

PROSPECT ENERGY CORP
Form NT 10-K
September 11, 2006

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

FORM 12b-25

NOTIFICATION OF LATE FILING

Commission File Number 333-114552

(Check One):

Form 10-K Form 20-F Form 11-K Form 10-Q Form N-SAR Form N-CSR

For Period June 30, 2006
Ended:

- Transition Report on Form 10-K
- Transition Report on Form 20-F
- Transition Report on Form 11-K
- Transition Report on Form 10-Q
- Transition Report on Form N-SAR

For the Transition
Period Ended:

Read attached instruction sheet before preparing form. Please print or type.

Nothing in this form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the items(s) to which the notification relates:

PART I
REGISTRANT INFORMATION

Prospect Energy Corporation
Full Name of Registrant:

Prospect Street Energy Corporation
Former Name if Applicable:

10 East 40th Street, 44th Floor, New York, New York 10016
Address of Principal Executive Office (*Street and Number*):

New York, New York 10016
City, State and Zip Code:

PART II
RULE 12b-25 (b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate.)

1. The reasons described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;
- x 2. The subject annual report, semi-annual report, transition report on Form 10-K, 20-F, 11-K, Form N-SAR or Form N-CSR, or portion thereof, will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q, or portion thereof, will be filed on or before the fifth calendar day following the prescribed due date; and
3. The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III
NARRATIVE

State below in reasonable detail the reasons why Forms 10-K, 20-F, 11-K, 10-Q, N-SAR, N-CSR or the transition report portion thereof, could not be filed within the prescribed time period. (Attach extra sheets if needed.)

Due in part to the substantial increase in the number of the Registrant's portfolio investments as compared to last year, and the need to complete all testing of processes, systems and controls required or deemed appropriate under Section 404A of the Sarbanes-Oxley Act, an outsourced service provider to the Registrant has requested and received from the Registrant an extension of time to complete its preparatory work, and, as a consequence, the Registrant is filing this extension on Form 12b-25 for up to 15 calendar days, or until September 28, 2006, to complete and file its audited financial statements and Annual Report on Form 10-K for the fiscal year ended June 30, 2006.

**PART IV
OTHER INFORMATION**

(1) Name and telephone number of person to contact in regard to this notification

John F. Barry III
(Name)

(212) 448 - 0702
(Area Code) (Telephone Number)

(2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s).

Yes No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof?

Yes No

If so: attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

The Registrant anticipates significant changes to its 2006 results compared to its results for 2005. This is primarily because the Registrant was not fully invested during its fiscal year 2005 and had only six portfolio companies at its 2005 fiscal year end. During the Registrant's 2006 fiscal year, it became substantially invested and increased the number of portfolio companies to fifteen at its 2006 fiscal year end. The Registrant cannot provide further narrative information or estimates until the preparation of its 2006 audited financial statements is or nears final completion.

PROSPECT ENERGY CORPORATION

(Name of Registrant as Specified in Charter)

has caused this notification to be signed on its behalf by the undersigned thereunto duly authorized.

Date: September 8, 2006

By: /s/ M. Grier Eliasek
Name: M. Grier Eliasek
Title: President and Chief Operating Officer