BlackRock Enhanced Government Fund, Inc.
Form N-Q
May 28, 2009

UNITEDSTATES
SECURITIESANDEXCHANGECOMMISSION
Washington,D.C.20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21793

Name of Fund: BlackRock Enhanced Government Fund, Inc. (EGF)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock Enhanced Government Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

Registrant s telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 12/31/2009

Date of reporting period: 03/31/2009

Item 1 Schedule of Investments

BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited) **(Percentages based on N**

Asset-Backed Securities		**Par (000)**	
Asset Backed Securities Corp. Home Equity Line Trust			
Series 2006-HE7 Class A2, 0.572%, 11/25/36 (a)	$	242	$
First Franklin Mortgage Loan Asset Backed Certificates			
Series 2005-FF2 Class M2, 0.962%, 3/25/35 (a)		3,220	
GSAA Home Equity Trust Series 2005-1 Class AF2, 4.316%,			
11/25/34 (a)		1,690	
Securitized Asset Backed Receivables LLC Trust			
Series 2005-0P1 Class M2, 0.972%, 1/25/35 (a)		2,000	
Securitized Asset Backed Receivables LLC Trust			

	Series 2005-OP2 Class M1, 0.952%, 10/25/35 (a)	1,025	
	Soundview Home Equity Loan Trust Series		
2007-OPT5			
	Class 2A2, 1.472%, 10/25/37 (a)	2,500	
	Total Asset-Backed Securities - 2.6%		
	U.S. Government Agency Mortgage-Backed Securities		
	Fannie Mae Guaranteed Pass-Through Certificates:		
	4.00%, 4/01/24 (b)	9,500	
	4.50%, 4/15/24 - 4/15/39 (b)	10,300	
	4.66%, 7/01/10	1,850	
	4.681%, 2/01/13	5,312	
	5.00%, 5/15/24 - 4/15/39 (b)(c)(d)	43,416	
	5.24%, 4/01/12 (b)	7,939	
	5.28%, 10/01/35	4,606	
	5.50%, 7/01/17 - 5/15/39 (b)(c)(d)	54,578	
	5.707%, 2/01/12	2,601	
	6.00%, 2/01/36 - 10/01/36	6,279	
	6.60%, 1/01/11	5,031	
	Freddie Mac Mortgage Participation Certificates:		
	4.50%, 5/01/34 (d)	1,060	
	5.00%, 4/15/39 (b)	14,500	
	5.50%, 4/01/37	655	
	Ginnie Mae MBS Certificates:		
	4.50%, 5/15/39 (b)	2,600	
	5.00%, 11/15/35 - 4/15/39 (b)	2,738	
	5.50%, 5/15/39 (b)	2,300	
	Total U.S. Government Agency Mortgage-Backed Securities - 95.0%		1
	U.S. Government Agency Mortgage-Backed Securities - Collateralized Mortgage Obligations		
	Fannie Mae Trust Series 378 Class 5, 5%, 7/01/36		
(e)		4,076	
	Freddie Mac Multiclass Certificates Series 232 Class		
IO,			
	5%, 8/01/35 (e)	4,209	
	Freddie Mac Multiclass Certificates Series 2611 Class		
KT,			
	11.665%, 4/15/17 (a)	610	

BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited) **(Percentages shown are based on Net Assets)**

	U.S. Government Agency Mortgage-Backed Securities - Collateralized Mortgage Obligations		**Par (000)**	**Value**
	Freddie Mac Multiclass Certificates Series 2654 Class YD, 5%, 12/15/26 (e)	$	4,905	$150,957
	Freddie Mac Multiclass Certificates Series 2996 Class SJ, 2.098%, 6/15/35 (a)(e)		3,304	123,377
	Freddie Mac Multiclass Certificates Series 3042 Class EA, 4.50%, 9/15/35		2,618	2,618,703
	Freddie Mac Multiclass Certificates Series 3149 Class HA, 6%, 5/15/27		1,340	1,362,844
	Freddie Mac Multiclass Certificates Series 3183 Class KI, 6%, 12/15/34 (e)		2,806	8,229
	Ginnie Mae Trust Series 2005-87 Class C, 5.328%, 9/16/34 (a)		10,000	10,575,948
	Ginnie Mae Trust Series 2006-3 Class C, 5.235%, 4/16/39 (a)		10,000	10,054,192
	Ginnie Mae Trust Series 2006-30 Class IO, 0.80%, 5/16/46 (a)(e)		8,634	391,121
	Total U.S. Government Agency Mortgage-Backed Securities - Collateralized Mortgage Obligations - 14.0%			26,865,179
	Non-U.S. Government Agency Mortgage-Backed Securities			
Collateralized Mortgage Obligations - 5.0%	Bank of America Mortgage Securities Inc. Series 2003-J Class 2A1, 5.291%, 11/25/33 (a)		515	405,189
	Bear Stearns Alt-A Trust Series 2004-13 Class A1, 0.892%, 11/25/34 (a)		601	327,911
	CS First Boston Mortgage Securities Corp. Series 2005-11 Class 6A5, 6%, 12/25/35		1,308	1,020,048
	Citi Mortgage Alternative Loan Trust Series 2007-A5 Class 1A7, 6%, 5/25/37 (e)		866	106,682
	Citigroup Mortgage Loan Trust, Inc. Series 2005-12 Class 1A2, 1.615%, 8/25/35 (a)(e)		11,701	529,473
	Countrywide Alternative Loan Trust Series 2006-41CB Class 2A17, 6%, 1/25/37		2,044	1,185,317
	First Horizon Alternative Mortgage Securities			

Series 2007-FA2 Class 1A11, 1.245%, 4/25/37 (a)(e)	18,311	1,036,539
Homebanc Mortgage Trust Series 2005-4 Class A1, 0.792%, 10/25/35 (a)	2,180	1,073,145
Residential Asset Securitization Trust Series 2004-A9 Class A3, 1.83%, 12/25/34 (a)(e)	10,303	668,059
Thornburg Mortgage Securities Trust Series 2007-2 Class A2A, 0.652%, 6/25/37 (a)	1,642	1,422,139
WaMu Mortgage Pass-Through Certificates Series 2005-AR7 Class A1, 4.921%, 8/25/35 (a)	2,193	1,669,997
Washington Mutual Alternative Mortgage Pass-Through Certificates Series 2005-8 Class 1A4, 1.215%, 10/25/35 (a)(e)	4,431	144,864
		9,589,363

BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited) **(Percentages shown are based on Net Assets)**

	Non-U.S. Government Agency Mortgage-Backed Securities	**Par (000)**	**Value**
Commercial Mortgage-Backed Securities - 11.1%	Bank of America Commercial Mortgage, Inc. Series 2006-6 Class A2, 5.309%, 10/10/45	$ 3,575	$ 3,091,388
	Bear Stearns Commercial Mortgage Securities Series 2001-T0P2 Class A2, 6.48%, 2/15/35	1,545	1,551,501
	Citigroup Commercial Mortgage Trust Series 2007-C6 Class A4, 5.888%, 12/10/49 (a)	475	326,311
	Commercial Mortgage Pass-Through Certificates Series 2007-C9 Class A2, 5.811%, 12/10/49 (a)	3,250	2,722,402
	Credit Suisse Mortgage Capital Certificates Series 2007-C5 Class A2, 5.589%, 9/15/40	3,400	2,561,288
	Greenwich Capital Commercial Funding Corp. Series 2006-GG7 Class A4, 6.114%, 7/10/38 (a)	1,500	1,088,455
	JPMorgan Chase Commercial Mortgage Securities Corp. Series 2006-CB15 Class A4, 5.814%, 6/12/43 (a)	2,500	1,768,338
	JPMorgan Chase Commercial Mortgage Securities Corp. Series 2006-LDP7 Class A4, 6.065%, 4/15/45 (a)	2,000	1,508,811
	LB-UBS Commercial Mortgage Trust Series 2007-C1 Class A2, 5.318%, 2/15/40	2,000	1,731,728
	LB-UBS Commercial Mortgage Trust Series 2007-C7 Class A2, 5.588%, 9/15/45	3,000	2,385,227
	Wachovia Bank Commercial Mortgage Trust Series 2007-C32 Class A2, 5.924%, 6/15/49	3,000	2,431,721

		21,167,170
Total Non-U.S. Government Agency Mortgage-Backed Securities - 16.1%		30,756,533
U.S. Government Obligations		
Fannie Mae, 2%, 2/11/11	1,370	1,374,155
Fannie Mae, 2%, 1/09/12	9,090	9,181,627
Fannie Mae, 5.25%, 8/01/12	2,460	2,575,595
Fannie Mae, 2.75%, 3/13/14	2,600	2,631,036
Federal Farm Credit Bank, 4.55%, 6/08/20 (c)	3,500	3,607,660
Federal Home Loan Banks, 5%, 3/14/14 (c)	135	149,887
Federal Home Loan Banks, 5.375%, 6/13/14 (c)	640	723,695
Federal Home Loan Banks, 5.25%, 9/12/14	640	721,224
U.S. Treasury Notes, 3.125%, 8/31/13	110	117,777
U.S. Treasury Notes, 1.875%, 2/28/14	155	156,696
U.S. Treasury Notes, 3.875%, 5/15/18	1,050	1,158,281
U.S. Treasury Notes, 3.75%, 11/15/18	5,000	5,450,400
U.S. Treasury Notes, 4.50%, 5/15/38	5,000	5,837,500
Total U.S. Government Obligations - 17.6%		33,685,533

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BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited) **(Percentages shown are based on Net Assets)**

Industry	**Preferred Securities**	**Par (000)**	**Value**
	Capital Trusts		
Diversified Financial Services - 0.7%	JPMorgan Chase Capital XXII, 6.45%, 1/15/87 (d)	$ 2,000	$ 1,264,596
Electric Utilities - 0.6%	PPL Capital Funding, 6.70%, 3/30/67 (a)	2,000	1,140,000
Insurance - 1.1%	The Allstate Corp., 6.50%, 5/15/57 (a)(d)	2,000	1,040,000
	ZFS Finance (USA) Trust IV, 5.875%, 5/09/32 (a)(f)	500	197,980
	ZFS Finance (USA) Trust V, 6.50%, 5/09/67 (a)(f)	2,000	820,000
			2,057,980
	Total Capital Trusts - 2.4%		4,462,576
	Trust Preferreds		
Capital Markets - 0.6%	Morgan Stanley Capital Trust VIII, 6.45%, 4/15/67	2,000	1,164,800
Media - 0.8%	Comcast Corp., 6.625%, 5/15/56	2,000	1,513,600
	Total Trust Preferreds - 1.4%		2,678,400

	Total Preferred Securities - 3.8%		7,140,976
	Total Long-Term Investments		
	(Cost - $293,769,229) - 149.1%		285,050,328
	Short-Term Securities	**Shares**	
	BlackRock Liquidity Funds, TempFund,		
	0.646% (g)(h)	39,308,549	39,308,549
	Total Short-Term Securities		
	(Cost - $39,308,549) - 20.5%		39,308,549
	Options Purchased	**Contracts**	
Call Swaptions Purchased	Receive a fixed rate of 1.97% and pay a floating rate based on 3-month LIBOR, expiring March 2010, Broker		
	JPMorgan Chase Bank NA	16 (i)	95,232
Exchange-Traded Call Options	Eurodollar 1-Year Mid-Curve Options, expiring September		
	2009 at USD 98.25	44	39,600
	Total Options Purchased		
	(Cost - $84,508) - 0.1%		134,832
	Total Investments Before TBA Sale Commitments and		
	Options Written (Cost - $333,162,286*) - 169.7%		324,493,709
	TBA Sale Commitments	**Par (000)**	
	Fannie Mae Guaranteed Pass-Through Certificates,		
	5%, 5/15/24 - 4/15/39	$ (27,800)	(28,686,125)
	Fannie Mae Guaranteed Pass-Through Certificates,		
	5.50%, 7/01/17 - 5/15/39	(14,000)	(14,529,368)
	Fannie Mae Guaranteed Pass-Through Certificates,		
	6%, 2/01/36 - 10/01/36	(2,600)	(2,715,375)
	Ginnie Mae MBS Certificates, 5%, 11/15/35 - 4/15/39	(2,600)	(2,695,875)
	Total TBA Sale Commitments		
	(Proceeds - $48,264,867) - (25.4)%		(48,626,743)

Schedule of Investments March 31, 2009 (Unaudited) **(Percentages shown are based on Net Assets)**

	Options Written	Contracts		Value
Call Swaptions Written	Pay a fixed rate of 2.05% and receive a floating rate based on 3-month LIBOR, expiring April 2009, Broker Deutsche Bank AG	30 (i)	$	(43,140)
	Pay a fixed rate of 2.65% and receive a floating rate based on 3-month LIBOR, expiring April 2009, Broker Deutsche Bank AG	20 (i)		(64,420)
				(107,560)
Exchange-Traded Call Options	Eurodollar 1-Year Mid-Curve Options, expiring September 2009 at USD 98.5	44		(23,650)
Over-the-Counter Call Options	Fannie Mae Guaranteed Pass Through Certificates, expiring April 2009 at USD 102.17, Broker Citibank NA	1,000		(150,000)
	Total Options Written (Premiums Received - $197,041) - (0.2)%			(281,210)
	Total Investments, Net of TBA Sale Commitments and Options Written (Cost - $284,700,378) - 144.1%			275,585,756
	Liabilities in Excess of Other Assets - (44.1)%			(84,387,078)
	Net Assets - 100.0%		$	191,198,678

* The cost and unrealized appreciation (depreciation) of investments as of March 31, 2009, as computed for federal income tax purposes, were as follows:

Aggregate cost	$	333,221,255
Gross unrealized appreciation	$	8,939,091
Gross unrealized depreciation		(17,666,637)
Net unrealized depreciation	$	(8,727,546)

(a) Variable rate security. Rate shown is as of report date.
(b) Represents or includes a "to-be-announced" transaction. The Fund has committed to purchasing securities for which all specific information is not available at this time.

Counterparty		**Market Value**		**Unrealized Appreciation (Depreciation)**
Barclays Capital Plc	$	7,283,118	$	4,222,341
Citigroup NA	$	9,075,187	$	80,837
Credit Suisse International	$	8,250,432	$	95,556
Deutsche Bank	$	22,640,313	$	286,523

JPMorgan Chase Bank	$	4,738,181	$	(30,452)

(c) All or a portion of security have been pledged as collateral in connection with open financial futures contracts.

(d) All or a portion of security have been pledged as collateral in connection with swaps.

(e) Represents the interest only portion of a mortgage-backed security and has either a nominal or a notional amount of principal.

(f) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.

(g) Represents the current yield as of report date.

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BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited)

(h) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate		Net Activity		Income
BlackRock Liquidity Funds, TempFund		39,308,549	$	6,925
BlackRock Liquidity Series, LLC				
Cash Sweep Series	$	(43,275,054)	$	57,424

(i) One contract represents a notional amount of $1,000,000.
Financial futures contracts purchased as of March 31, 2009 were as follows:

Contracts	Issue	Expiration Date		Face Value		Unrealized Appreciation (Depreciation)
1,384	5-Year U.S. Treasury Bond	June 2009	$	161,566,538	$	2,805,087
629	10-Year U.S. Treasury Bond	June 2009	$	75,445,741		2,599,400
17	Euro BOBL Future	June 2009	$	2,638,706		(5,939)
32	Euro Bund Future	June 2009	$	7,765,135		146,865
10	Euro Bund Future	June 2009	$	1,653,988		(807)
24	Euro- Schatz Future	June 2009	$	3,456,446		(3,299)
17	Long Gilt	June 2009	$	2,963,583		41,798
25	Euro Dollar Future	September 2009	$	6,071,827		109,736
25	Euro Dollar Future	December 2009	$	6,058,077		114,111

25	Euro Dollar Future	March 2010	$	6,048,014		120,736
26	Euro Dollar Future	June 2010	$	6,274,755		130,670
21	Euro Dollar Future	September 2010	$	5,072,840		92,373
21	Euro Dollar Future	December 2010	$	5,063,727		90,723
11	Euro Dollar Future	March 2011	$	2,617,627		78,198
12	Euro Dollar Future	June 2011	$	2,854,348		80,702
Total					$	6,400,354

Financial futures contracts sold as of March 31, 2009 were as follows:

Contracts	Issue	Expiration Date		Face Value		Unrealized Depreciation
321	2-Year U.S. Treasury Bond	June 2009	$	70,265,762	$	(322,871)

Interest rate swaps outstanding as of March 31, 2009 were as follows:

Fixed Rate	Floating Rate	Counterparty	Expiration		Notional Amount (000)		Unrealized Depreciation
4.685% (a)	3-month LIBOR	Deutsche Bank AG	September 2009	$	130,000	$	(2,037,941)
4.625% (a)	3-month LIBOR	Deutsche Bank AG	March 2013	$	50,000		(5,058,591)
5.705% (a)	3-month LIBOR	Deutsche Bank AG	June 2017	$	50,000		(11,160,948)
5.958% (a)	3-month LIBOR	Deutsche Bank AG	December 2037	$	25,000		(12,758,619)
Total						$	(31,016,099)

(a) Trust pays floating interest rate and receives fixed rate.

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BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited)

For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease.

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 - price quotations in active markets/exchanges for identical securities

Level 2 - other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available in the circumstance, to the extent observable inputs are not available (including the Fund's own assumption used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements as contained in its annual report.

The following table summarizes the inputs used as of March 31, 2009 in determining the fair valuation of the Fund's investments:

Valuation Inputs		**Investments in Securities**						
					Other Financial Instruments*			
		Assets		**Liabilities**		**Assets**		**Liabilities**
Level 1	$	41,986,949		-	$	6,449,999	$	(356,566)
Level 2		279,584,456	$	(48,626,743)		95,232		(31,273,659)
Level 3		2,787,472				-		-
Total	$	324,358,877	$	(48,626,743)	$	6,545,231	$	(31,630,225)

* Other financial instruments are swaps, futures and options. Swaps and futures are valued at the unrealized appreciation/depreciation on the instrument and options are shown at market value.

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BlackRock Enhanced Government Fund, Inc.

Schedule of Investments March 31, 2009 (Unaudited)

The following is a reconciliation of investments for unobservable inputs (Level 3) used in determining fair value:

Investments in Securities

Balance, as of January 1, 2009		-
Accrued discounts/premiums	$	(24,667)
Realized gain (loss)		-
Change in unrealized appreciation		
		(2,873,766)
(depreciation)		
Net purchases (sales)		-
Net transfers in/out of Level 3		5,685,905
Balance, as of March 31, 2008	$	2,787,472

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Item 2 Controls and Procedures

2(a) The registrant s principal executive and principal financial officers or persons performing similar functions have concluded that the registrant s disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13(a)-15(b) under the Securities Exchange Act of 1934, as amended.

2(b) There were no changes in the registrant s internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant s last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant s internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

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

BlackRock Enhanced Government Fund, Inc.

By: /s/ Donald C. Burke
Donald C. Burke
Chief Executive Officer of
BlackRock Enhanced Government Fund, Inc.

Date: May 20, 2009

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

By: /s/ Donald C. Burke
Donald C. Burke
Chief Executive Officer (principal executive officer) of
BlackRock Enhanced Government Fund, Inc.

Date: May 20, 2009

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock Enhanced Government Fund, Inc.

Date: May 20, 2009