (["California Bond"]), BlackRock Florida Municipal Bond Trust (["Florida Bond"]), BlackRock Maryland Municipal Bond Trust (["Maryland Bond"]), BlackRock New Jersey Municipal Bond Trust (["New Jersey Bond"]), BlackRock New York Municipal Bond Trust (["New York Bond"]), BlackRock Virginia Municipal Bond Trust (["Virginia Bond"]) (collectively, the ["Bond Trusts"]), BlackRock Municipal Income Trust II (["Municipal Income II"]), BlackRock California Municipal Income Trust II (["California Income II"]) and BlackRock New York Municipal Income Trust II (["New York Income II"]) (collectively the ["Income II Trusts"]) (collectively, the ["Trusts"]) are organized as Delaware statutory trusts. Insured Municipal, Municipal Bond and Municipal Income II are registered as diversified closed-end management investment companies under the Investment Company Act of 1940, as amended. California Insured, California Bond, California Income II, Florida Insured, Florida Bond, Maryland Bond, New Jersey Bond, New York Insured, New York Bond, New York Income II and Virginia Bond are registered as non-diversified closed-end management investment companies under the Investment Company Act of 1940, as amended.

The following is a summary of significant accounting policies followed by the Trusts.

Investments Valuation: Municipal investments (including commitments to purchase such investments on a ["when-issued"] basis) are valued on the basis of prices provided by dealers or pricing services selected under the supervision of each Trust's Board of Trustees (each, a ["Board"]). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from bond dealers, market transactions in comparable investments and various relationships between investments. A futures contract is valued at the last sale price as of the close of the commodities exchange on which it trades. Short-term securities may be valued at amortized cost. Investments in open-end investment companies are valued at net asset value. Any investments or other assets for which such current market quotations are not readily available are valued at fair value (["Fair Value Assets"]) as determined in good faith under procedures established by, and under the general supervision and responsibility of, each Trust's Board. The investment Advisor and/or Sub-Advisor will submit its recommendations regarding the valuation and/or valuation methodologies for Fair Value Assets to a valuation committee. The valuation committee may accept, modify or reject any recommendations. The pricing of all Fair Value Assets shall be subsequently reported to and ratified by the Board.

When determining the price for a Fair Value Asset, the investment advisor and/or sub-advisor shall seek to determine the price that the Trust might reasonably expect to receive from the current sale of that asset in an arm's-length transaction. Fair value determinations shall be based upon all available factors that BlackRock Advisors, Inc. deems relevant.

Investment Transactions and Investment Income: Investment transactions are recorded on trade date. Realized and unrealized gains and losses are calculated on the identified cost basis. Each Trust also records interest income on an accrual basis and amortizes premium and/or accretes discount on securities purchased using the interest method.

Financial Futures Contracts: A futures contract is an agreement between two parties to buy and sell a financial instrument for a set price on a future date. Initial margin deposits are made upon entering into futures contracts and can be either cash or securities. During the period the futures contract is open, changes in the value of the contract are recognized as unrealized gains or losses by "marking-to-market" on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending upon whether unrealized gains or losses are incurred. When the contract is closed, the Trust records a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trust's basis in the contract.

Financial futures contracts, when used by the Trusts, help in maintaining a targeted duration. Futures contracts can be sold to effectively shorten an otherwise longer duration portfolio. In the same sense, futures contracts can be purchased to lengthen a portfolio that is shorter than its duration target. Thus, by buying or selling futures contracts, the Trusts may attempt to manage the duration of positions so that changes in interest rates do not change the duration of the portfolio unexpectedly.

Segregation: In cases in which the Investment Company Act of 1940, as amended, and the interpretive positions of the Securities and Exchange Commission (the "Commission") require that each Trust segregate assets in connection with certain investments (e.g., when-issued securities or futures contracts), each Trust will, consistent with certain interpretive letters issued by the Commission, designate on its books and records cash or other liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated.

Federal Income Taxes: It is each Trust's intention to continue to be treated as a regulated investment company under the Internal Revenue Code and to distribute sufficient net income to shareholders. For this reason and because substantially all of the gross income of each Trust consists of tax-exempt interest, no Federal income tax provisions are required.

Dividends and Distributions: Each Trust declares and pays dividends and distributions to common shareholders monthly from net investment income, net realized short-term capital gains and other sources, if necessary. Net long-term capital gains, if any, in excess of loss carryforwards may be distributed annually. Dividends and distributions are recorded on the ex-dividend date. Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from accounting principles generally accepted in the United States of America. Dividends and distributions to preferred shareholders are accrued and determined as described in Note 4.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan: Under the deferred compensation plan approved by each Trust's Board, non-interested Trustees are required to defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of other BlackRock closed-end trusts selected by the Trustees. This has the same economic effect for the Trustees as if the Trustees had invested the deferred amounts in such Trusts.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of the Trust. Each Trust may, however, elect to invest in common shares of those Trusts selected by the Trustees in order to match its deferred compensation obligations.

Note 2. Agreements

Each Trust has an Investment Management Agreement with BlackRock Advisors, Inc. (the "Advisor"), a wholly owned subsidiary of BlackRock, Inc. BlackRock Financial Management, Inc., a wholly owned subsidiary of BlackRock, Inc., serves as sub-advisor to each Trust. BlackRock, Inc. is an indirect majority owned subsidiary of The PNC Financial Services Group, Inc. The investment management agreement covers both investment advisory and administration services.

Each Trust's investment advisory fee paid to the Advisor is computed weekly, accrued daily and payable monthly based on an annual rate, 0.55% for the Insured Trusts and Income II Trusts and 0.65% for the Bond Trusts, of each Trust's average weekly managed assets. "Managed assets" means the total assets of a Trust (including any assets attributable to any preferred shares that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage). The Advisor has voluntarily agreed to waive a portion of the investment advisory fee or other expenses of each Trust. With respect to the Insured Trusts the waiver, as a percentage of managed assets, is as follows: 0.20% for the first 5 years of each Trust's operations, 0.15% in year 6, 0.10% in year 7, and 0.05% in year 8. With respect to the Bond Trusts the waiver, as a percentage of managed assets, is as follows: 0.30% for the first 5 years of each Trust's operations, 0.25% in year 6, 0.20% in year 7, 0.15% in year 8, 0.10% in year 9 and 0.05% in year 10. With respect to the Income II Trusts the waiver, as a percentage of managed assets, is as follows: 0.15% for the first 5 years of each Trust's operations, 0.10% in year 6 through year 7, 0.05% in year 8 through year 10.

Pursuant to the agreements, the Advisor provides continuous supervision of the investment portfolio and pays the compensation of officers of each Trust who are affiliated persons of the Advisor, as well as occupancy and certain clerical and accounting costs of each Trust. Each Trust bears all other costs and expenses, which include reimbursements to the Advisor for cost of employees that provide pricing, secondary market support, and compliance services to each Trust. For the six months ended February 28, 2005, the Trusts reimbursed the Advisor the following amounts:

<u>Trust</u>	<u>Amount</u>	<u>Trust</u>	<u>Amount</u>
Insured Municipal	\$ 12,109	Florida Bond	\$ 1,539
Municipal Bond	4,778	Maryland Bond	970
Municipal Income II	10,245	New Jersey Bond	644
California Insured	2,407	New York Insured	1,736
California Bond	1,539	New York Bond	992
California Income II	3,530	New York Income II	2,259
Florida Insured	4,051	Virginia Bond	738

Pursuant to the terms of each Trust's custody agreement, each Trust received earnings credits from its custodian for positive cash balances maintained, which are used to offset custody fees.

Note 3. Portfolio Securities

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Purchases and sales of investment securities, other than short-term investments and U.S. government securities, for the six months ended February 28, 2005, were as follows:

<u>Trust</u>	<u>Purchases</u>	<u>Sales</u>	<u>Trust</u>	<u>Purchases</u>	<u>Sales</u>
Insured Municipal	\$ 149,792,562	\$ 153,969,890	Florida Bond	\$ □	\$ 1,260,610
Municipal Bond	93,969,889	101,049,357	Maryland Bond	750,000	600,364
Municipal Income II	102,620,957	110,517,290	New Jersey Bond	2,958,100	2,321,884
California Insured	4,094,040	15,574,206	New York Insured	12,848,410	12,855,645
California Bond	4,327,581	8,780,660	New York Bond	522,890	21,239
California Income II	12,719,071	16,264,877	New York Income II	6,094,780	6,592,260
Florida Insured	□	756,377	Virginia Bond	□	14,989

There were no purchases or sales of U.S. government securities.

Details of open financial futures contracts at February 28, 2005 were as follows:

<u>Trust</u>	<u>Number of Contracts</u>	<u>Type</u>	<u>Expiration Date</u>	<u>Value at Trade Date</u>	<u>Value at February 28, 2005</u>	<u>Unrealized Appreciation</u>
Short Positions:						
Insured Municipal	1,683	10 Yr. U.S. T-Note	Jun □04	\$185,738,643	\$184,919,625	\$819,018
Municipal Bond	607	10 Yr. U.S. T-Note	Jun □04	66,989,372	66,694,125	295,247
Municipal Income II	1,406	10 Yr. U.S. T-Note	Jun □04	155,168,611	154,484,250	684,361
California Insured	359	10 Yr. U.S. T-Note	Jun □04	39,619,727	39,445,125	174,602
California Bond	216	10 Yr. U.S. T-Note	Jun □04	23,837,989	23,733,000	104,989

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Trust	Number of Contracts	Type	Expiration Date	Value at Trade Date	Value at	
					February 28, 2005	Unrealized Appreciation
California Income II	581	10 Yr. U.S. T-Note	Jun 04	64,120,018	63,837,375	282,643
Florida Insured	507	10 Yr. U.S. T-Note	Jun 04	55,953,307	55,706,625	246,682
Florida Bond	173	10 Yr. U.S. T-Note	Jun 04	19,092,459	19,008,375	84,084
Maryland Bond	107	10 Yr. U.S. T-Note	Jun 04	11,808,575	11,756,625	51,950
New Jersey Bond	152	10 Yr. U.S. T-Note	Jun 04	16,774,928	16,701,000	73,928
New York Insured	381	10 Yr. U.S. T-Note	Jun 04	42,047,590	41,862,375	185,215
New York Bond	143	10 Yr. U.S. T-Note	Jun 04	15,781,597	15,712,125	69,472
New York Income II	255	10 Yr. U.S. T-Note	Jun 04	28,142,155	28,018,125	124,030
Virginia Bond	94	T-Note	Jun 04	10,373,906	10,328,250	45,656

At February 28, 2005, the total cost of securities for Federal income tax purposes and the aggregate gross unrealized appreciation and depreciation for securities held by each Trust were as follows:

Trust	Cost	Appreciation	Depreciation	Net
Insured Municipal	\$585,209,817	\$36,638,657	\$	\$36,638,657
Municipal Bond	237,148,480	14,720,873	22,125	14,698,748
Municipal Income II	516,697,486	31,073,914	418,435	30,655,479
California Insured	118,980,816	4,445,155		4,445,155
California Bond	78,777,174	4,969,072	8,123	4,960,949
California Income II	177,440,252	10,428,798	430,720	9,998,078
Florida Insured	196,239,877	7,281,206	41,051	7,240,155
Florida Bond	75,748,261	5,625,004	10,583	5,614,421
Maryland Bond	46,046,209	3,122,445	7,312	3,115,133
New Jersey Bond	52,031,488	3,185,508	186,643	2,998,865
New York Insured	146,081,013	5,650,749	13,497	5,637,252
New York Bond	62,043,643	4,138,415		4,138,415
New York Income II	112,413,815	5,371,238	5,196	5,366,042
Virginia Bond	34,724,877	2,573,321		2,573,321

For Federal income tax purposes, the following Trusts had capital loss carryforwards as of their last respective tax year-end (the Bond Trusts have a tax year end of October 31st and the Income II Trusts have a tax year end of June 30th). These amounts may be used to offset future realized capital gains, if any:

Trust	Capital Loss Carryforward		Trust	Capital Loss Carryforward	
	Amount	Expires		Amount	Expires

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Insured Municipal	\$ 5,849,709	2012	Maryland Bond	\$ 4,564	2011
				577,920	2012
Municipal Bond	\$ 338,279	2011		\$ 582,484	
	3,044,444	2012			
	3,382,723		New Jersey Bond	\$ 327,635	2012
Municipal Income II	\$ 1,338,302	2011	New York Insured	\$ 103	2012
	5,200,107	2012			
	\$ 6,538,409				
California Insured	\$ 8,282	2012	New York Bond	\$ 142,736	2011
				634,713	2012
				\$ 777,449	
California Bond	\$ 2,491,829	2012	New York Income II	\$ 722,685	2012
California Income II	\$ 1,454,313	2011			
	1,163,822	2012			
	\$ 2,618,135		Virginia Bond	\$ 48,573	2011
				331,975	2012
Florida Bond	\$ 758,206	2012		\$ 380,548	

Accordingly, no capital gain distributions are expected to be paid to shareholders of a Trust until that Trust has net realized capital gains in excess of its capital loss carryforward amounts.

Note 4. Distributions to Shareholders

The estimated tax character of distributions paid during the six months ended February 28, 2005 were as follows:

**Six months ended February 28,
2005**

Distributions Paid from:	Tax-exempt Income	Ordinary Income	Long-term Capital Gains	Total Distributions
Insured Municipal	\$13,943,912	\$ □	\$ □	\$13,943,912
Municipal Bond	5,934,906	□	□	5,934,906
Municipal Income II	13,041,335	□	□	13,041,335
California Insured	2,684,958	□	□	2,684,958
California Bond	1,804,390	□	□	1,804,390
California Income II	4,363,509	□	□	4,363,509
Florida Insured	4,422,481	□	□	4,422,481
Florida Bond	1,737,056	□	□	1,737,056
Maryland Bond	995,647	□	□	995,647
New Jersey Bond	1,208,667	□	□	1,208,667
New York Insured	3,267,181	□	□	3,267,181
New York Bond	1,416,488	□	□	1,416,488
New York Income II	2,623,797	□	□	2,623,797
Virginia Bond	757,812	□	□	757,812

The tax character of distributions paid during the year ended August 31, 2004 were as follows:

Year ended August 31, 2004

Distributions Paid from:	Tax-exempt Income	Ordinary Income	Long-term Capital Gains	Total Distributions
Insured Municipal	\$26,673,933	\$ □	\$ □	\$26,673,933
Municipal Bond	11,334,330	□	□	11,334,330
Municipal Income II	24,882,207	□	□	24,882,207
California Insured	5,137,946	73,705	□	5,211,651
California Bond	3,444,704	233,112	9,008	3,686,824
California Income II	8,419,618	□	□	8,419,618
Florida Insured	8,495,387	719,040	□	9,214,427
Florida Bond	3,358,938	80,766	□	3,439,704
Maryland Bond	1,887,652	□	□	1,887,652
New Jersey Bond	2,304,183	121,320	□	2,425,503
New York Insured	6,272,601	□	□	6,272,601
New York Bond	2,693,108	□	□	2,693,108
New York Income II	5,074,526	□	□	5,074,526
Virginia Bond	1,430,624	□	□	1,430,624

As of February 28, 2005, the components of distributable earnings on a tax basis were as follows:

Trust	Undistributed Tax-exempt Income	Undistributed Ordinary Income	Undistributed Long-term Gains	Unrealized Net Appreciation
Insured Municipal	\$4,363,315	\$□	\$□	\$36,604,690
Municipal Bond	4,258,887	□	□	14,682,449
Municipal Income II	6,644,277	□	□	30,624,005
California Insured	899,378	□	□	4,439,654
California Bond	1,348,596	□	□	4,953,249
California Income II	795,440	□	□	9,988,856
Florida Insured	1,361,099	□	□	7,230,396
Florida Bond	1,357,355	□	□	5,608,160
Maryland Bond	797,127	□	□	3,107,769
New Jersey Bond	911,279	□	□	2,990,778
New York Insured	865,193	□	□	5,631,497
New York Bond	997,178	□	□	4,131,811
New York Income II	283,862	□	□	4,359,492
Virginia Bond	693,478	□	□	2,567,107

Note 5. Capital

There are an unlimited number of \$0.001 par value common shares of beneficial interest authorized for each Trust. Each Trust may classify or reclassify any unissued common shares into one or more series of Auction Market Preferred Shares (□preferred shares□). At February 28, 2005, the shares outstanding and the shares owned by affiliates of the Advisor of each Trust were as follows:

Trust	Common Shares	Common Shares	Trust	Common Shares	Common Shares
	Outstanding	Owned		Outstanding	Owned
Insured Municipal	26,149,334	□	Florida Bond	3,309,483	□
Municipal Bond	10,123,055	□	Maryland Bond	2,015,589	□
Municipal Income II	22,781,072	□	New Jersey Bond	2,269,366	□
California Insured	5,270,479	□	New York Insured	6,448,651	□
California Bond	3,351,150	□	New York Bond	2,700,991	□
California Income II	7,984,696	□	New York Income II	4,937,652	□
Florida Insured	8,721,409	□	Virginia Bond	1,524,794	□

During the six months ended February 28, 2005, California Insured, Florida Insured, Maryland Bond, New York Insured, New York Income II and Virginia Bond issued additional shares under their dividend reinvestment plans of 1,694, 2,586, 435, 12,112, 2,384 and 3,779 respectively. Transactions in common shares of beneficial interest for the year ended August 31, 2004 were as follows:

Shares from

Trust	Initial	Underwriters□	Reinvestment	Net Increase in
	Public Offering	Exercising		
	October 31, 2002	the Over-allotment	of Dividends	Shares Outstanding
		Option		
Insured Municipal	24,008,028	2,000,000	117,430	26,125,458
Municipal Bond	□	□	12,096	12,096
Municipal Income II	□	300,000	15,364	315,364
California Insured	5,008,028	250,000	5,997	5,264,025
California Bond	□	□	840	840
California Income II	□	150,000	16,385	166,385
Florida Insured	8,008,028	700,000	10,795	8,718,823
Florida Bond	□	□	1,232	1,232
Maryland Bond	□	□	1,240	1,240
New Jersey Bond	□	□	5,212	5,212
New York Insured	6,008,028	400,000	16,080	6,424,108
New York Bond	□	□	□	□
New York Income II	□	75,000	2,240	77,240
Virginia Bond	□	□	4,017	4,017

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Offering costs incurred in connection with the Trusts' offering of common shares have been charged against the proceeds from the initial common share offering of the common shares and were as follows:

Trust	Offering Costs
Insured Municipal	\$765,000
California Insured	142,500
Florida Insured	246,000
New York Insured	177,000

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As of February 28, 2005, each Trust had the following series of preferred shares outstanding as listed in the table below. The preferred shares have a liquidation value of \$25,000 per share plus any accumulated unpaid dividends.

Trust	Series	Shares	Trust	Series	Shares
Insured Municipal	M7	3,053	California Income II	T7	1,439
	R7	3,053		R7	1,439
	F7	3,053	Florida Insured	M7	3,040
Municipal Bond	T7	1,810	Florida Bond	W7	1,191
	R7	1,810	Maryland Bond	R7	720
Municipal Income II	M7	2,055	New Jersey Bond New York	M7	809
	T7	2,056	Insured	R7	2,240
	W7	2,055	New York Bond	T7	968
	R7	2,056	New York Income II	W7	1,786
California Insured	F7	1,860	Virginia Bond	R7	541
California Bond	F7	1,199			

Underwriting discounts and offering costs incurred in connection with the preferred share offerings for the year ended August 31, 2004 have been charged to paid-in capital in excess of par of the common shares as follows.

Trust	Underwriting Discount	Offering Cost	Trust	Underwriting Discount	Offering Cost
Insured Municipal	\$2,289,750	\$ 369,482	Florida Bond	\$ □	\$ 28,492
Municipal Bond	□	(128,162)	Maryland Bond	□	50,675
Municipal Income II	2,055,500	239,168	New Jersey Bond New York	□	48,427
California Insured	465,000	144,518	Insured	560,000	151,970
California Bond	□	21,849	New York Bond	□	37,459
California Income II	719,500	129,975	New York Income II	446,500	120,782
Florida Insured	760,000	184,848	Virginia Bond	□	58,033

Dividends on seven-day preferred shares are cumulative at a rate which is reset every seven days based on the results of an auction. The dividend ranges on the preferred shares for each of the Trusts for the six months ended February 28, 2005 were as follows:

Trust	Low	High	Trust	Low	High
Insured Municipal	0.63%	1.21%	Florida Bond	0.45%	1.18%
Municipal Bond	0.43	1.16	Maryland Bond	0.60	1.08
	0.75	2.00	New Jersey Bond	0.40	1.00

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Municipal			New York		
Income II					
California			Insured	0.50	1.03
Insured	0.59	1.06	New York Bond	0.45	1.16
California Bond	0.40	1.06	New York Income		
California			II	0.65	1.73
Income II	0.75	1.85	Virginia Bond	0.20	1.10
Florida Insured	0.45	1.15			

A Trust may not declare dividends or make other distributions on common shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding preferred shares would be less than 200%.

The preferred shares are redeemable at the option of each Trust, in whole or in part, on any dividend payment date at \$25,000 per share plus any accumulated unpaid dividends whether or not declared. The preferred shares are also subject to mandatory redemption at \$25,000 per share plus any accumulated or unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of a Trust, as set forth in each Trust's Declaration of Trust, are not satisfied.

The holders of preferred shares have voting rights equal to the holders of common shares (one vote per share) and will vote together with holders of common shares as a single class. However, holders of preferred shares, voting as a separate class, are also entitled to elect two Trustees for each Trust. In addition, the Investment Company Act of 1940, as amended, requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding preferred shares, voting separately as a class, would be required to (a) adopt any plan of reorganization that would adversely affect the preferred shares, (b) change a Trust's subclassification as a closed-end investment company or change its fundamental investment restrictions, and (c) change its business so as to cease to be an investment company.

Note 6. Dividends

Subsequent to February 28, 2005, the Board of each Trust declared dividends from undistributed earnings per common share payable April 1, 2005, to shareholders of record on March 13, 2005. The per share common dividends declared were as follows:

Trust	Common Dividend Per Share	Trust	Common Dividend Per Share
Insured Municipal	\$0.078125	Florida Bond	\$0.077808
Municipal Bond	0.086375	Maryland Bond	0.071350
Municipal Income II	0.083750	New Jersey Bond	0.078582
California Insured	0.075000	New York Insured	0.075000
California Bond	0.079656	New York Bond	0.077099
California Income II	0.081250	New York Income II	0.078750
Florida Insured	0.075000	Virginia Bond	0.072428

The dividends declared on preferred shares for the period March 1, 2005 to March 31, 2005 for each of the Trusts were as follows:

Trust	Series	Dividends Declared	Trust	Series	Dividends Declared
Insured Municipal	M7	\$143,460	California Income II	T7	\$58,639
	R7	147,185		R7	60,222
	F7	116,533		M7	144,461
Municipal Bond	T7	82,446	Florida Insured	W7	58,145
	R7	87,477		R7	35,150
Municipal Income II	M7	94,879	New Jersey Bond	M7	35,216
	T7	93,157		R7	87,091
	W7	97,345		T7	36,523
	R7	98,811		W7	59,063
California Insured	F7	63,147	New York Income II	W7	59,063
California Bond	F7	42,600		R7	25,162

DIVIDEND REINVESTMENT PLANS

Pursuant to each Trust's Dividend Reinvestment Plan (the "Plan"), common shareholders are automatically enrolled to have all distributions of dividends and capital gains reinvested by EquiServe Trust Company, N.A. (the "Plan Agent") in the respective Trust's shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After a Trust declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' account, depending upon the circumstances described below, either (i) through receipt of unissued but authorized shares from the Trust ("newly issued shares") or (ii) by open market purchases. If, on the dividend payment date, the Net Asset Value ("NAV") is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as "market premium"), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participants' account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition being referred to herein as "market discount"), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open market purchases.

Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by each Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any Federal income tax that may be payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, each Trust reserves the right to amend the Plan to include a service charge payable by the participants. Participants who request a sale of shares through the Plan Agent are subject to a \$2.50 sales fee and a \$0.15 per share sold brokerage commission. All correspondence concerning the Plan should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021, or by calling (800) 699-1BFM.

ADDITIONAL INFORMATION

There has been no material changes in the Trusts' investment objective or policies that have not been approved by the shareholders or to their charters or by-laws or in the principle risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts' portfolio.

Quarterly performance and other information regarding the Trusts may be found on BlackRock's website, which can be accessed at <http://www.blackrock.com/indiv/products/closedendfunds/funds.html>. This reference to BlackRock's website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended, to incorporate BlackRock's website into this report.

Certain of the officers of the Trusts listed on the inside back cover of this Report to Shareholders are also officers of the Advisor or Sub-Advisor. They serve in the following capacities for the Advisor or Sub-Advisor: Robert S. Kapito, Director and Vice Chairman of the Advisor and the Sub-Advisor, Kevin M. Klingert, Director of BlackRock Advisors, Inc. and Managing Director of the Advisor and the Sub-Advisor, Henry Gabbay, Anne Ackerley and Bartholomew Battista, Managing Directors of the Advisor and the Sub-Advisor, Richard M. Shea, James Kong and Vincent Tritto, Managing Directors of the Sub-Advisor, and Brian P. Kindelan, Managing Director of the Advisor.

BlackRock Closed-End Funds

Trustees

Ralph L. Schlosstein, *Chairman*
Andrew F. Brimmer
Richard E. Cavanagh
Kent Dixon
Frank J. Fabozzi
R. Glenn Hubbard
Robert S. Kapito
Kathleen F. Feldstein¹
James Clayburn La Force, Jr.
Walter F. Mondale

Officers

Robert S. Kapito, *President*
Henry Gabbay, *Treasurer*
Bartholomew Battista, *Chief Compliance*

Officer

Anne Ackerley, *Vice President*
Kevin M. Klingert, *Vice President*
Richard M. Shea, *Vice President/Tax*
James Kong, *Assistant Treasurer*
Vincent B. Tritto, *Secretary*
Brian P. Kindelan, *Assistant Secretary*

Investment Advisor

BlackRock Advisors, Inc.
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Wilmington, DE 19809
(800) 227-7BFM

Sub-Advisor²

BlackRock Financial Management, Inc.

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New York, NY 10022

Custodian

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Auction Agent²

Bank of New York
100 Church Street, 8th Floor
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Auction Agent³

Deutsche Bank Trust Company Americas
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Independent Registered Public Accounting Firm

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Boston, MA 02116

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036

Legal Counsel □ Independent Trustees

Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares. Statements and other information contained in this report are as dated and are subject to change.

BlackRock Closed-End Funds
c/o BlackRock Advisors, Inc.
100 Bellevue Parkway
Wilmington, DE 19809
(800) 227-7BFM

¹ Appointed on January 19, 2005 as an Advisory Trustee.
² For the Income II Trusts.

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact the Trusts at (800) 699-1BFM.

The Trusts have delegated to the Advisor the voting of proxies relating to their voting securities pursuant to the Advisor's proxy voting policies and procedures. You may obtain a copy of these proxy voting policies and procedures, without charge, by calling (800) 699-1BFM. These policies and procedures are also available on the website of the Securities and Exchange Commission (the "Commission") at <http://www.sec.gov>.

Information on how proxies relating to the Trusts' voting securities were voted (if any) by the Advisor during the most recent 12-month period ended December 31st is available, upon request, by calling (800) 699-1BFM or on the website of the Commission at <http://www.sec.gov>.

The Trusts file their complete schedule of portfolio holdings for the first and third quarters of their respective fiscal years with the Commission on Form N-Q. Each Trust's Form N-Q will be available on the Commission's website at <http://www.sec.gov>. Each Trust's Form N-Q, when available, may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. Information regarding the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. Each Trust's Form N-Q, when available, may also be obtained, upon request, by calling (800) 699-1BFM.

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Trust shares. Statements and other information contained in this report are as dated and are subject to change.

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Item 2. Code of Ethics.

Not applicable for semi-annual reports.

Item 3. Audit Committee Financial Expert.

Not applicable for semi-annual reports.

Item 4. Principal Accountant Fees and Services.

Not applicable for semi-annual reports.

Item 5. Audit Committee of Listed Registrants.

Not applicable for semi-annual reports.

Item 6. Schedule of Investments.

The Registrant's Schedule of Investments is included as part of the Report to Shareholders filed under Item 1 of this Form.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

Not applicable for semi-annual reports.

Item 8. Portfolio Managers of Closed-End Management Investment Companies.

Not applicable for semi-annual reports.

Item 9. Purchases of Equity Securities by Closed-End Management Company and Affiliated Purchasers.

Not applicable because no such purchases were made during the period covered by this report.

Item 10. Submission of Matters to a Vote of Security Holders.

Not applicable because no applicable matters were voted on by shareholders during the period covered by this report.

Item 11. Controls and Procedures.

(a) The Registrant's principal executive officer and principal financial officer have evaluated the Registrant's disclosure controls and procedures as of a date within 90 days of this filing and have concluded that the Registrant's disclosure controls and procedures are effective, as of such date, in ensuring that information required to be disclosed by the Registrant in this Form N-CSR was recorded, processed, summarized, and reported timely.

(b) The Registrant's principal executive officer and principal financial officer are aware of no changes in the Registrant's internal control over financial reporting that occurred

during the Registrant's last fiscal half-year that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Item 12. Exhibits.

(a) (1) Not applicable.

(a) (2) Separate certifications of Principal Executive and Financial Officers pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(a) (3) Not applicable.

(b) Certification of Principal Executive and Financial Officers pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) BlackRock California Insured Municipal Income Trust

By: /s/ Henry Gabbay
Name: Henry Gabbay
Title: Treasurer
Date: April 27, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert S. Kapito
Name: Robert S. Kapito
Title: Principal Executive Officer
Date: April 27, 2005

By: /s/ Henry Gabbay
Name: Henry Gabbay
Title: Principal Financial Officer
Date: April 27, 2005