

PROSPECT ENERGY CORP
 Form 4
 May 30, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Barry John F

2. Issuer Name and Ticker or Trading Symbol
 PROSPECT ENERGY CORP
 [PSEC]

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

(Last) (First) (Middle)
 C/O PROSPECT ENERGY CORPORATION, 10 EAST 40TH STREET, 44TH FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
 03/30/2006

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

(Street)
 NEW YORK, NY 10016

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

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

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock ⁽¹⁾	05/26/2006		P		9,500	A	\$ 16.27	19,201.171	I	By Prospect Capital Management
Common Stock ⁽¹⁾	05/26/2006		P		320	A	\$ 16.4	19,521.171	I	By Prospect Capital Management
Common Stock ⁽¹⁾	05/26/2006		P		12	A	\$ 16.39	19,533.171	I	By Prospect Capital Management

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- (1) (1) Prospect Capital Management purchase of PEC shares pursuant to its voluntary obligation disclosed in the prospectus to invest 30% of its incentive fee in PEC shares.
- (2) (2) Reflects inclusion of dividends accrued pursuant to issuer's dividend reinvestment program.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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