



Pyramid Oil Company

FOR IMMEDIATE RELEASE:

Pyramid Oil Company Files Shelf Registration Statement

BAKERSFIELD, Calif. – December 22, 2009 – Pyramid Oil Company (Amex: PDO) today announced it has filed a shelf registration statement on Form S-3 with the Securities and Exchange Commission (SEC). Pyramid does not have immediate plans to sell securities under the shelf registration statement. However, when declared effective by the SEC, the registration statement is designed to provide Pyramid with the flexibility to offer and sell from time to time, up to \$20 million of the Company's common stock.

After the shelf registration becomes effective, the Company may offer and sell such securities through one or more methods of distribution, subject to market conditions and Pyramid's capital needs. The terms of any offering under the shelf registration statement will be established at the time of such offering and will be described in a prospectus supplement filed with the SEC prior to completion of the offering.

John Alexander, president and CEO, said, "We continue to maintain a very healthy balance sheet and do not currently have immediate plans to raise capital through an offering of additional securities. We have previously indicated that we will take an opportunistic approach to future asset investments, and this shelf registration statement gives us the flexibility to raise additional funding, should compelling opportunities arise in the future."

The shelf registration statement has been filed with the SEC, but has not yet become effective. These securities may not be sold nor may offers to buy these securities be accepted prior to the time the registration statement becomes effective. This press release shall not constitute a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities law of any such jurisdiction. Any offer of these securities will be made solely by means of the prospectus included in the registration statement and any prospectus supplement that may be issued with respect to such offering.

About Pyramid Oil Company

Pyramid Oil Company has been in the oil and gas business continuously since incorporating in 1909. Pyramid acquires interests in land and producing properties through acquisition and lease, and then drills and/or operates crude or natural gas wells in an effort to discover or produce oil and/or natural gas. More information about the Company can be found at: <http://www.pyramidoil.com>.

Safe Harbor Statement

Certain statements and information included in this press release constitute "forward-looking statements" within the meaning of the Federal Private Securities Litigation Reform Act of 1995, including statements regarding the completion and testing of wells. Forward-looking statements involve known and unknown risks and uncertainties, which may cause the

Company's actual results in future periods to differ materially from forecasted results. Factors that could cause or contribute to such differences include, but are not limited to the value of crude oil or the performance of wells.

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CONTACTS:

John H. Alexander
President and CEO
Pyramid Oil Company
661-325-1000

Geoff High
Principal
Pfeiffer High Investor Relations, Inc.
303-393-7044