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

FORM 10-Q

(Mark One)
☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2010

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 814-00672

NGP Capital Resources Company
(Exact name of registrant as specified in its charter)

Maryland **(State or other jurisdiction of incorporation or organization)**	**20-1371499** **(I.R.S. Employer Identification No.)**
1221 McKinney Street, Suite 2975 **Houston, Texas** **(Address of principal executive offices)**	**77010** **(Zip Code)**

(713) 752-0062
(Registrant's telephone number, including area code)

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 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.

Large accelerated filer ☐	Accelerated filer ☑	Non-accelerated filer ☐ (Do not check if smaller reporting company)	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 ☑

As of May 7, 2010, there were 21,628,202 shares of the registrant's common stock outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements.

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED BALANCE SHEETS

	March 31, 2010 (Unaudited)	December 31, 2009
Assets		
Investments in portfolio securities at fair value		
Control investments - majority owned (cost: $121,569,741 and $118,590,412, respectively)	$ 75,435,448	$ 72,449,620
Affiliate investments (cost: $32,935,839 and $30,727,367, respectively)	34,346,136	31,578,945
Non-affiliate investments (cost: $87,157,197 and $92,832,647, respectively)	83,256,296	86,965,378
Investments in corporate notes at fair value (cost: $11,527,241 and $11,539,564, respectively)	9,416,400	9,062,200
Investments in commodity derivative instruments at fair value (cost: $0 and $30,100, respectively)	-	49,000
Total investments	202,454,280	200,105,143
Cash and cash equivalents	105,337,155	108,288,217
Accounts receivable and other current assets	2,106,347	2,115,663
Interest receivable	834,042	1,241,609
Prepaid assets	1,904,024	2,201,468
Deferred tax assets	3,246,184	2,979,209
Total current assets	113,427,752	116,826,166
Total assets	$ 315,882,032	$ 316,931,309
Liabilities and stockholders' equity (net assets)		
Current liabilities		
Accounts payable and accrued expenses	$ 1,072,981	$ 1,098,414
Management and incentive fees payable	1,373,179	1,415,866
Dividends payable	3,676,794	3,676,794
Income taxes payable	77,547	62,321
Total current liabilities	6,200,501	6,253,395
Deferred tax liabilities	3,269,341	3,002,366
Long-term debt	64,905,200	67,500,000
Total liabilities	74,375,042	76,755,761
Commitments and contingencies (Note 7)		
Stockholders' equity (net assets)		
Common stock, $.001 par value, 250,000,000 shares authorized; 21,628,202 shares issued and outstanding	21,628	21,628
Paid-in capital in excess of par	295,174,063	295,174,063
Undistributed net investment income (loss)	(6,189,997)	(4,944,530)
Undistributed net realized capital gain (loss)	(9,151)	-
Net unrealized appreciation (depreciation) of portfolio securities, corporate notes and commodity derivative instruments	(47,489,553)	(50,075,613)
Total stockholders' equity (net assets)	241,506,990	240,175,548
Total liabilities and stockholders' equity (net assets)	$ 315,882,032	$ 316,931,309
Net asset value per share	$ 11.17	$ 11.10

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For The Three Months Ended March 31, 2010	March 31, 2009 (As Restated)
Investment income		
Interest and dividend income:		
Control investments - majority owned	$ 1,099,979	$ -
Affiliate investments	832,913	1,356,076
Non-affiliate investments	3,177,541	4,838,463
Royalty income (loss), net of amortization:		
Control investments - majority owned	294,811	23,336
Non-affiliate investments	(518,056)	(917,638)
Commodity derivative income, net of expired options	16,079	3,173,852
Other income	290,000	58,800
Total investment income	5,193,267	8,532,889
Operating expenses		
Management fees and incentive fees	1,338,569	1,833,848
Professional fees	265,304	166,727
Insurance expense	185,658	200,221
Interest expense and fees	313,063	997,842
Other general and administrative expenses	946,420	796,948
Total operating expenses	3,049,014	3,995,586
Net investment income before income taxes	2,144,253	4,537,303
Benefit (provision) for income taxes	287,074	4,291
Net investment income	2,431,327	4,541,594
Net realized capital gain (loss) on investments		
Benefit (provision) for taxes on capital gain	(9,151)	-
Total net realized capital gain (loss) on investments	(9,151)	-
Net unrealized gain (loss) on investments		
Net increase (decrease) in unrealized appreciation (depreciation) on portfolio securities, corporate notes and commodity derivative instruments:		
Control investments - majority owned	6,501	(4,075,662)
Affiliate investments	558,719	205,744
Non-affiliate investments	2,313,989	(20,690,114)
Benefit (provision) for taxes on unrealized gain	(293,149)	1,385,826
Total net unrealized gain (loss) on investments	2,586,060	(23,174,206)
Net increase (decrease) in stockholders' equity (net assets) resulting from operations	$ 5,008,236	$ (18,632,612)
Net increase (decrease) in stockholders' equity (net assets) resulting from operations per common share	$ 0.24	$ (0.86)

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (NET ASSETS)

	Common Stock		Paid-in Capital in Excess of Par	Undistributed Net Investment Income (Loss)	Undistributed Net Realized Capital Gain (Loss)	Net Unrealized Appreciation (Depreciation) of Portfolio Securities, Corporate Notes and Commodity Derivative Instruments	Total Stockholders' Equity (Net Assets)
	Shares	Amount					
Balance at December 31, 2009	21,628,202	$ 21,628	$ 295,174,063	$ (4,944,530)	$ -	$ (50,075,613)	$ 240,175,548
Net increase (decrease) in stockholders' equity (net assets) resulting from operations	-	-	-	2,431,327	(9,151)	2,586,060	5,008,236
Dividends declared	-	-	-	(3,676,794)	-	-	(3,676,794)
Balance at March 31, 2010 (unaudited)	21,628,202	$ 21,628	$ 295,174,063	$ (6,189,997)	$ (9,151)	$ (47,489,553)	$ 241,506,990

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For The Three Months Ended March 31, 2010	March 31, 2009 (As Restated)
Cash flows from operating activities		
Net increase (decrease) in stockholders' equity (net assets) resulting from operations	$ 5,008,236	$ (18,632,612)
Adjustments to reconcile net increase (decrease) in stockholders' equity (net assets) resulting from operations to net cash provided by (used in) operating activities		
Payment-in-kind interest	(1,731,489)	(912,526)
Net amortization of premiums, discounts and fees	2,968,431	1,445,811
Change in unrealized (appreciation) depreciation on portfolio securities, corporate notes and commodity derivative instruments before taxes	(2,879,209)	24,560,032
Effects of changes in operating assets and liabilities		
Accounts receivable and other current assets	9,316	29,705
Interest receivable	407,567	(320,274)
Prepaid assets	297,444	471,922
Current portion of deferred income taxes	(266,975)	(1,958,219)
Non-current deferred income taxes	266,975	522,032
Accounts payable and accrued expenses	(68,120)	(366,449)
Income taxes payable	15,226	(3,365,739)
Purchase of investments in portfolio securities, corporate notes and commodity derivative instruments	(3,294,585)	(11,136,736)
Redemption of investments in portfolio securities, corporate notes and commodity derivative instruments	2,587,715	5,775,530
Net sale (purchase) of investments in U.S. Treasury Bills	-	(76,134,101)
Net cash provided by (used in) operating activities	3,320,532	(80,021,624)
Cash flows from financing activities		
Borrowings under revolving credit facility	64,905,200	27,000,000
Repayments on revolving credit facility	(67,500,000)	(45,000,000)
Dividends paid	(3,676,794)	(8,867,563)
Net cash used in financing activities	(6,271,594)	(26,867,563)
Net increase (decrease) in cash and cash equivalents	(2,951,062)	(106,889,187)
Cash and cash equivalents, beginning of period	108,288,217	133,805,575
Cash and cash equivalents, end of period	$ 105,337,155	$ 26,916,388

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED SCHEDULE OF INVESTMENTS
March 31, 2010
(Unaudited)

Portfolio Company	Energy Industry Segment	Investment (1) (2) (4)	Principal	Cost	Fair Value (3)
TARGETED INVESTMENTS (17)					
Control Investments - Majority Owned (50% to 100% owned)					
Alden Resources, LLC	Coal Production	Senior Secured Multiple-Advance Term Loan - Tranche A (The greater of 12.00% or LIBOR + 9.00 % cash, 15.00% or LIBOR + 12.00% PIK, due 1/05/2013)	$ 22,245,994	$ 20,439,434	$ 20,339,434
		Senior Secured Multiple-Advance Term Loan - Tranche B (The greater of 12.00% or LIBOR + 9.00 % cash, 15.00% or LIBOR + 12.00% PIK, due 1/05/2013) (6)	21,711,913	19,519,841	19,519,841
		Class E Units - 100% of outstanding units entitled to 100% of distributions of Alden Resources until payout, 80% after payout (5)		5,800,000	5,800,000
		Senior Secured Multiple-Advance Term Loan - Revolver (The greater of 12.00% or LIBOR + 9.00 % cash, 15.00% or LIBOR + 12.00% PIK, due 1/05/2013)	2,046,173	2,046,173	2,046,173
		Royalty Interest		2,513,928	5,330,000
BSR Holdings, LLC (7)	Oil & Natural Gas Production and Development	Units - 100% of outstanding units of BSR Holdings, LLC which holds 50% working interest in certain BSR Loco Bayou, LLC oil and gas properties (5)		300,000	300,000
		Overriding Royalty Interest		15,621	100,000
DeanLake Operator, LLC	Oil & Natural Gas Production and Development	Senior Secured Term Loan (10.00% cash, 12.00% PIK, payable quarterly, due 6/30/2011)	3,500,000	3,500,000	3,500,000
		Class A Preferred Units - 100% of outstanding units representing 100% of distributions of DeanLake Operator, LLC until payout, 80% after payout (5)		10,400,255	6,500,000
		Overriding Royalty Interest		17,846	100,000
Formidable, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (LIBOR + 5.50% cash, LIBOR + 8.50% default, due 5/31/2008) (6) (11)	38,780,316	38,780,316	5,600,000
		Warrants (5)		500,000	-
		Formidable Holdings, LLC Units - 100% of pledged stock of Formidable, LLC (5) (11)		10,000	-
Rubicon Energy Partners, LLC	Oil & Natural Gas Production and Development	LLC Units (4,000 units) representing 50% ownership of the assets of Rubicon Energy Partners, LLC (5)		-	-
TierraMar Energy LP	Oil & Natural Gas Production and Development	Class A Preferred LP Units - 100% of outstanding units representing 100% of distributions of TierraMar Energy LP until payout, 67% after payout (5)		17,710,788	6,000,000
		Overriding Royalty Interest		15,539	300,000
Total Control Investments - Majority Owned (50% to 100% owned)				**$ 121,569,741**	**$ 75,435,448**

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED SCHEDULE OF INVESTMENTS
March 31, 2010
(Unaudited)
(continued)

Portfolio Company	Energy Industry Segment	Investment (1) (2) (4)	Principal	Cost	Fair Value (3)
TARGETED INVESTMENTS (17) - Continued					
Affiliate Investments - (5% to 25% owned)					
BioEnergy Holding, LLC	Alternative Fuels and Specialty Chemicals	Senior Secured Notes (15.00%, due 3/06/2015)	$ 14,420,170	$ 13,068,012	$ 13,068,012
		BioEnergy International Warrants (5) (12)		34,766	34,766
		BioEnergy Holding Units - 11.5% of outstanding units of BioEnergy Holdings, LLC (5)		1,296,771	1,296,771
		Myriant Technologies Warrants (5) (13)		49,238	49,238
		Myriant Technologies Units - 1.9% of the outstanding units of Myriant Technologies, LLC (5)		418,755	418,755
Bionol Clearfield, LLC (9)	Alternative Fuels and Specialty Chemicals	Senior Secured Tranche C Construction Loan (LIBOR + 7.00%, due 9/06/2016)	4,987,500	4,987,500	4,987,500
Resaca Exploitation Inc.	Oil & Natural Gas Production and Development	Senior Secured Revolving Credit Facility (The greater of 8.0% or LIBOR + 5.50%, due 5/01/2012)	10,000,000	9,845,541	9,845,541
		Common Stock (6,651,098 shares) - representing 6.86% of outstanding common stock of Resaca Exploitation Inc. (5) (14)		3,235,256	4,645,553
Subtotal Affiliate Investments - (5% to 25% owned)				**$ 32,935,839**	**$ 34,346,136**
Non-affiliate Investments - (Less than 5% owned)					
Anadarko Petroleum Corporation 2007-III Drilling Fund	Oil & Natural Gas Production and Development	Multiple-Advance Net Profits Interest (Due 4/23/2032)	$ 10,229,604	$ 10,306,694	$ 10,606,693
ATP Oil & Gas Corporation	Oil & Natural Gas Production and Development	Limited Term Royalty Interest (Volume Denominated - 400 MBBL Pay-off)		6,120,339	4,173,689
		Limited Term Royalty Interest (Dollar Denominated - 16.00% Return)		13,506,511	13,506,511
Black Pool Energy Partners, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (The greater of 15.00% or LIBOR + 11.00 % cash, due 10/24/2011)	18,300,000	18,047,454	18,047,454
		Overriding Royalty Interest		9,789	100,000
		Warrants (5) (15)		10,000	10,000
Chroma Exploration & Production, Inc.	Oil & Natural Gas Production and Development	10,302 Shares Series A Participating Convertible Preferred Stock (6)		2,221,710	-
		9,408 Shares Series AA Participating Convertible Preferred Stock (6)		2,089,870	750,000
		8.11 Shares Common Stock (5)		-	-
		Warrants (5) (8)		-	-
Greenleaf Investments, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (The greater of 10.50% or LIBOR + 6.50%, due 4/30/2011)	10,267,454	10,129,145	10,129,145
		Overriding Royalty Interest		20,556	400,000
Nighthawk Transport I, LP	Energy Services	Second Lien Term Loan B (10)	13,022,642	-	-
		LP Units (5) (10)		-	-
		Warrants (5) (10)		-	-
		Second Lien Delayed Draw Term Loan B (10)	1,457,656	-	-

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED SCHEDULE OF INVESTMENTS
March 31, 2010
(Unaudited)
(continued)

Portfolio Company	Energy Industry Segment	Investment (1) (2) (4)	Principal	Cost	Fair Value (3)
TARGETED INVESTMENTS (17) - Continued					
Non-affiliate Investments - (Less than 5% owned) - Continued					
Tammany Oil & Gas, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (The greater of 13.0% or LIBOR + 8.00%, due 3/21/2010) (16)	$ 24,532,804	$ 24,532,804	$ 24,532,804
		Overriding Royalty Interest		162,325	1,000,000
Subtotal Non-affiliate Investments - (Less than 5% owned)				$ 87,157,197	$ 83,256,296
Subtotal Targeted Investments (62.72% of total investments)				$ 241,662,777	$ 193,037,880
CORPORATE NOTES (17)					
Pioneer Natural Resources Co.	Oil & Natural Gas Production and Development	Senior Notes, 7.2%, due 2028	$ 10,000,000	$ 11,527,241	$ 9,416,400
Subtotal Corporate Notes (3.06% of total investments)				$ 11,527,241	$ 9,416,400
CASH AND CASH EQUIVALENTS					
Subtotal Cash and Cash Equivalents (34.22% of total investments)				$ 105,337,155	$ 105,337,155
TOTAL INVESTMENTS, CASH AND CASH EQUIVALENTS				$ 358,527,173	$ 307,791,435
LIABILITIES IN EXCESS OF OTHER ASSETS					$ (66,284,445)
NET ASSETS					$ 241,506,990

NOTES TO CONSOLIDATED SCHEDULE OF INVESTMENTS

(1) All investments are pledged as collateral for obligations under the Company's credit facility.
(2) Percentages represent interest rates in effect at the end of the period and due dates represent the contractual maturity dates.
(3) Fair value of targeted investments is determined by or under the direction of the Board of Directors.
(4) All investments are in entities with primary operations in the United States of America.
(5) Non-income producing securities.
(6) Non-accrual status.
(7) BSR Loco Bayou repaid its term note in full on July 31, 2009. The Company retains ownership of ORRI and has exercised warrants in exchange for 50% working interest in certain BSR Loco Bayou properties which have been contributed to NGPC Asset Holdings II, LP in exchange for 100% of the outstanding units in BSR Holdings, LLC.
(8) Chroma warrants expire on April 5, 2012 and provide the Company the right to purchase 2,462 shares of common stock at a purchase price of $75.00 per share.
(9) Bionol Clearfield, LLC is owned 100% by BioEnergy Holdings, LLC.
(10) Due to insufficient recoveries in the liquidation under Nighthawk's voluntary petition under Chapter 7 of the United States Bankruptcy Code, the Company recognized a realized loss of its total remaining investment in Nighthawk notes, warrants and units in December 2009.
(11) Formidable senior note was accelerated and the Company foreclosed on the member units of Formidable, LLC on September 28, 2009.
(12) BioEnergy International, LLC warrants expire on August 15, 2010 and provide the Company the right to purchase 140,687 units, representing membership interests of BioEnergy International, LLC, at the purchase price of $10.00 per unit.
(13) Myriant Technologies, LLC warrants expire on August 15, 2015 and provide the Company the right to purchase 32,680 units, representing membership interests of Myriant Technologies, LLC, at the purchase price of $10.00 per unit.
(14) Resaca stock is listed on the Alternative Investment Market of the London Stock Exchange, denominated in British pounds and its reported fair value at March 31, 2010 has been converted to U.S. dollars at the exchange rate effective on March 31, 2010.
(15) Black Pool warrants expire seven years after repayment of principal and interest and provide the Company the right to purchase approximately 25% of membership interest at the exercise price of $0.01 per unit.
(16) Tammany Oil & Gas, LLC. maturity date extended until April 21, 2010.
(17) All investments in portfolio securities, corporate notes and commodity derivative instruments are level 3 securities hierarchy.

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2009

Portfolio Company	Energy Industry Segment	Investment[1][2][4]	Principal	Cost	Fair Value[3]
Targeted Investments[17]					
Control Investments – Majority Owned (50% to 100% owned)					
Alden Resources, LLC	Coal Production	Senior Secured Multiple-Advance Term Loan - Tranche A (The greater of 12.00% or LIBOR + 9.00% cash, 15.00% or LIBOR + 12.00% PIK, due 1/05/2013)	$ 21,432,224	$ 19,499,779	$ 19,399,779
		Senior Secured Multiple-Advance Term Loan - Tranche B (The greater of 12.00% or LIBOR + 9.00% cash, 15.00% or LIBOR + 12.00% PIK, due 1/05/2013)[6]	20,917,680	19,519,841	19,519,841
		Class E Units – 100% of outstanding units entitled to 100% of distributions of Alden Resources until payout, 80% after payout[5]		5,800,000	5,800,000
		Royalty Interest		2,519,051	5,330,000
BSR Holdings, LLC[7]	Oil & Natural Gas Production and Development	Units – 100% of outstanding units of BSR Holdings, LLC which holds 50% working interest in certain BSR Loco Bayou, LLC oil and gas properties[5]		300,000	300,000
		Overriding Royalty Interest		16,460	100,000
DeanLake Operator, LLC	Oil & Natural Gas Production and Development	Senior Secured Term Loan (10.00% cash, 12.00% PIK, payable quarterly, due 6/30/2011)	3,500,000	3,500,000	3,500,000
		Class A Preferred Units – 100% of outstanding units entitled to 100% of distributions of DeanLake Operator, LLC until payout, 80% after payout[5]		10,400,255	6,500,000
		Overriding Royalty Interest		18,046	100,000
Formidable, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (LIBOR + 5.50% cash, LIBOR + 8.50% default, due 5/31/2008)[6]	38,780,316	38,780,316	5,600,000
		Warrants[5]		500,000	—
		Formidable Holdings, LLC Units – 100% of pledged stock of Formidable, LLC[5][11]		10,000	—
Rubicon Energy Partners, LLC	Oil & Natural Gas Production and Development	LLC Units (4,000 units) representing 50% ownership of the assets of Rubicon Energy Partners, LLC[5]		—	—
TierraMar Energy LP	Oil & Natural Gas Production and Development	Class A Preferred LP Units – 100% of outstanding units entitled to 100% of distributions of TierraMar Energy LP until payout, 67% after payout[5]		17,710,788	6,000,000
		Overriding Royalty Interest		15,876	300,000
Total Control Investments – Majority Owned (50% to 100% owned)				**$ 118,590,412**	**$ 72,449,620**

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2009
(continued)

Portfolio Company	Energy Industry Segment	Investment(1)(2)(4)	Principal	Cost	Fair Value(3)
Targeted Investments(17) – Continued					
Affiliate Investments – (5% to 25% owned)					
BioEnergy Holding, LLC	Alternative Fuels and Specialty Chemicals	Senior Secured Notes (15.00%, due 3/06/2015)	$ 12,255,231	$ 10,862,125	$ 10,862,125
		BioEnergy International Warrants(5)(12)		34,766	34,766
		BioEnergy Holding Units – 11.5% of outstanding units of BioEnergy Holdings, LLC(5)		1,296,771	1,296,771
		Myriant Technologies Warrants(5)(13)		49,238	49,238
		Myriant Technologies Units – 1.9% of the outstanding units of Myriant Technologies, LLC(5)		418,755	418,755
Bionol Clearfield, LLC(9)	Alternative Fuels and Specialty Chemicals	Senior Secured Tranche C Construction Loan (LIBOR + 7.00%, due 9/06/2016)	5,000,000	5,000,000	5,000,000
Resaca Exploitation Inc.	Oil & Natural Gas Production and Development	Senior Secured Revolving Credit Facility (The greater of 8.0% or LIBOR + 5.50%, due 5/01/2012)	10,000,000	9,830,456	9,830,456
		Common Stock (6,651,098 shares) – representing 6.86% of outstanding common stock of Resaca Exploitation Inc.(5)(15)		3,235,256	4,086,834
Subtotal Affiliate Investments – (5% to 25% owned)				**$ 30,727,367**	**$ 31,578,945**
Non-affiliate Investments – (Less than 5% owned)					
Anadarko Petroleum Corporation 2007 – III Drilling Fund	Oil & Natural Gas Production and Development	Multiple-Advance Net Profits Interest (Due 4/23/2032)	$ 10,579,495	$ 10,662,801	$ 11,012,799
ATP Oil & Gas Corporation	Oil & Natural Gas Production and Development	Limited Term Royalty Interest (Volume Denominated – 400 MBBL Pay-off)		9,335,754	5,642,113
		Limited Term Royalty Interest (Dollar Denominated – 16.00% Return)		14,935,631	14,935,631
Black Pool Energy Partners, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (The greater of 12.00% or LIBOR + 8.00% cash, 14.00% or LIBOR + 10.00% PIK, due 10/24/2011)	18,300,000	18,013,814	18,013,814
		Overriding Royalty Interest		9,884	100,000
		Warrants(5)(16)		10,000	10,000
Chroma Exploration & Production, Inc.	Oil & Natural Gas Production and Development	10,302 Shares Series A Participating Convertible Preferred Stock(6)		2,221,710	—
		9,408 Shares Series AA Participating Convertible Preferred Stock(6)		2,089,870	500,000
		8.11 Shares Common Stock(5)		—	—
		Warrants(5)(8)		—	—
Greenleaf Investments, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (The greater of 10.50% or LIBOR + 6.50%, due 4/30/2011)	10,783,558	10,616,048	10,616,048
		Overriding Royalty Interest		31,028	400,000
Nighthawk Transport I, LP	Energy Services	Second Lien Term Loan B(10)	13,022,642	—	—
		LP Units(5)(10)		—	—
		Warrants(5)(10)		—	—
		Second Lien Delayed Draw Term Loan B(10)	1,457,656	—	—

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY

CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2009
(continued)

Portfolio Company	Energy Industry Segment	Investment[1][2][4]	Principal	Cost	Fair Value[3]
Targeted Investments[17] – Continued					
Non-affiliate Investments – (Less than 5% owned) – Continued					
Tammany Oil & Gas, LLC	Oil & Natural Gas Production and Development	Senior Secured Multiple-Advance Term Loan (The greater of 13.0% or LIBOR + 8.00%, due 3/21/2010)	$ 24,782,804	$ 24,734,973	$ 24,734,973
		Overriding Royalty Interest		171,134	1,000,000
Subtotal Non-affiliate Investments – (Less than 5% owned)				**$ 92,832,647**	**$ 86,965,378**
Subtotal Targeted Investments (61.93% of total investments)				**$ 242,150,426**	**$ 190,993,943**
Corporate Notes[17]					
Pioneer Natural Resources Co.	Oil & Natural Gas Production and Development	Senior Notes, 7.2%, due 2028	$ 10,000,000	$ 11,539,564	$ 9,062,200
Subtotal Corporate Notes (2.94% of total investments)				**$ 11,539,564**	**$ 9,062,200**
Commodity Derivative Instruments[17]					
Put Options[14]		Put Options with BP Corporation North America, Inc. to sell up to 32,750 Bbls of crude oil at a strike price of $85.00 per Bbl. 4 monthly contracts beginning on October 1, 2009 and expiring on January 31, 2010.		$ 30,100	$ 49,000
Subtotal Commodity Derivatives (0.02% of total investments)				**$ 30,100**	**$ 49,000**
Cash and Cash Equivalents					
Subtotal Cash and Cash Equivalents (35.11% of total investments)				**$ 108,288,217**	**$ 108,288,217**
Total investments, cash and cash equivalents				**$ 362,008,307**	**$ 308,393,360**
Liabilities in excess of other assets					**$ (68,217,812)**
Net assets					**$ 240,175,548**

NGP CAPITAL RESOURCES COMPANY

CONSOLIDATED SCHEDULE OF INVESTMENTS
December 31, 2009
(continued)

Notes to Consolidated Schedule of Investments

(1) All investments are pledged as collateral for obligations under the Company's credit facility.

(2) Percentages represent interest rates in effect at the end of the period and due dates represent the contractual maturity dates.

(3) Fair value of targeted investments is determined by or under the direction of the Board of Directors.

(4) All investments are in entities with primary operations in the United States of America.

(5) Non-income producing securities.

(6) Non-accrual status.

(7) BSR Loco Bayou repaid its term note in full on July 31, 2009. The Company retains ownership of ORRI and has exercised warrants in exchange for 50% working interest in certain BSR Loco Bayou properties which have been contributed to NGPC Asset Holdings II, LP in exchange for 100% of the outstanding units in BSR Holdings, LLC.

(8) Chroma warrants expire on April 5, 2012 and provide the Company the right to purchase 2,462 shares of common stock at a purchase price of $75.00 per share.

(9) Bionol Clearfield, LLC is owned 100% by BioEnergy Holdings, LLC.

(10) Due to insufficient recoveries in the liquidation under Nighthawk's voluntary petition under Chapter 7 of the United States Bankruptcy Code, the Company recognized a realized loss of its total remaining investment in Nighthawk notes, warrants and units in December 2009.

(11) Formidable senior note was accelerated and the Company foreclosed on the member units of Formidable, LLC on September 28, 2009.

(12) BioEnergy International, LLC warrants expire on August 15, 2010 and provide the Company the right to purchase 140,687 units, representing membership interests of BioEnergy International, LLC, at the purchase price of $10.00 per unit.

(13) Myriant Technologies, LLC warrants expire on August 15, 2015 and provide the Company the right to purchase 32,680 units, representing membership interests of Myriant Technologies, LLC, at the purchase price of $10.00 per unit.

(14) Put Options are related to the limited term royalty interest purchased from ATP Oil & Gas Corporation.

(15) Resaca stock is listed on the Alternative Investment Market of the London Stock Exchange, denominated in British pounds and its reported fair value at December 31, 2009 has been converted to U.S. dollars at the exchange rate effective on December 31, 2009.

(16) Black Pool warrants expire seven years after repayment of principal and interest and provide the Company the right to purchase approximately 25% of membership interest at the exercise price of $0.01 per unit.

(17) All investments in portfolio securities, corporate notes and commodity derivative instruments are level 3 securities hierarchy.

(See accompanying notes to consolidated financial statements)

NGP CAPITAL RESOURCES COMPANY
CONSOLIDATED FINANCIAL HIGHLIGHTS
(Unaudited)

	For The Three Months Ended March 31, 2010	March 31, 2009 (As Restated)
Per Share Data (1)		
Net asset value, beginning of period	$ 11.10	$ 12.15
Net investment income	0.11	0.21
Net realized and unrealized gain (loss) on portfolio securities, corporate notes and commodity derivative instruments (3)	0.13	(1.07)
Net increase (decrease) in stockholders' equity (net assets) resulting from operations	0.24	(0.86)
Dividends declared	(0.17)	(0.20)
Net asset value, end of period	$ 11.17	$ 11.09
Market value, beginning of period	$ 8.13	$ 8.37
Market value, end of period	$ 8.52	$ 4.97
Market value return (2)	7.06%	(38.75)%
Net asset value return (2)	2.81%	(5.85)%
Ratios and Supplemental Data		
($ and shares in thousands)		
Net assets, end of period	$ 241,507	$ 239,878
Average net assets	$ 240,841	$ 251,357
Common shares outstanding at the end of the period	21,628	21,628
Total operating expenses/average net assets (4)	5.13%	6.45%
Total operating expenses less management and incentive fees and interest expense/average net assets (4)	2.35%	1.88%
Total operating expenses less management and incentive fees/average net assets (4)	2.88%	3.49%
Net investment income/average net assets (4)	4.09%	7.33%
Net increase (decrease) in net assets resulting from operations/average net assets (4)	8.43%	(30.06)%
Portfolio turnover rate	1.07%	2.30%

(1) Per Share Data is based on common shares outstanding at the end of the period.
(2) Return calculations assume reinvestment of dividends and are not annualized.
(3) Calculated as a balancing amount necessary to reconcile the change in net assets value per share with the other per share information presented. This amount may not agree with the aggregate gains and losses for the period because the difference in the net asset value at the beginning and end of year may not equal the per share changes of the line items disclosed.
(4) Annualized.

(See accompanying notes to consolidated financial statements)

Note 1: Organization

NGP Capital Resources Company (together with its consolidated subsidiaries, where applicable, "NGPC", or the "Company," which may also be referred to as "we," "us," or "our") was organized as a Maryland corporation in July 2004. The Company has elected to be regulated as a business development company ("BDC") under the Investment Company Act of 1940, as amended (the "1940 Act"). In addition, for federal income tax purposes the Company has elected to be treated as a regulated investment company ("RIC") under the Internal Revenue Code of 1986, as amended (the "Code"). The Company has several direct and indirect subsidiaries that are single member limited liability companies and wholly-owned limited partnerships established to hold certain portfolio investments or provide services to the Company in accordance with specific rules prescribed for a company operating as a RIC. These subsidiaries are: NGPC Funding GP, LLC, a Texas limited liability company; NGPC Nevada, LLC, a Nevada limited liability company; NGPC Funding, LP, a Texas limited partnership; NGPC Asset Holdings GP, LLC, a Texas limited liability company; NGPC Asset Holdings, LP, a Texas limited partnership; NGPC Asset Holdings II, LP, a Texas limited partnership ("NGPC II"); NGPC Asset Holdings III, LP, a Texas limited partnership; NGPC Asset Holdings V, LP, a Texas limited partnership and NGPC Asset Holdings VI, LP, a Texas limited partnership. The Company consolidates the financial results of its direct subsidiaries for financial reporting purposes. The Company does not consolidate the financial results of its portfolio companies.

The Company was created to invest primarily in small and mid-size private energy companies, which, until July 21, 2008, were generally defined as companies that have net asset values or annual revenues of less than $500 million and are not issuers of publicly traded securities. On July 21, 2008, the Securities and Exchange Commission expanded the definition of eligible portfolio companies ("Eligible Portfolio Companies") to include domestic operating companies with securities listed on a national securities exchange so long as the company has a market capitalization of less than $250 million. The Company's investment objective is to generate both current income and capital appreciation through debt investments with certain equity components.

The Company is managed and advised, subject to the overall supervision of the Company's board of directors, which we refer to as the Board of Directors, by NGP Investment Advisor, LP (the "Manager"), a Delaware limited partnership owned by NGP Energy Capital Management, L.L.C. and NGP Administration, LLC (the "Administrator"), the Company's administrator.

Note 2: Restatements of Consolidated Financial Statements

On March 15, 2010, our Board of Directors and the members of the Audit Committee of our Board of Directors concluded that we should restate our consolidated financial statements for the years ended December 31, 2007 and December 31, 2008 and for each of the quarters in 2007 and 2008 and the first three quarters of 2009 (collectively, the "Affected Periods").

The determination to restate the financial statements for the Affected Periods was made in connection with management's assessment of accounting errors it discovered as part of a process to remediate a material weakness in internal controls previously disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2008 and the Company's Quarterly Reports on Form 10-Q in 2009. While the Company has taken steps to remediate the previously disclosed material weakness, the material weakness existed throughout the quarterly periods of 2009, and at December 31, 2009, the Company had not yet completed its assessment as to whether the material weakness had been fully remediated. The Company anticipates that it will complete its testing of the additional internal control processes designed to remediate the previously disclosed material weakness in 2010.

The errors and consequent restatements principally involved non-cash accounting entries related to net deferred tax assets and liabilities that typically arise as a result of timing differences in tax and GAAP (book) accounting. Taxable Net Investment Income, which is the primary determinant of the Company's distributable income, has not been affected in any of the Affected Periods by these restatements.

The Company's assessment of certain identified accounting errors results in the following adjustments to previously reported periods:

1. In the quarter ended March 31, 2007, the Company failed to record a deferred tax liability with respect to approximately $2.1 million in unrealized appreciation on investments in partnerships. Similarly, in the quarters ended June 30, 2007 and September 30, 2007, the Company failed to record deferred tax liabilities with respect to approximately $4.0 million and $2.0 million, respectively, in unrealized appreciation on an investment.

2. In the quarter ended September 30, 2008, the Company realized a $12.34 million pre-tax gain on this same investment (as compared to the $8.15 million of unrealized appreciation previously recorded in 2007). The reversal of the previously unrecorded deferred tax liability in 2008 resulted in the incorrect recording of a net deferred tax asset of $3.8 million at year end 2008.

Unrelated to the restatements, we have reclassified certain balance sheet, statement of operations and statement of cash flows amounts to conform to the presentation in our most recently-filed Annual Report on Form 10-K. These reclassifications were primarily related to the disaggregation of investments in portfolio securities, investment income, net realized capital gain (loss) on investments and net unrealized gain (loss) on investments into separate classifications according to level of control.

Impact of the Restatement and Reclassification

The restatement and reclassification adjustments detailed below to our previously filed consolidated financial statements reflect adjustments which principally involved non-cash accounting entries related to net deferred tax assets and liabilities, which impact the consolidated balance sheets, consolidated statement of operations and consolidated statement of cash flows.

The effects of the restatement on the unaudited consolidated statement of operations for the three-month period ended March 31, 2009 are summarized in the following table:

	As Previously Reported	Reclassifications	As Reclassified	Restatement	As Restated
Consolidated Statement of Operations:					
For the Three Months Ended March 31, 2009					
Investment income					
Interest income:	$ 6,194,539	$ (6,194,539)	$ -	$ -	$ -
Affiliate investments	-	1,356,076	1,356,076	-	1,356,076
Non-affiliate investments	-	4,838,463	4,838,463	-	4,838,463
Royalty income (loss), net of amortization:	(894,302)	894,302	-	-	-
Control investments - majority owned	-	23,336	23,336	-	23,336
Non-affiliate investments	-	(917,638)	(917,638)	-	(917,638)
State and excise taxes	5,619	-	5,619	(5,619)	-
Other general and administrative expenses	796,949	-	796,949	(1)	796,948
Total operating expenses	4,001,206	-	4,001,206	(5,620)	3,995,586
Net investment income before income taxes	4,531,683	-	4,531,683	5,620	4,537,303
Benefit (provision) for income taxes	1,341,993	-	1,341,993	(1,337,702)	4,291
Net investment income	5,873,676	-	5,873,676	(1,332,082)	4,541,594
Net unrealized gain (loss) on investments					
Net increase (decrease) in unrealized appreciation					
(depreciation) on portfolio securities, corporate notes:	(24,560,032)	24,560,032	-	-	-
Control investments - majority owned	-	(4,075,662)	(4,075,662)	-	(4,075,662)
Affiliate investments	-	205,744	205,744	-	205,744
Non-affiliate investments	-	(20,690,114)	(20,690,114)	-	(20,690,114)
Benefit (provision) for taxes on unrealized gain	-	-	-	1,385,826	1,385,826
Total net unrealized gain (loss) on investments	(24,560,032)	-	(24,560,032)	1,385,826	(23,174,206)
Net increase (decrease) in stockholders' equity					
(net assets) resulting from operations	(18,686,356)	-	(18,686,356)	53,744	(18,632,612)

The effects of the restatement on the unaudited consolidated statement of cash flows for the three-month period ended March 31, 2009 are summarized in the following table:

Consolidated Statement of Cash Flows:					
For the Three Months Ended March 31, 2009					
Cash flows from operating activities					
Net increase (decrease) in stockholders' equity (net assets) resulting from operations	$ (18,686,356)	$ -	$ (18,686,356)	$ 53,744	$ (18,632,612)
Effects of changes in operating assets and liabilities					
Current portion of deferred income taxes	(6,052,617)	-	(6,052,617)	4,094,398	(1,958,219)
Non-current deferred income taxes	4,670,174	-	4,670,174	(4,148,142)	522,032

Note 3: Significant Accounting Policies

The interim unaudited consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The management of the Company prepares the interim consolidated financial statements, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been omitted pursuant to such rules and regulations, although the Company believes the disclosures included herein are adequate to make the information presented not misleading. In the opinion of management, all adjustments, which are of a normal recurring nature considered necessary for presentation of the information, have been included. These unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2009. Interim results are not necessarily indicative of results for a full year.

The following is a summary of the significant accounting policies consistently applied by the Company in the preparation of its consolidated financial statements:

Use of Estimates

The interim consolidated financial statements have been prepared in accordance with GAAP that require management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the accompanying notes to the consolidated financial statements. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents include short-term, liquid investments with an original maturity of three months or less in accounts such as demand deposit accounts, money market accounts, certain overnight investment sweep accounts and money market fund accounts. Cash and cash equivalents are carried at cost, which approximates fair value.

Prepaid Assets

Prepaid assets consist of premiums paid for directors' and officers' insurance and fidelity bonds with a policy term of one year and fees associated with the establishment of the policy or credit facility.

Concentration of Credit Risk

The Company places its cash and cash equivalents with financial institutions and, at times, cash held in checking or money market accounts may exceed the Federal Deposit Insurance Corporation insured limit.

Valuation of Investments

Investments are carried at fair value, as determined in good faith by the Company's Board of Directors. On a quarterly basis, the investment team of the Manager prepares valuations for all of the assets in the Company's portfolio and presents the valuations to the Company's valuation committee, which we refer to as the Valuation Committee, and Board of Directors. The valuations are determined and recommended by the Valuation Committee to the Board of Directors, which reviews and ratifies the final portfolio valuations.

Investments in securities for which market quotations are readily available are recorded in the financial statements at such market quotations as of the valuation date adjusted for appropriate liquidity discounts, if applicable. For investments in securities for which market quotations are unavailable, or which have various degrees of trading restrictions, the investment team of the Manager prepares valuation analyses, as generally described below.

Using the most recently available financial statements, forecasts and, when applicable, comparable transaction data, the investment team of the Manager prepares valuation analyses for the various securities in the Company's investment portfolio. These valuation analyses are prepared using traditional valuation methodologies, which rely on estimates of the asset values and enterprise values of portfolio companies issuing securities.

The methodologies for determining asset valuations include estimates based on: the liquidation or sale value of a portfolio company's assets, the discounted value of expected future net cash flows from the assets and third party valuations of a portfolio company's assets, such as engineering reserve reports of oil and natural gas properties. The investment team of the Manager considers some or all of the above valuation methods to determine the estimated asset value of a portfolio company.

The methodologies for determining enterprise valuations include estimates based on: valuations of comparable public companies, recent sales of comparable companies, the value of recent investments in the equity securities of a portfolio company and also on the methodologies used for asset valuations. The investment team of the Manager considers some or all of the above valuation methods to determine the estimated enterprise value of a portfolio company.

The methodologies for determining estimated current market values of comparable securities include estimates based on: recent initial offerings of comparable securities of public and private companies; recent secondary market sales of comparable securities of public and private companies; current market implied interest rates for comparable securities in general; and current market implied interest rates for non-comparable securities in general, with adjustments for such elements as size of issue, tenor and liquidity. The investment team of the Manager considers some or all of the above valuation methods to determine the estimated current market value of a comparable security.

Debt Securities: The Company records its investments in non-convertible debt securities at fair value which generally approximates cost plus amortized original issue discount, or OID, to the extent that the estimated asset or enterprise value of the portfolio company exceeds the outstanding debt of the portfolio company, subject to comparison to the estimated current market values of comparable securities. The Company records its investment in convertible debt securities at fair value which generally approximates the higher of: 1) cost plus amortized OID, to the extent that the estimated asset or enterprise value of the portfolio company equals or exceeds the outstanding debt of the portfolio company; and 2) the Company's pro rata share, upon conversion, of the residual equity value of the portfolio company available after deducting all outstanding debt from its estimated enterprise value, both subject to comparison to the estimated current market values of comparable securities. If the estimated asset or enterprise value is less than the sum of the value of the Company's debt investment and all other debt securities of the portfolio company *pari passu* or senior to the Company's debt investment, the Company reduces the value of the debt investment beginning with the junior-most debt investment such that the asset or enterprise value less the value of the outstanding *pari passu* or senior debt is zero, subject to comparison to the estimated current market values of comparable securities. Investments in debt securities for which market quotations are readily available are recorded in the financial statements at such market quotations as of the valuation date adjusted for appropriate liquidity discounts, if applicable.

Equity Securities: The Company records its investments in preferred and common equity securities (including warrants or options to acquire equity securities) at fair value based on its pro rata share of the residual equity value available after deducting all outstanding debt from the estimated enterprise value, subject to comparison to the estimated current market values of comparable securities.

Property-Based Equity Participation Rights: The Company records its investments in overriding royalty and net profits interests at fair value based on a multiple of cash flows generated by such investments, multiples from transactions involving the sale of comparable assets and/or the discounted value of expected future net cash flows from such investments. Appropriate cash flow multiples are derived from the review of comparable transactions involving similar assets. The discounted value of future net cash flows is derived, when appropriate, from third party valuations of a portfolio company's assets, such as engineering reserve reports of oil and natural gas properties.

Due to the uncertainty inherent in the valuation process, such estimates of fair value may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. Additionally, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different from the valuations currently assigned.

Securities Transactions, Interest and Dividend Income Recognition

All securities transactions are accounted for on a trade-date basis. Interest income is recorded on the accrual basis to the extent that such amounts are expected to be collected. Premiums and discounts are accreted into interest income using the effective interest method. Detachable warrants, other equity securities or property interests such as overriding royalty interests obtained in conjunction with the acquisition of debt securities are recorded separately from the debt securities at their initial fair value, with a corresponding amount recorded as a discount to the associated debt security. Income from overriding royalty interests is recognized as received and the recorded assets are charged amortization using the units of production method. The portion of the loan origination fees paid that represent additional yield or discount on a loan are deferred and accreted into interest income over the life of the loan using the effective interest method. Upon the prepayment of a loan or debt security, any unamortized loan origination fees are recorded as interest income and any unamortized premium or discount is recorded as a realized gain or loss. Market premiums or discounts on acquired loans or fixed income investments are accreted into interest income using the effective interest method. Dividend income is recognized on the ex-dividend date. The Company accrues interest and dividends on investments when there is no question as to collectability. When collectability of interest or dividends is doubtful, the Company places the investment on non-accrual status and any existing interest or dividend receivable balances are evaluated to determine if a write off is necessary. Collectability of the interest and dividends is assessed based on many factors, including the portfolio company's ability to service its loan based on current and projected cash flows as well as the current valuation of the portfolio company's assets.

Payment-in-Kind Interest and Dividends

The Company may have investments in its portfolio that contain payment-in-kind ("PIK") provisions. PIK interest or dividends, computed at the contractual rate specified in each investment agreement, are added to the principal balance of the investment and recorded as interest or dividend income. For investments with PIK interest or dividends, the Company bases income accruals on the principal balance including any PIK. If the portfolio company's asset valuation is not sufficient to cover the contractual interest, the Company will not accrue interest income or dividend income on the investment. To maintain the Company's RIC status, this non-cash source of income must be paid out to stockholders in the form of dividends, even though the Company has not yet collected the cash. For the quarter ended March 31, 2010, PIK interest income was $1.7 million, net of a $0.8 million reserve. For the quarter ended March 31, 2009, PIK interest income was $0.9 million, including a $0.03 million reserve adjustment.

Net Realized Gains or Losses and Net Change in Unrealized Appreciation or Depreciation

Realized gains and losses are measured by the difference between the net proceeds from the repayment or sale and the amortized cost basis of the investment, considering unamortized fees and prepayment premiums, and without regard to unrealized appreciation or depreciation previously recognized, and include investments charged off during the year, net of recoveries. Net unrealized appreciation or depreciation reflects the change in portfolio investment values during the reporting period including the reversal of previously recorded unrealized appreciation or depreciation, when capital gains or losses are realized.

The Company has decided not to designate commodity derivative instruments as hedging instruments for financial accounting purposes. Net unrealized appreciation or depreciation reflects the change in derivative values during the reporting period including the reversal of previously recorded unrealized appreciation or depreciation, when settled gains or losses are realized.

Fee Income Recognition

Fees primarily include financial advisory, transaction structuring, loan administration, commitment and prepayment fees. Financial advisory fees represent amounts received for providing advice and analysis to companies and are recognized as earned when such services are performed provided collection is probable. Transaction structuring fees represent amounts received for structuring, financing and executing transactions and are generally payable only if the transaction closes. Such fees are deferred and accreted into interest income over the life of the loan using the effective interest method. Commitment fees represent amounts received for committed funding and are generally payable whether or not the transaction closes. On transactions that close within the commitment period, commitment fees are deferred and accreted into interest income over the life of the loan using the effective interest method. Commitment fees on transactions that do not close are generally recognized over the time period the commitment is outstanding. Prepayment and loan administration fees are recognized as they are received. For the quarters ended March 31, 2010 and 2009, the Company accreted approximately $0.3 million of fee income into interest income.

Dividends

Dividends to stockholders are recorded on the ex-dividend date. The Company currently intends that its distributions each year will be sufficient to maintain the Company's status as a RIC for federal income tax purposes and to eliminate excise tax liability. The Company currently intends to make distributions to stockholders on a quarterly basis of substantially all net taxable income. The Company also intends to make distributions of net realized capital gains, if any, at least annually. However, the Company may in the future decide to retain such capital gains for investment and designate such retained amount as a deemed distribution. The amount to be paid out as a dividend, if any, is determined by the Board of Directors each quarter and is based on the annual taxable earnings estimated by the Manager. Based on that estimate, a dividend is declared each quarter and paid shortly thereafter.

The following table summarizes the Company's recent distribution history:

Distribution History

Declaration Date	Amount	Record Date	Payment Date
March 19, 2008	$ 0.40	March 31, 2008	April 11, 2008
June 9, 2008	$ 0.40	June 30, 2008	July 11, 2008
September 10, 2008	$ 0.40	September 30, 2008	October 10, 2008
December 19, 2008	$ 0.41	December 29, 2008	January 5, 2009
March 10, 2009	$ 0.20	March 31, 2009	April 10, 2009
June 11, 2009	$ 0.12	June 30, 2009	July 10, 2009
September 10, 2009	$ 0.15	September 30, 2009	October 9, 2009
December 3, 2009	$ 0.17	December 31, 2009	January 7, 2010
March 10, 2010	$ 0.17	March 31, 2010	April 9, 2010

The Company has established an "opt out" dividend reinvestment plan for its common stockholders. As a result, if the Company declares a dividend, then a stockholder's cash dividend will be automatically reinvested in additional shares of the Company's common stock unless the stockholder, or his or her broker, specifically "opts out" of the dividend reinvestment plan and elects to receive cash dividends. It is customary practice for many brokers to "opt out" of dividend reinvestment plans on behalf of their clients unless specifically instructed otherwise. As of April 9, 2010, the date of the most recent dividend payment, holders of 2,343,298 shares, or approximately 10.8% of the 21,628,202 outstanding common shares, participated in the Company's dividend reinvestment plan.

The Company's dividend reinvestment plan provides for the plan agent to purchase shares in the open market for credit to the accounts of plan participants unless the average of the closing sales prices for the shares for the five days immediately preceding the payment date exceeds 110% of the most recently reported net asset value per share.

The table below summarizes participation in the Company's recent dividend reinvestment plan:

Dividend Reinvestment Plan Participation

		Percentage of				Common Stock Dividends		
	Participating	Outstanding	Total		Purchased in	Purchased	Newly Issued Shares	
Dividend	Shares	Shares	Distribution	Cash Dividends	Open Market	Price	Amount	Shares
March 2008	1,693,284	9.7%	$ 7,000,133	$ 6,322,815	$ -	$ 16.3280	$ 677,318	41,482
June 2008	1,655,552	9.4%	$ 8,651,281	$ 7,989,060	$ 662,221	$ 15.6912	$ -	-
September 2008	1,739,829	8.0%	$ 8,651,281	$ 7,955,350	$ 695,931	$ 11.4508	$ -	-
December 2008	1,749,954	8.1%	$ 8,867,563	$ 8,150,082	$ 717,481	$ 9.5047	$ -	-
March 2009	2,179,204	10.1%	$ 4,325,640	$ 3,889,799	$ 435,841	$ 6.4340	$ -	-
June 2009	1,889,207	8.7%	$ 2,595,384	$ 2,368,679	$ 226,705	$ 5.7848	$ -	-
September 2009	2,306,518	10.7%	$ 3,244,230	$ 2,898,252	$ 345,978	$ 7.6243	$ -	-
December 2009	2,372,306	11.0%	$ 3,676,794	$ 3,273,502	$ 403,292	$ 8.8884	$ -	-
March 2010	2,343,298	10.8%	$ 3,676,794	$ 3,278,433	$ 398,361(1)	$ 7.7955	$ -	-

(1) Shares were purchased on April 9, 2010 for the March 2010 dividend.

Income Taxes

We currently qualify as a RIC for federal income tax purposes, which generally allows us to avoid paying corporate income taxes on income or gains that we distribute to our stockholders. We have distributed and intend to distribute sufficient dividends to eliminate taxable income. We may also be subject to federal excise tax if we do not distribute at least 98% of our investment company taxable income in any calendar year and 98% of our capital gains in any calendar year. Dividends to stockholders are recorded on the ex-dividend date. The Company currently intends that its distributions each year will be sufficient to maintain the Company's status as a RIC for federal income tax purposes and to eliminate excise tax liability.

Certain of our wholly owned subsidiaries have elected to be taxed as a corporation for federal income tax purposes. Each of these subsidiaries may hold one or more portfolio investments listed on our Consolidated Schedule of Investments. These taxable subsidiaries allow us to hold portfolio companies organized as LLCs or other forms of pass-through entities and still satisfy the RIC tax requirement that at least 90% of our gross revenue for income tax purposes must consist of investment income. The income of the LLCs or other pass-through entities owned by our taxable subsidiaries is taxed to the subsidiary only and does not flow through to the RIC. We do not consolidate the taxable subsidiaries for income tax purposes. We do consolidate the results of our taxable subsidiaries for financial reporting purposes and therefore our Consolidated Statements of Operations reflects any income tax expense of those subsidiaries.

Note 4: Credit Facilities and Borrowings

On July 16, 2009, the Company repaid the entire $75 million balance on its Treasury Secured Revolving Credit Agreement (as amended, the "Treasury Facility"). The Treasury Facility had a three-year term, maturing August 31, 2009, and bore interest, at the Company's option, at either (i) LIBOR plus 25 basis points or (ii) the base rate. The Company did not renew or extend the Treasury Credit Facility at its maturity on August 31, 2009.

Under the terms of the Company's Amended and Restated Revolving Credit Agreement (as amended, the "Investment Facility"), the lenders have agreed to extend revolving credit to the Company in an amount not to exceed $67.5 million, with the ability to increase the credit available to an amount not to exceed $107.5 million by obtaining additional commitments from existing lenders or new lenders. The total amount committed was $67.5 million and $64.9 million was outstanding under the Investment Facility as of March 31, 2010. By comparison, the total amount committed as of March 31, 2009 was $87.5 million and $27.0 million was outstanding under the Investment Facility. The Investment Facility matures on August 31, 2012, and bears interest, at the Company's option, at either (i) LIBOR plus 425 to 575 basis points, based on the degree of leverage of the Company or (ii) the base rate plus 325 to 475 basis points, based on the degree of leverage of the Company. Proceeds from the Investment Facility will be used to supplement the Company's equity capital to make portfolio investments. As of March 31, 2010, the interest rate was 7.0% on $64.9 million (Prime plus 375 basis points).

In February 2010, the Company had a letter of credit in the amount of $2.594 million issued under the Investment Facility with respect to its investment in Alden Resources, LLC ("Alden"). As of March 31, 2010, the letter of credit balance was $2.594 million but was not drawn. The letter of credit was reduced to $1.845 million on April 7, 2010.

The obligations under the Investment Facility are collateralized by substantially all of the Company's assets and are guaranteed by the Company's existing and future subsidiaries, other than special purpose subsidiaries and certain other subsidiaries. The Investment Facility contains affirmative and reporting covenants and certain financial ratio and restrictive covenants, including: (a) maintaining a ratio of net asset value to consolidated total indebtedness (excluding net hedging liabilities) of the Company and its subsidiaries, of not less than 2.25:1.0, (b) maintaining a ratio of net asset value to consolidated total indebtedness (including net hedging liabilities) of the Company and its subsidiaries, of not less than 2.0:1.0, (c) maintaining a ratio of EBITDA to interest expense of the Company and its subsidiaries of not less than 3.0:1.0, (d) limitations on additional indebtedness, (e) limitations on liens, (f) limitations on mergers and other fundamental changes, (g) limitations on dividends, (h) limitations on disposition of assets other than in the normal course of business, (i) limitations on transactions with affiliates, (j) limitations on agreements that prohibit liens on properties of the Company and its subsidiary guarantors, (k) limitations on sale and leaseback transactions, (l) limitations on speculative hedging transactions and (m) limitations on the aggregate amount of unfunded commitments. From time to time, certain of the lenders may provide customary commercial and investment banking services to the Company.

In addition to the Company's Investment Facility, the Company may also fund a portion of its investments with issuances of equity or senior debt securities. The Company may also securitize a portion of its investments in mezzanine or senior secured loans or other assets. The Company expects its primary use of funds to be investments in portfolio companies, cash distributions to holders of its common stock and payment of fees and other operating expenses.

Note 5: Investment Management

Investment Advisory Agreement

The Company has entered into an investment advisory agreement with the Manager under which the Manager, subject to the overall supervision of the Company's Board of Directors, manages the day-to-day operations of, and provides investment advisory services to, the Company.

For providing these services, the Manager receives a fee from the Company, consisting of two components — a base management fee and an incentive fee.

Under the investment advisory agreement, the base management fee is calculated quarterly as 0.45% of the average of total assets of the Company as of the end of the two previous quarters, and is payable quarterly in arrears. The Manager has agreed to waive permanently, subsequent to September 30, 2007, that portion of the management fee attributable to U.S. Treasury securities acquired with borrowings under the Company's credit facilities to the extent the amount of such securities exceeds $100 million.

The entire amount of the $1,373,179 management and incentive fees payable to the Manager as of March 31, 2010 consists of the base management fee for the quarter ended March 31, 2010.

The incentive fee under the investment advisory agreement consists of two parts. The first part, which is calculated and payable quarterly in arrears, equals 20% of the excess, if any, of the Company's net investment income for the quarter that exceeds a quarterly hurdle rate equal to 2% (8% annualized) of the Company's net assets.

For this purpose, net investment income means interest income, dividend income, and any other income (including any other fees, such as commitment, origination, syndication, structuring, diligence, managerial assistance, monitoring, and consulting fees or other fees that the Company receives from portfolio companies) accrued during the fiscal quarter, minus the Company's operating expenses for the quarter (including the base management fee, expenses payable under the administration agreement, any interest expense and dividends paid on issued and outstanding preferred stock, if any, but excluding the incentive fee). Accordingly, the Company may pay an incentive fee based partly on accrued interest, the collection of which is uncertain or deferred. Net investment income includes, in the case of investments with a deferred interest feature (such as original issue discount, debt instruments with payment-in-kind interest and zero coupon securities), accrued income that the Company has not yet received in cash. Net investment income does not include any realized capital gains, realized capital losses, or unrealized capital appreciation or depreciation.

The incentive fees due in any fiscal quarter will be calculated as follows:

- No incentive fee in any fiscal quarter in which the Company's net investment income does not exceed the hurdle rate.
- 20% of the amount of the Company's net investment income, if any, that exceeds the hurdle rate in any fiscal quarter.

There were no investment income incentive fees earned for the first quarters of 2010 and 2009.

The second part of the incentive fee (the "Capital Gains Fee") is determined and payable in arrears as of the end of each fiscal year (or upon termination of the investment advisory agreement, as of the termination date) and equals (1) 20% of (a) the Company's net realized capital gain (realized capital gains less realized capital losses) on a cumulative basis from the closing date of the Company's initial public offering to the end of such fiscal year, less (b) any unrealized capital depreciation at the end of such fiscal year, less (2) the aggregate amount of all Capital Gains Fees paid to the Manager in prior fiscal years. No capital gains incentive fees were paid for the first quarters of 2010 and 2009.

Realized capital gains on a security are calculated as the excess of the net amount realized from the sale or other disposition of such security over the amortized cost for the security. Realized capital losses on a security are calculated as the amount by which the net amount realized from the sale or other disposition of such security is less than the amortized cost of such security. Unrealized capital depreciation on a security is calculated as the amount by which the original cost of such security exceeds the fair value of such security at the end of a fiscal year. All period-end valuations are determined by the Company in accordance with GAAP and the 1940 Act.

The investment advisory agreement was originally approved by the Company's Board of Directors on November 9, 2004. The investment advisory agreement provides that unless terminated earlier as described below, the agreement shall remain in effect from year-to-year after November 9, 2006, provided continuation is approved at least annually by the Board of Directors or by the affirmative vote of the holders of a majority of the Company's outstanding voting securities, including, in either case, approval by a majority of the Company's directors who are not interested persons. On November 3, 2009, the Company's Board of Directors, including all of the independent directors, approved an extension of the investment advisory agreement through November 9, 2010.

The agreement may be terminated at any time, without the payment of any penalty, by a vote of the Company's Board of Directors or the holders of a majority of the Company's shares on 60 days written notice to the Manager, and would automatically terminate in the event of its "assignment" (as defined in the 1940 Act). The agreement may be terminated by either party without penalty upon not more than 60 days written notice to the other.

The investment advisory agreement provides that, absent willful misfeasance, bad faith or gross negligence in the performance of its duties or the reckless disregard of its duties and obligations, the Manager and its officers, manager, agents, employees, controlling persons, members and any other person or entity affiliated with it are entitled to indemnification from the Company for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of the Manager's services under the investment advisory agreement or otherwise as the Company's Manager.

Pursuant to the investment advisory agreement the compensation and routine overhead expenses of the investment professionals of the Company's management team and their respective staffs, when and to the extent engaged in providing management and investment advisory services to the Company, will be paid for by the Manager. The Company will bear all other costs and expenses of our operations and transactions.

The Manager, NGP Investment Advisor, LP, was formed in 2004 and maintains an office at 1221 McKinney Street, Suite 2975, Houston, Texas 77010. The Manager's sole activity is to perform management and investment advisory services for the Company. The Manager is a registered investment adviser under the Investment Advisers Act of 1940.

The foregoing description of the investment advisory agreement is qualified in its entirety by reference to the full text of the document, a copy of which was filed as Exhibit 10.1 to the Company's Form 10-K for the year ended December 31, 2004, and is incorporated herein by reference.

Administration Agreement

The Company has entered into an administration agreement with the Administrator, under which the Administrator furnishes the Company with office facilities, equipment and clerical, bookkeeping and record keeping services at such facilities. Under the administration agreement, the Administrator also performs, or oversees the performance by third parties of, the Company's required administrative services, which include being responsible for the financial records that the Company is required to maintain and preparing reports to the Company's stockholders and reports filed with the SEC. In addition, the Administrator assists in determining and publishing the Company's net asset value, oversees the preparation and filing of the Company's tax returns and the printing and dissemination of reports to the Company's stockholders and generally oversees the payment of the Company's expenses and the performance of administrative and professional services rendered to the Company by others. To the extent permitted under the 1940 Act, the Administrator may also provide on the Company's behalf, significant managerial assistance to the Company's portfolio companies. Payments under the agreement are equal to amounts based upon the allocable portion of the Administrator's costs and expenses incurred in connection with administering the Company's business. The Administrator bills the Company for charges under the administration agreement monthly in arrears. The agreement may be terminated by either party without penalty upon 60 days' written notice to the other party and will automatically terminate in the event of its "assignment" (as defined in the 1940 Act).

Of the $1,072,981 in accounts payable as of March 31, 2010, $382,757 was due to the Administrator for expenses incurred on the Company's behalf for the first quarter of 2010.

The administration agreement was originally approved by the Company's Board of Directors on November 9, 2004. The administration agreement provides that unless terminated earlier, the agreement will continue in effect until November 9, 2006, and from year-to-year thereafter provided such continuance is approved at least annually by (i) the Company's Board of Directors and (ii) a majority of the Company's directors who are not parties to the administration agreement or "interested persons" of any such party. On November 3, 2009, the Company's Board of Directors, including all of the independent directors, approved the continuation of the administration agreement through November 9, 2010.

The foregoing description of the administration agreement is qualified in its entirety by reference to the full text of the document, a copy of which was filed as Exhibit 10.2 to the Company's Form 10-K for the year ended December 31, 2004, and is incorporated herein by reference.

Note 6: Federal Income Taxes

The Company intends to qualify for tax purposes as a RIC under Subchapter M of Chapter 1 of the Code, as amended. As a RIC, the Company generally will not be subject to federal income tax on the portion of its investment company taxable income and net capital gain (i.e., realized net long term capital gains in excess of realized net short term capital losses) distributed to stockholders. To qualify as a RIC, the Company is required, among other things, to distribute to its stockholders at least 90% of investment company taxable income, as defined by the Code, and to meet certain asset diversification requirements.

For the five years ended December 31, 2009, the Company met all RIC requirements. The Company distributed substantially all of its investment company taxable income for these years. Thus, the Company did not incur any federal income tax liability for any of these periods.

When a "C" corporation qualifies to be taxed as a RIC, it is subject to corporate-level tax on appreciation inherent in its assets on the date it becomes a RIC (i.e., built-in gain) that it recognizes within the first 10 years of its RIC status. A RIC generally may use loss carryforwards arising in taxable years while it was a "C" corporation to reduce its net recognized built-in gain, although a RIC is not otherwise allowed to utilize such loss carryforwards. Because the Company intends to qualify as a RIC under Subchapter M of the Code for 2005 and later years, it is uncertain whether the Company will fully utilize the tax benefit of its loss carryforward.

Certain of our wholly owned subsidiaries have elected to be taxed as a corporation for federal income tax purposes. The following Company consolidated subsidiaries are taxable entities: NGPC Asset Holdings, LP, NGPC Asset Holdings II, LP, NGPC Asset Holdings III, LP, NGPC Asset Holdings V, LP and NGPC Asset Holdings VI, LP, collectively NGPCAH.

The difference between the effective income tax rate of 0.30% and the statutory federal tax rate of 34% for the three months ended March 31, 2010 is primarily attributable to RIC investment company taxable income that generally will not be subject to federal income tax.

The difference between the effective income tax rate of 6.94% and the statutory federal tax rate of 34% for the three months ended March 31, 2009 is attributable to RIC investment company taxable income that generally will not be subject to federal income tax.

Note 7: Commitments and Contingencies

As of March 31, 2010, the Company had investments in or commitments to fund investments to fifteen portfolio companies totaling $248.7 million, of which $242.7 million was outstanding and $6.0 million remained available. In addition, the Company has continuing obligations under the investment advisory agreement with the Manager and the administration agreement with the Administrator. The agreements provide that, absent willful misfeasance, bad faith or gross negligence in the performance of its duties or the reckless disregard of its duties and obligations, the Manager, the Administrator and its officers, managers, agents, employees, controlling persons, members and any other person or entity affiliated with them will be entitled to indemnification from the Company for any damages, liabilities, costs and expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) arising from the rendering of the Manager's or Administrator's services under the agreements or otherwise as the Company's investment adviser or administrator. The agreements also provide that the Manager, the Administrator and their affiliates will not be liable to the Company or any stockholder for any error of judgment, mistake of law, any loss or damage with respect to any of the Company's investments or any action taken or omitted to be taken by the Manager or the Administrator in connection with the performance of any of their duties or obligations under the agreements or otherwise as investment adviser or administrator to the Company, except to the extent specified in Section 36(b) of the 1940 Act concerning loss resulting from a breach of fiduciary duty with respect to the receipt of compensation for services. In the normal course of business, the Company enters into a variety of undertakings containing a variety of representations that may expose the Company to some risk of loss. The amount of future loss, if any arising from such undertakings, while not quantifiable, is not expected to be significant.

Note 8: Reclassifications

GAAP requires adjustments to certain components of net assets to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on total net assets or net asset value per share. The table below summarizes the reclassifications from undistributed net investment income (loss), undistributed net realized capital gain (loss), and paid-in capital in excess of par for the year ended December 31, 2009. These reclassifications are primarily due to operating losses, return of capital distributions, reclassification of the distribution of dividends paid, non-deductible meal expenses, non-deductible excise taxes, income and expenses from wholly owned subsidiaries and the $13.9 million write-off of the Company's investment in Nighthawk.

Year	Undistributed Net Investment Income (Loss)	Undistributed Net Realized Capital Gain(Loss)	Paid-in Capital in Excess of Par
2009	$ 2,293,828	$ 12,180,142	$ (14,473,970)

Note 9: Fair Value

The following three broad categories comprise the hierarchy that prioritizes the inputs to valuation techniques used to measure fair value:

- *Level 1* — Quoted unadjusted prices for identical instruments in active markets to which the Company has access at the date of measurement.
- *Level 2* — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.
- *Level 3* — Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Company's own assumptions that market participants would use to price the asset or liability based on the best available information.

The following table sets forth by level within the fair value hierarchy the Company's financial assets that were accounted for at fair value on a recurring basis as of March 31, 2010. Fair value accounting classifies financial assets and liabilities in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The Company estimates the fair value of the crude oil and natural gas options using a combined income and market based valuation methodology based upon forward commodity price and volatility curves. Independent pricing services provide the curves which reflect broker market quotes.

The following tables present changes in the Company's assets measured at fair value on a recurring basis at March 31, 2010 and December 31, 2009:

Fair Value Measurements As Of March 31, 2010

Assets at Fair Value	Total	Quoted Prices in Active Markets (Level 1)	Prices with Observable Market Inputs (Level 2)	Unobservable Inputs (Level 3)
Long term investments				
Control investments	$ 75,435,448	$ -	$ -	$ 75,435,448
Affiliate investments	34,346,136	-	-	34,346,136
Non-affiliate investments	83,256,296	-	-	83,256,296
Corporate notes	9,416,400	-	-	9,416,400
Total assets at fair value	$202,454,280	$ -	$ -	$202,454,280

Fair Value Measurements As Of December 31, 2009

Assets at Fair Value	Total	Quoted Prices in Active Markets (Level 1)	Prices with Observable Market Inputs (Level 2)	Unobservable Inputs (Level 3)
Long term investments				
Control investments	$ 72,449,620	$ -	$ -	$ 72,449,620
Affiliate investments	31,578,945	-	-	31,578,945
Non-affiliate investments	86,965,378	-	-	86,965,378
Corporate notes	9,062,200	-	-	9,062,200
Crude oil put options	49,000	-	-	49,000
Total assets at fair value	$200,105,143	$ -	$ -	$200,105,143

The Company did not have any liabilities that were measured at fair value on a recurring basis at March 31, 2010 or December 31, 2009.

The following tables present roll-forwards of the changes in the fair value during the three-month period from December 31, 2009 to March 31, 2010 and for the three-month period from December 31, 2008 to March 31, 2009, for all investments for which the Company determines fair value using unobservable (Level 3) factors. During the three months ended March 31, 2010 and March 31, 2009, none of the investments in portfolio companies changed between the categories of Control Investments – Majority Owned, Affiliate Investments and Non-Affiliate Investments.

	Assets at Fair Value Using Unobservable Inputs (Level 3)					
	Control Investments	Affiliate Investments	Non-affiliate Investments	Corporate Notes	Commodity Derivative Instruments	Total Investments
Balance as of December 31, 2009	$ 72,449,620	$ 31,578,945	$ 86,965,378	$ 9,062,200	$ 49,000	$ 200,105,143
Transfers in (out) of Level 3	-	-	-	-	-	-
Net amortization of premiums, discounts and fees	119,385	56,033	(3,131,526)	(12,323)	-	(2,968,431)
Net realized gains (losses)	-	-	-	-	-	-
Net unrealized gains (losses)	6,501	558,719	1,966,366	366,523	(18,900)	2,879,209
Change in Control	-	-	-	-	-	-
Purchases	2,046,172	1,247,220	1,193	-	-	3,294,585
Payment-in-kind	813,770	917,719	-	-	-	1,731,489
Sales and repayments	-	(12,500)	(2,545,115)	-	-	(2,557,615)
Settlements	-	-	-	-	(30,100)	(30,100)
Balance as of March 31, 2010	$ 75,435,448	$ 34,346,136	$ 83,256,296	$ 9,416,400	$ -	$ 202,454,280

Most of the $2,879,209 net unrealized gains before taxes presented in the table above relate to improved fair market values of limited term royalties from the Company's investment in ATP Oil & Gas Co., $1,746,991, and the Company's investment in the common stock of Resaca Exploitation, Inc., $558,719. The remaining balance of $573,499 gain relates primarily to the higher market value of corporate notes and a mix of gains and losses on other portfolio investments. The Company presents net unrealized losses on the Consolidated Statements of Operations as "Net increase (decrease) in unrealized appreciation (depreciation) on portfolio securities, corporate notes and commodity derivative instruments."

Assets at Fair Value Using Unobservable Inputs (Level 3)

	Control Investments	Affiliate Investments	Non-affiliate Investments	Corporate Notes	Commodity Derivative Instruments	Total Investments
Balance as of December 31, 2008 (As restated)	$ 24,570,000	$ 44,416,490	$ 175,243,078	$ 6,350,000	$ 8,212,872	$ 258,792,440
Transfers in (out) of Level 3	-	-	-	-	-	-
Net amortization of premiums, discounts and fees	(296)	44,617	(1,478,495)	(11,637)	-	(1,445,811)
Net realized gains (losses)	-	-	-	-	-	-
Net unrealized gains (losses)	(4,075,662)	205,744	(17,275,378)	(225,063)	(3,189,673)	(24,560,032)
Change in Control	-	-	-	-	-	-
Purchases	1,075,958	4,000,000	6,060,778	-	-	11,136,736
Payment-in-kind	-	795,837	116,689	-	-	912,526
Sales and repayments	-	-	(5,481,565)	-	-	(5,481,565)
Settlements	-	-	-	-	(293,965)	(293,965)
Balance as of March 31, 2009 (As restated)	$ 21,570,000	$ 49,462,688	$ 157,185,107	$ 6,113,300	$ 4,729,234	$ 239,060,329

Of the $24,560,032 net unrealized losses before taxes presented in the table above, $3,189,673 relates to unrealized losses upon realization of gains of commodity derivative instruments maturities during the first quarter of 2009. The remaining loss of $21,370,359 relates primarily to the lower market value of our investments in Formidable, LLC, $17,550,812 and TierraMar Energy LP, $4,075,958. The Company presents net unrealized losses on the Consolidated Statements of Operations as “Net increase (decrease) in unrealized appreciation (depreciation) on portfolio securities, corporate notes and commodity derivative instruments.”

Note 10: Commodity Derivative Instruments

The Company may periodically enter into commodity derivative instruments to manage our exposure to commodity price fluctuations. The Company uses all of its derivatives for risk management purposes and does not hold any amounts for speculative or trading purposes. These contracts generally consist of options contracts on underlying commodities.

The Company acquired a limited term royalty interest from ATP Oil & Gas Corporation and will receive royalty payments from this investment that are based on crude oil and natural gas production and prices. As a result, the Company is exposed to fluctuations in crude oil and natural gas prices. As of June 4, 2008, the Company had entered into option contracts to manage the price risk associated with these royalty payments. The Company accounts for derivative instruments and hedging activities in accordance with derivative instruments and hedging accounting rules. The Company has decided not to designate these instruments as hedging instruments for financial accounting purposes. As a result, we recognize the change in the instruments’ fair value currently on the Consolidated Statements of Operations as net increase (decrease) in unrealized appreciation (depreciation) on portfolio securities, corporate notes and commodity derivative instruments.

Investments in derivative instruments represent future commitments or options to purchase or sell other financial instruments or commodities at specific prices at specified future dates, which expose the Company to market risk if the market value of the contract is higher or lower than the contract price at the maturity date. Additionally, these derivative instruments expose the Company to credit risk arising from the potential inability of counterparties to perform under the terms of the contracts.

The components of gains (losses) on commodity derivative instruments are as follows:

	For the Three Months Ended March 31, 2010	March 31, 2009
Unrealized gains (losses) on commodity derivatives	$ (18,900)	$ (3,189,673)
Realized gains (losses) on commodity derivatives	16,079	3,173,852
Net gains (losses) on commodity derivative instruments	$ (2,821)	$ (15,821)

The unrealized gains (losses) on commodity derivatives are included in net increase (decrease) and unrealized appreciation (depreciation) on portfolio securities, corporate notes and commodity derivative instruments.

The realized gains (losses) on commodity derivatives are composed of revenues received on favorable expired options less the cost of all expired positions and are included in interest income.

The Company's commodity derivative instruments were totally expired as of January 31, 2010.

Note 11: Recent Accounting Pronouncements

In April 2009, the FASB issued three new accounting standards relating to certain aspects of fair value measurement and related disclosures, also included in ASC Topic 820. The accounting standards update was effective April 1, 2009. The Company does not believe that the adoption of these standards will have an impact on its consolidated financial statements.

In April 2009, the FASB issued an accounting standards update, included in ASC Topic 820, to provide additional guidance for estimating the fair value of assets or liabilities with low levels of activity. The new guidance was effective prospectively for interim and annual reporting periods ended after June 15, 2009. The Company adopted the new guidance in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2009. The adoption of this new accounting guidance did not have a material effect on the Company's consolidated financial statements or disclosures.

In May 2009, the FASB issued an accounting standards update on subsequent events, which was primarily codified into ASC Topic 855. The Company adopted ASC 855 in its Quarterly Report on Form 10-Q for the quarter ended June 30, 2009. In February 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-09, *Amendments to Certain Recognition and Disclosure Requirements* ("ASU 2010-09") which amends ASC 855 to define an SEC filer and remove the requirement for an SEC filer to disclose the date, in both issued and revised financial statements, through which it has evaluated subsequent events. This change alleviates potential conflicts with current SEC guidance. ASU No. 2010-09 is effective upon issuance for all entities other than conduit bond obligors. The Company adopted the requirements of ASU No. 2010-09 on the effective date. See Note 12 for a listing of subsequent events.

In January 2010, the FASB issued ASU No. 2010-06, *Fair Value Measurements and Disclosures*, which amends ASC 820 and requires additional disclosure related to recurring and non-recurring fair value measurements in respect to transfers in and out of Levels 1 and 2 and activity in Level 3 fair value measurements. The update also clarifies existing disclosure requirements related to activity in Level 3 fair value measurements, which are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The Company adopted the new guidance in its annual Report on 10-K for the year ended December 31, 2009.

Note 12: Subsequent Events

In April 2010, the Company and Tammany Oil & Gas, LLC ("Tammany") agreed to amend the Company's Credit Agreement with Tammany. Under the amended terms, the Company extended the maturity of the Tammany Credit Agreement from April 21, 2010 to September 21, 2010.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following analysis of our financial condition and results of operations should be read in conjunction with management's discussion and analysis contained in our 2009 Annual Report on Form 10-K, as well as our consolidated financial statements and the notes thereto included in this Quarterly Report on Form 10-Q.

Restatement

On March 15, 2010, our Board of Directors and the members of the Audit Committee of our Board of Directors concluded that we should restate our consolidated financial statements for the years ended December 31, 2007 and December 31, 2008 and the first three quarters of 2009 (collectively, the "Affected Periods").

The determination to restate the financial statements for the Affected Periods was made in connection with management's assessment of accounting errors it discovered as part of a process to remediate a material weakness in internal controls previously disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2008 and the Company's Quarterly Reports on Form 10-Q in 2009. While the Company has taken steps to remediate the previously disclosed material weakness, the material weakness existed throughout the quarterly periods of 2009, and at December 31, 2009, the Company had not yet completed its assessment as to whether the material weakness had been fully remediated. The Company anticipates that it will complete its testing of the additional internal control processes designed to remediate the previously disclosed material weakness in 2010.

The errors and consequent restatements principally involved non-cash accounting entries related to net deferred tax assets and liabilities that typically arise as a result of timing differences in tax and GAAP (book) accounting. Taxable Net Investment Income, which is the primary determinant of the Company's distributable income, has not been affected in any period by these restatements.

The Company's assessment of certain identified accounting errors results in the following adjustments to previously reported periods:

1. In the quarter ended March 31, 2007, the Company failed to record a deferred tax liability with respect to approximately $2.1 million in unrealized appreciation on investments in partnerships. Similarly, in the quarters ended June 30, 2007 and September 30, 2007, the Company failed to record deferred tax liabilities with respect to approximately $4.0 million and $2.0 million, respectively, in unrealized appreciation on an investment.

2. In the quarter ended September 30, 2008, the Company realized a $12.34 million pre-tax gain on this same investment (as compared to the $8.15 million of unrealized appreciation previously recorded in 2007). The reversal of the previously unrecorded deferred tax liability in 2008 resulted in the incorrect recording of a net deferred tax asset of $3.8 million at year end 2008.

Unrelated to the restatements, we have reclassified certain balance sheet, statement of operations and statement of cash flows amounts to conform to the presentation in our most recently-filed Annual Report on Form 10-K. These reclassifications were primarily related to the disaggregation of investments in portfolio securities, investment income, net realized capital gain (loss) on investments and net unrealized gain (loss) on investments into separate classifications according to level of control.

See Note 2, Restatement of Consolidated Financial Statements for a schedule of the amounts and accounts that were affected for the period ended March 31, 2009.

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q that relate to estimates or expectations of our future performance or financial condition may constitute "forward-looking statements" as defined under the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to various risks and uncertainties, which could cause actual results and conditions to differ materially from those projected, including, but not limited to,

- uncertainties associated with the timing of transaction closings;
- changes in the prospects of our portfolio companies;
- changes in interest rates;
- changes in regional, national or international economic conditions and their impact on the industries in which we invest;
- continued disruption of credit and capital markets;
- the future operating results of our portfolio companies and their ability to achieve their objectives;
- changes in the conditions of the industries in which we invest;
- the adequacy of our cash resources and working capital;
- the timing of cash flows, if any, from the operations of our portfolio companies;
- the ability of our Manager to locate suitable investments for us and to monitor and administer the investments; and

- other factors enumerated in our filings with the SEC.

We may use words such as "anticipates," "believes," "expects," "intends," "will," "should," "may" and similar expressions to identify forward-looking statements. Such statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties that could cause actual results to differ materially from our historical experience and present expectations. Undue reliance should not be placed on such forward-looking statements, as such statements speak only as of the date on which they are made. Additional information regarding these and other risks and uncertainties is contained in our periodic filings with the SEC.

Overview

We are a financial services company created to invest primarily in debt securities of small and mid-size private energy companies. We have elected to be regulated as a BDC under the 1940 Act and, as such, we are required to comply with certain regulatory requirements. For instance, we generally have to invest at least 70% of our total assets in "qualifying assets," which include securities of private U.S. companies, U.S. companies whose securities are listed on a national securities exchange but whose market capitalization is less than $250 million, cash, cash equivalents, U.S. government securities and high-quality debt investments that mature in one year or less. In addition, for federal income tax purposes we operate so as to be treated as a RIC under the Code. Pursuant to these elections, we generally will not have to pay corporate-level taxes on any income and capital gains we distribute to our stockholders. The Company has several direct and indirect subsidiaries that are single member limited liability companies and wholly-owned limited partnerships established to hold certain portfolio investments or provide services to the Company in accordance with specific rules prescribed for a company operating as a RIC. The Company consolidates the results of its subsidiaries for financial reporting purposes. The Company does not consolidate the financial results of its portfolio companies.

Our investment objective is to generate both current income and capital appreciation primarily through debt investments with certain equity components. A key focus area for our targeted investments in the energy industry is domestic upstream businesses that produce, develop, acquire and explore for oil and natural gas. We also evaluate investment opportunities in such businesses as coal, power, electricity, energy services and alternative energy. Our investments generally range in size from $10 million to $50 million, however, we may invest more or less depending on market conditions and our Manager's view of a particular investment opportunity. Our targeted investments primarily consist of debt instruments, including senior and subordinated loans combined in one facility, sometimes with an equity component, and subordinated loans, sometimes with equity components. We may also invest in preferred stock and other equity securities on a stand-alone basis.

We generate revenue in the form of interest income on the debt securities that we own, dividend income on any common or preferred stock that we own and capital gains or losses on any debt or equity securities that we acquire in portfolio companies and subsequently sell. Our investments, if in the form of debt securities, typically have a term of three to seven years and bear interest at a fixed or floating rate. To the extent achievable, we seek to collateralize our investments by obtaining security interests in our portfolio companies' assets. We also may acquire minority or majority equity interests in our portfolio companies, which may pay cash or in-kind dividends on a recurring or otherwise negotiated basis. In addition, we may generate revenue in other forms including commitment, origination, structuring, administration or due diligence fees; fees for providing managerial assistance; and possibly consultation fees. Any such fees generated in connection with our investments are recognized as earned.

Our level of investment activity can and does vary substantially from period to period depending on many factors, including the amount of debt and equity capital available to energy companies, the level of acquisition and divestiture activity for such companies, the level and volatility of energy commodity prices, the general economic environment and the competitive environment for the types of investments we make, and our own ability to raise capital, both through issuance of debt and equity securities, to fund our investments. We believe that the recent dislocation in the credit markets and decline in energy commodity prices should favorably impact the competitive environment, in that it is reducing the debt capital available to energy companies from other sources. Though the same macro economic factors also make our access to new debt and equity capital less certain, in October 2009, we extended the maturity date of our Investment Facility to August 2012. While we currently have capital available to invest, it is not unlimited. We remain committed to our underwriting and investment disciplines in selectively investing in appropriate risk-reward opportunities within the energy sector.

Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Changes in the economic environment, financial markets and any other parameters used in determining such estimates could cause actual results to differ materially. In addition to the discussion below, our significant accounting policies are further described in Note 3 of our consolidated financial statements included in this Quarterly Report on Form 10-Q.

Valuation of Investments

Investments are carried at fair value, as determined in good faith by the Company's Board of Directors. On a quarterly basis, the investment team of the Manager prepares valuations for all of the assets in the Company's portfolio and presents the valuations to the Company's Valuation Committee and Board of Directors. The valuations are determined and recommended by the Valuation Committee to the Board of Directors, which reviews and ratifies the final portfolio valuations.

Investments in securities for which market quotations are readily available are recorded in the financial statements at such market quotations as of the valuation date adjusted for appropriate liquidity discounts, if applicable. For investments in securities for which market quotations are unavailable, or which have various degrees of trading restrictions, the investment team of the Manager prepares valuation analyses.

Using the most recently available financial statements, forecasts and, when applicable, comparable transaction data, the investment team of the Manager prepares valuation analyses for the various securities in the Company's investment portfolio. These valuation analyses are prepared using traditional valuation methodologies, which rely on estimates of the asset values and enterprise values of portfolio companies issuing securities, as well as estimated current market values for comparable securities.

The following three broad categories comprise the hierarchy that prioritizes the inputs to valuation techniques used to measure fair value:

- *Level 1* — Quoted unadjusted prices for identical instruments in active markets to which the Company has access at the date of measurement.
- *Level 2* — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.
- *Level 3* — Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Company's own assumptions that market participants would use to price the asset or liability based on the best available information.

Fair value accounting classifies financial assets and liabilities in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The Company estimates the fair value of the crude oil and natural gas options using a combined income and market based valuation methodology based upon forward commodity price and volatility curves. Independent pricing services provide the curves which reflect broker market quotes.

Portfolio and Investment Activity

In February 2010, the Company amended its Senior Secured Credit Facility (the "Alden Facility") with Alden. The amendment provides Alden with a $3.0 million Revolving Credit Facility (the "Revolver") with initial availability of $2.7 million. Additionally, the Company arranged a $3.25 million Letter of Credit Facility (the "L/C Facility") for Alden through SunTrust Bank. The letter of credit under the L/C Facility was issued on behalf of Alden and guaranteed by the Company. Initially, a $2.594 million letter of credit was issued to secure a series of reclamation bonds issued by Argo Surety. The terms of the Revolver and L/C Facility are the same as the Alden Facility (12% cash interest, 15% PIK). As additional consideration for providing the Revolver and the L/C Facility, the Company will earn an incremental 0.5% Royalty Interest on all of Alden's revenue.

In February 2010, the Company and Black Pool Energy Partners, LLC ("Black Pool") agreed to amend the Company's Credit Agreement with Black Pool. Under the amended terms, the Company consented to Black Pool's sale of a 37.5% working interest in certain offshore wells to a third party for $7.1 million. Proceeds from the sale will be used to pay completion costs for the offshore wells, to repay debt and to retire accounts payable. As consideration for its consent, interest on the facility will increase from 12% to 15% (LIBOR + 11% with a floor of 4%).

In March 2010, the Company and Tammany Oil & Gas, LLC ("Tammany") agreed to amend the Company's Credit Agreement with Tammany. Under the amended terms, the Company extended the maturity of the Tammany Credit Agreement from March 21, 2010 to April 21, 2010. As consideration for the extension, the Company received an amendment fee of $125,000. See Note 12 Subsequent Events for more information on Tammany.

In total for the quarter ended March 31, 2010, investments in existing portfolio companies increased by $5.8 million and we received principal repayments, realizations and settlements of $5.8 million. One investment, our commodity derivative instruments, expired during the first quarter of 2010 and we did not add any new companies to our portfolio.

Following these transactions our investment portfolio consisted of fifteen portfolio companies and was invested as follows based on their fair values as of March 31, 2010: 45.6% in senior secured term loans, 0.2% in participating convertible preferred stock, 1.5% in common stock, 3.0% in corporate notes, 6.0% in membership and partnership units, 3.5% in net profits interests, 5.8% in limited term royalty interests, and 0.2% in other investments. The balance of our investment portfolio (as a percentage of the whole portfolio) was comprised 34.2% of cash and cash equivalents.

Results of Operations

Investment Income

Investment income for the quarter ended March 31, 2010 was $5.2 million, with $4.9 million attributable to interest from targeted investments in ten portfolio companies, a $0.2 million net loss attributable to royalty income, net of amortization, and $0.5 million from corporate notes, investments in cash and cash equivalents and fee income from third parties and affiliates. This compares to investment income for the quarter ended March 31, 2009 of $8.5 million with $6.0 million attributable to interest from targeted investments in eleven portfolio companies, $3.2 million attributable to income from commodity derivative instruments, a $0.9 million net loss attributable to royalty income net of amortization, and $0.2 million from corporate notes and investments in cash equivalents.

Our total targeted portfolio balance decreased on a cost basis by approximately $57.9 million from $299.6 million on March 31, 2009 to $241.7 million on March 31, 2010. The balance of non-accruing and non-income producing investments on a cost basis increased from approximately $77.8 million at March 31, 2009 to approximately $102.4 million at March 31, 2010. The balance of non-accruing and non-income producing investments on a fair value basis increased from approximately $30.4 million at March 31, 2009 to approximately $50.9 million at March 31, 2010. Although LIBOR rates remained low in the first quarter of 2010, they had a minimal effect on our targeted investment income because of LIBOR floors established for new portfolio companies and certain other existing portfolio companies during 2010 and 2009. Additionally, the continued downward pressure on U.S. Treasury Bill interest rates during 2010 and 2009 reduced interest from cash and cash equivalents.

At March 31, 2010, the weighted average yield on targeted portfolio investments, exclusive of capital gains, was 7.23%. The weighted average yield of our corporate notes was 5.82%. The weighted average yield of our cash & cash equivalents was 0.57%. The weighted average yield on our total capital invested at March 31, 2010 was 5.22%. Further, three investments totaling $62.6 million on a cost basis (Formidable, LLC ("Formidable"), $38.8 million; Alden Tranche B, $19.5 million; and Chroma Exploration & Production, Inc., $4.3 million) are currently on non-accrual status. Investments totaling $39.8 million on a cost basis are non-income producing and include equity investments in TierraMar Energy LP preferred units, DeanLake Operator, LLC preferred units, Resaca Exploitation, Inc. ("Resaca") common stock, Alden class E units and warrants and units associated with our investment in BioEnergy.

At March 31, 2009, the weighted average yield on targeted portfolio investments, exclusive of capital gains, was 6.51%. The weighted average yield of our corporate notes was 5.82%. The weighted average yield of our U.S. Treasury Bills and cash equivalents was 0.13% and 0.31%, respectively. The weighted average yield on our total capital invested at March 31, 2009 was 6.05%.

Yields on investments are computed using interest rates as of the balance sheet date and include amortization of loan discount points, original issue discount and market premium or discount, royalty interest income, net profits income and other similar investment income, weighted by their respective costs when averaged. Additionally, these yields do not include income from any investments on non-accrual status. Such weighted average yields are not necessarily indicative of expected total returns on a portfolio.

Operating Expenses

For the quarter ended March 31, 2010, operating expenses were $3.0 million compared to $4.0 million for the quarter ended March 31, 2009. The 2010 amount consisted of investment advisory and management fees of $1.3 million, insurance expenses, administrative services fees, professional fees, directors' fees and other general and administrative expenses of $1.4 million and credit facility interest and fees of $0.3 million. In comparison, for the quarter ended March 31, 2009, investment advisory and management fees were $1.8 million, insurance expenses, administrative services fees, professional fees, directors' fees and other general and administrative expenses of $1.2 million and credit facility interest and fees of $1.0 million. Overall lower portfolio balances in 2010 resulted in lower investment advisory and management fees, and lowered levels of borrowings reduced our credit facility interest and fees. Professional fees in the first quarter of 2010 were higher than expected due to additional costs incurred related to the restatement of our financial statements from 2007 through 2009.

Operating expenses for the three-month period include our allocable portion of the total organizational and operating expenses incurred by us, the Manager and the Administrator, as determined by our Board of Directors and representatives of the Manager and the Administrator. According to the terms of the investment advisory agreement, we calculate the base management fee quarterly as 0.45% of the average of our total assets as of the end of the two previous quarters. Other general and administrative expenses include allocated share of employee, facilities and stockholder services and marketing costs.

Net Investment Income Before Income Taxes

For the quarter ended March 31, 2010, net investment income before income taxes was $2.1 million compared to $4.5 million for the quarter ended March 31, 2009, as restated. The 52.7% decrease was due to lower investment income partially offset by lower operating expenses, primarily lower management fees and credit facility interest expenses and fees.

Net Realized Gains

There were no realized capital gains or losses for the quarters ended March 31, 2010 and 2009.

Unrealized Appreciation or Depreciation on Investments

For the quarter ended March 31, 2010, the decrease in net unrealized depreciation after income taxes was $2.6 million, comprised of a $2.5 million increase in targeted portfolio fair value and an increase of $0.4 million in the fair value of our corporate notes, less a tax provision of $0.3 million resulting from routine quarterly valuation allowance reallocation. The increase in targeted portfolio fair value was largely a result of changes in the estimated current market values of underlying assets.

For the quarter ended March 31, 2009, as restated, the increase in net unrealized depreciation after income taxes was $23.2 million, comprised of a $21.2 million decrease in targeted portfolio fair value, a decrease of $3.2 million in commodity derivative instruments fair value and a decrease of $0.2 million in corporate notes fair value, offset by a $1.4 million tax benefit. The decrease in targeted portfolio fair value was largely a result of changes in the estimated current market values of underlying assets. The decrease in the fair value of commodity derivative instruments was a result of the reversal of 2008 unrealized appreciation due to realizations in the first quarter of 2009.

While, in general, current capital and commodity markets are more stable than during the prior eighteen months, conditions are such that it remains difficult to predict capital gains or losses or fluctuations in our portfolio values.

Net Increase or Decrease in Stockholders' Equity from Operations

For the quarter ended March 31, 2010, we had a net increase in stockholders' equity (net assets) resulting from operations of $5.0 million, or $0.24 per share, compared to a net decrease of $18.6 million, or $0.86 per share for the quarter ended March 31, 2009, as restated. The $23.6 million or $1.10 per share net increase is attributable to a $25.7 million decrease in unrealized depreciation on portfolio securities net of taxes, offset by a decrease in net investment income after taxes of $2.1 million.

Financial Condition, Liquidity and Capital Resources

During the quarter ended March 31, 2010, we generated cash from operations, including interest earned on our portfolio securities, as well as our investments in corporate notes and U.S. government securities. At March 31, 2010, we had cash and cash equivalents of $105.3 and investments in corporate notes of $9.4 million. Our Investment Facility had an outstanding balance of $64.9 million at March 31, 2010 and will mature on August 31, 2012. As of March 31, 2010, we had investments in or commitments to fund loan facilities to fifteen portfolio companies totaling $248.7 million, of which $242.7 million was drawn. We expect to fund our investments in 2010 from available cash, income earned on our portfolio and temporary investments, repayments or realizations of existing investments and from borrowings under our Investment Facility. In the future, we may also fund a portion of our investments with issuances of equity or senior debt securities. We may also securitize a portion of our investments in mezzanine or senior secured loans or other assets. We expect our primary use of funds to be investments in portfolio companies, cash distributions to holders of our common stock and payment of fees and other operating expenses.

Commodity Derivative Instruments

We use commodity derivative instruments to manage our exposure to commodity price fluctuations. We do not designate these instruments as hedging instruments for financial accounting purposes, and, as a result, we recognize the change in the instruments' fair value currently on the Consolidated Statements of Operations as net increase (decrease) in unrealized appreciation (depreciation) on portfolio securities, corporate notes and commodity derivative instruments.

We acquired a limited term royalty interest from ATP, and the royalty payments associated with this investment are subject to fluctuations in natural gas and oil prices. To manage this risk, we purchased oil and natural gas put options on approximately 93% of our royalty interest. These transactions limit exposure to declines in oil and natural gas prices and were fully expired as of January 31, 2010. See "Note 10: Commodity Derivative Instruments" in the accompanying notes to the consolidated financial statements for further description of our put options.

Contractual Obligations

A summary of our contractual payment obligations at March 31, 2010 is as follows:

Contractual Obligations	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
March 31, 2010:					
Long-term debt obligations— revolving credit facilities (1)	$64,905,200	$ -	$64,905,200	$ -	$ -
Total	$64,905,200	$ -	$64,905,200	$ -	$ -

(1) Excludes accrued interest amounts.

Off-Balance Sheet Arrangements

Currently, we do not engage in any off-balance sheet arrangements, including any risk management of commodity pricing or other hedging practices.

Dividends

We have elected to operate our business so as to be taxed as a RIC for federal income tax purposes. As a RIC, we generally will not be required to pay corporate-level federal income taxes on any ordinary income or capital gains that we distribute to our stockholders as dividends. To maintain our RIC status, we must meet specific source-of-income and asset diversification requirements and distribute annually an amount equal to at least 90% of our "investment company taxable income" (which generally consists of ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, reduced by deductible expenses) and net tax-exempt interest. In order to avoid certain excise taxes imposed on RICs, we must distribute during each calendar year an amount at least equal to the sum of (1) 98% of our ordinary income for the calendar year, (2) 98% of our capital gain net income (i.e., realized capital gains in excess of realized capital losses) for the one-year period ended on October 31 of that calendar year, and (3) 100% of any ordinary income or capital gain net income not distributed in prior years. We currently intend to make sufficient distributions to satisfy the annual distribution requirement and to avoid the excise taxes.

We may not be able to achieve operating results that will allow us to make distributions at a specific level or to increase the amount of these distributions from time to time. In addition, we may be limited in our ability to make distributions due to the asset coverage test for borrowings when applicable to us as a BDC under the 1940 Act and due to provisions in our credit facility. If we do not distribute a certain percentage of our income annually, we will suffer adverse tax consequences, including possible loss of our status as a RIC. We cannot assure stockholders that they will receive any distributions or distributions at a particular level.

Portfolio Credit Quality

Virtually all of our portfolio investments are in negotiated, and often illiquid, securities of energy companies. We maintain a system to evaluate the credit quality of these investments. While incorporating quantitative analysis, this system is a qualitative assessment. This system is intended to reflect the overall, long term performance of a portfolio company's business, the collateral coverage of an investment, and other relevant factors. As a consequence of the general economic downturn and associated weakness in the energy markets, one of our investments, Formidable, has experienced significant degradation in value that may not be recoverable. Of the twenty-four rated investments in fifteen portfolio companies, compared to the quarter ended December 31, 2009, none improved in rating, one declined in rating, twenty-two retained the same rating and one investment was added during the first quarter of 2010. Fourteen investments totaling approximately $137.1 million, or approximately 57% of the $242.2 million in targeted investments, on a cost basis, are carried on our watch list due to slower than expected development of the assets supporting the investments, the downturn in general economic and energy market conditions or deterioration in asset coverage.

For the first quarter of 2010, the combined decrease in unrealized depreciation of our portfolio securities, corporate notes and commodity derivative instruments of $2.6 million was largely due to increases in the estimated market values of underlying assets, consisting primarily of the increase in the fair value of Resaca common stock, $0.6 million; increase in the fair value of our investment in ATP Oil & Gas Corp limited term royalty, $1.7 million and increase in the fair value of our corporate bonds, $0.4 million.

Recently Issued Accounting Pronouncements

See "Note 11: Recent Accounting Pronouncements" in the accompanying notes to consolidated financial statements for details of recently issued accounting pronouncements and their expected impact on our financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no material changes from the information provided in Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2009.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act), designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported on a timely basis and accumulated and made known to management, including our Chief Executive Officer and our Chief Financial Officer, to allow timely decisions regarding required disclosures.

In connection with the preparation of this Quarterly Report on Form 10-Q, as of the end of the fiscal period covered by this Quarterly Report on Form 10-Q, the Company performed an evaluation, under the supervision and with the participation of the Company's management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rules 13a-15(b) and 15d-15(b) under the Exchange Act.

After giving effect to the restatement referred to below and based on an evaluation of our disclosure controls and procedures as of the end of the period covered by this Form 10-Q conducted by our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were ineffective in providing reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported when required and that such information is accumulated and communicated to management in a manner that allows timely decisions regarding required disclosure. In light of this material weakness, the Company performed additional analysis and post-closing procedures to ensure its financial statements were prepared in accordance with generally accepted accounting principles. After giving effect to the restatements referred to below, and subject to the statements below regarding our inability to maintain effective controls over the determination and reporting of the provision for income taxes, the Company's management has concluded that the financial statements included in this Form 10-Q present fairly in all material respects the Company's financial condition, results of operations and cash flows for the periods presented.

The certifications of our Chief Executive Officer and our Chief Financial Officer required in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 are attached as exhibits to this Form 10-Q. The disclosures set forth in this Item 4 contain information concerning (i) the evaluation of our disclosure controls and procedures referred to in paragraph 4 of the certifications, and (ii) material weaknesses in the design or operation of our internal control over financial reporting referred to in paragraph 5 of those certifications. Those certifications should be read in conjunction with this Item 4 for a more complete understanding of the matters covered by the certifications.

Discussion of Material Weakness

Management's assessment identified a material weakness in the Company's internal control over financial reporting. As of March 31, 2010, the Company did not maintain effective controls over the determination and reporting of the provision for income taxes. This material weakness was initially disclosed in Item 9A of our Annual Report on Form 10-K for the year ended December 31, 2008. As of March 31, 2010, our management was unable to conclude that we had remediated this previously disclosed material weakness in our internal control over financial reporting. Specifically, management did not perform a sufficiently precise review to ensure the completeness and accuracy of the Company's calculation of its income tax provision and deferred income tax assets and liabilities. This deficiency resulted in the restatement of the Company's consolidated financial statements for the years ended December 31, 2007 and 2008 (and the unaudited selected quarterly data for each of the quarters in 2007 and 2008 and the first three quarters in 2009), and results in a reasonable possibility that a material misstatement of the Company's annual or interim financial statements would not be prevented or detected on a timely basis.

Remediation Efforts

The remediation efforts, as outlined below, are designed to address the material weakness identified by management and to strengthen the Company's internal control over financial reporting.

Beginning in the first quarter of 2009, the Company implemented the following remediation steps to address this material weakness discussed above and to improve its internal controls over financial reporting:

- improved procedures for the calculation and reconciliation process of our deferred income tax assets and liabilities, including validation of underlying supporting data;
- engaged external tax experts to support the Company's financial closing and reporting process; and
- enhanced quarterly management review of the calculation of the deferred income tax assets and liabilities and underlying supporting data.

We believe that these remediation actions will represent ongoing improvement measures. While we have taken steps to remediate the material weakness, additional measures may be required. We will continue to assess the effectiveness of our remediation efforts in connection with our management's tests of internal control over financial reporting in conjunction with our annual and quarterly reports. The Company anticipates that it will complete its testing of the additional internal control processes designed to remediate the previously disclosed material weakness in 2010.

Changes in Internal Control Over Financial Reporting

There were no changes in internal control over financial reporting during the quarter ended March 31, 2010 that have materially affected or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 4T. Controls and Procedures.

Not applicable.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

There have been no material changes to the legal proceedings disclosed under Part I, Item 3, "Legal Proceedings" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009.

Item 1A. Risk Factors.

There have been no material changes to the risk factors disclosed under Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. (Removed and Reserved).

Item 5. Other Information.

Not applicable.

Item 6. Exhibits.

See "Index to Exhibits" following the signature page for a description of the exhibits filed as part of this Quarterly Report on Form 10-Q.

SIGNATURES

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

NGP CAPITAL RESOURCES COMPANY

Date: May 10, 2010	By:	/s/ John H. Homier John H. Homier President and Chief Executive Officer
Date: May 10, 2010	By:	/s/ Stephen K. Gardner Stephen K. Gardner Chief Financial Officer, Treasurer and Secretary

Index to Exhibits

Exhibits No.	Exhibit
3.1	Articles of Incorporation (filed as Exhibit (a)(1) to the Company's Registration Statement on Form N-2 filed on August 16, 2004 (Registration No. 333-118279) and incorporated herein by reference)
3.2	Articles of Amendment and Restatement (filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 and incorporated herein by reference)
3.3	Bylaws (filed as Exhibit (b) to the Company's Registration Statement on Form N-2 filed on August 16, 2004 (Registration No. 333-118279) and incorporated herein by reference)
4.1	Form of Stock Certificate (filed as Exhibit (d) to the Company's Pre-Effective Amendment No. 2 to Registration Statement on Form N-2 filed on October 7, 2004 (Registration No. 333-118279) and incorporated herein by reference)
4.2	Dividend Reinvestment Plan (filed as Exhibit (e) to the Company's Registration Statement on Form N-2 filed on August 16, 2004 (Registration No. 333-118279) and incorporated herein by reference)
10.1	Investment Advisory Agreement between the Company and NGP Investment Advisor, LP (filed as Exhibit 10.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 and incorporated herein by reference)
10.2	Administration Agreement between the Company and NGP Administration, LLC (filed as Exhibit 10.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 and incorporated herein by reference)
10.3	Trademark License Agreement between the Company and NGP Energy Capital Management, L.L.C. (formerly known as Natural Gas Partners, L.L.C.) (filed as Exhibit 10.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 and incorporated herein by reference)
10.4	Form of Indemnity Agreement (filed as Exhibit 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 and incorporated herein by reference)
10.5	Amended and Restated Revolving Credit Agreement, dated as of August 31, 2006, among the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent for the lenders (filed as Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006 and incorporated herein by reference)
10.6	Treasury Secured Revolving Credit Agreement, dated as of August 31, 2006, between the Company, the lenders from time to time party thereto and SunTrust Bank as administrative agent for the lenders (filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006 and incorporated herein by reference)
10.7	Custody Agreement between the Company and Wells Fargo Bank, N.A. (filed as Exhibit (j)(1) to the Company's Registration Statement on Form N-2 filed on October 15, 2007 (Registration No. 333-146715) and incorporated herein by reference)
10.8	Amendment No. 1 to Custody Agreement between the Company and Wells Fargo Bank, N.A. (filed as Exhibit 10.8 to the Company's Annual Report on Form 10-K for the year ended December 31, 2007 and incorporated herein by reference)
10.9	Amendment No. 2 to Custody Agreement between the Company and Wells Fargo Bank, N.A. (filed as Exhibit 10.9 to the Company's Annual Report on Form 10-K for the year ended December 31, 2007 and incorporated herein by reference)
10.10	First Amendment to Amended and Restated Revolving Credit Agreement effective as of August 31, 2006, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007 and incorporated herein by reference)
10.11	First Amendment to Treasury Secured Revolving Credit Agreement effective as of August 31, 2006, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007 and incorporated herein by reference)
10.12	Second Amendment to Treasury Secured Revolving Credit Agreement effective as of October 18, 2007, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 24, 2007 and incorporated herein by reference)
10.13	Second Amendment to Amended and Restated Revolving Credit Agreement effective as of March 13, 2008, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 and incorporated herein by reference)

Exhibits No.	Exhibit
10.14	Third Amendment to Treasury Secured Revolving Credit Agreement effective as of March 13, 2008, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 and incorporated herein by reference)
10.15	Third Amendment to Amended and Restated Revolving Credit Agreement effective as of September 29, 2008, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 and incorporated herein by reference)
10.16	Fourth Amendment to Treasury Secured Revolving Credit Agreement effective as of September 29, 2008, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.14 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 and incorporated herein by reference)
10.17	Fourth Amendment to Amended and Restated Revolving Credit Agreement effective as of October 2, 2009, between the Company, the lenders from time to time party thereto and SunTrust Bank, as administrative agent (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 6, 2009 and incorporated herein by reference)
31.1*	Certification required by Rule 13a-14(a)/15d-14(a) by the Chief Executive Officer
31.2*	Certification required by Rule 13a-14(a)/15d-14(a) by the Chief Financial Officer
32.1*	Section 1350 Certification by the Chief Executive Officer
32.2*	Section 1350 Certification by the Chief Financial Officer

*Filed herewith.

Exhibit 31.1

Certification Required by Rule 13a-14(a)
or Rule 15d-14(a)

I, John H. Homier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NGP Capital Resources Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2010

/s/ John H. Homier
John H. Homier
President and Chief Executive Officer

Exhibit 31.2

Certification Required by Rule 13a-14(a)
or Rule 15d-14(a)

I, Stephen K. Gardner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of NGP Capital Resources Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2010

/s/ Stephen K. Gardner
Stephen K. Gardner
Chief Financial Officer, Treasurer and Secretary

Exhibit 32.1

Certification required by Rule 13a-14(b) or
Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code

In connection with the Quarterly Report of NGP Capital Resources Company (the "Company") on Form 10-Q for the period ended March 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John H. Homier, President and Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2010

/s/ John H. Homier
John H. Homier
President and Chief Executive Officer

Exhibit 32.2

Certification required by Rule 13a-14(b) or
Rule 15d-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code

In connection with the Quarterly Report of NGP Capital Resources Company (the “Company”) on Form 10-Q for the period ended March 31, 2010, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Stephen K. Gardner, Chief Financial Officer, Treasurer and Secretary of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2010

/s/ Stephen K. Gardner
Stephen K. Gardner
Chief Financial Officer, Treasurer and Secretary