U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

Quarterly Report Under Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the Period ended September 30, 2006

Commission File Number 0-51414

LUCAS ENERGY, INC.
(Name of small business issuer in its charter)

NEVADA	98-0417780
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

3000 Richmond Avenue, Suite 400
Houston, TX 77040
(Address of principal executive offices)

(713) 528-1881
(Telephone number, including area code)

James J. Cerna, Jr.
520 S. El Camino Real
Suite #432
San Mateo, CA 94402
Phone: (650) 343-4535 Fax: (650) 240-0259
(Name, address and telephone number of agent for service)

Check 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 [X] No [ ]

There were 27,540,013 shares of Common Stock issued and outstanding as of October 30, 2006.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

The accompanying balance sheets of Lucas Energy, Inc. at September 30, 2006 and March 31, 2006, and the related statements of operations, stockholders' equity and cash flows for the three and six months ending September 30, 2006 and 2005, have been prepared by our management in conformity with United States generally accepted accounting principles. In the opinion of management, all adjustments considered necessary for a fair presentation of the results of operations and financial position have been included and all such adjustments are of a normal recurring nature. Operating results for the three and six months ended September 30, 2006, are not necessarily indicative of the results that can be expected for the fiscal year ending March 31, 2007.

LUCAS ENERGY, INC.
Balance Sheet

<TABLE>
<CAPTION>

<S>	September 30, 2006 (Unaudited) <C>	March 31, 2006 <C>
ASSETS		
CURRENT ASSETS		
Cash	$ 437,480	$ 59,232
Oil and gas receivable	149,429	30,222
Other current assets	10,167	8,614
Total Current Assets	597,076	98,068
OIL AND GAS PROPERTIES, full cost method		
Costs subject to amortization	259,223	61,255
Costs not subject to amortization	3,900,728	531,197

Oil and Gas Properties, net	4,159,951	592,452
OTHER ASSETS		
Long-term deposits and bonds	53,141	30,266
Total Other Assets	53,141	30,266
TOTAL ASSETS	$4,810,168	$ 720,786

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 213,253	$ 42,045
Income taxes payable	86,030	4,845
Total Current Liabilities	299,283	46,890
NON-CURRENT LIABILITIES		
Note payable	2,300,000	125,000
Total Liabilities	2,599,283	171,890
STOCKHOLDERS' EQUITY		
Preferred stock- March 31, 2006, series A; 1,666,667 shares authorized of $0.01 par value, 344,250 shares issued and outstanding;	344	
September 30, 2006, 10,000,000 shares authorized of $0.001 par value, no shares outstanding	--	
Common stock- March 31, 2006,10,000,000 shares authorized of $0.001 par value,8,000,000 shares issued and outstanding;	8,000	
September 30, 2006, 100,000,000 shares authorized of $0.001 par value, 27,540,013 shares issued and outstanding	27,540	
Additional paid-in capital	1,937,558	478,236
Retained earnings	245,787	62,316
Total Stockholders' Equity	2,210,885	548,896
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$4,810,168	$ 720,786

</TABLE>

The accompanying notes are an integral part of these financial statements.

LUCAS ENERGY, INC.
Income Statements
(Unaudited)

<TABLE>
<CAPTION>

	For the Three Months Ended September 30, 2006	For the Three Months Ended September 30, 2005	For the Six Months Ended September 30, 2006	From Inception on April 6, 2005 Through September 30, 2005
<S>	<C>	<C>	<C>	<C>
REVENUES				
Oil and gas revenues	$ 401,063	$ 94,703	$ 514,421	$ 108,401
Consulting services	34,000	--	34,000	--
Total Revenues	435,063	94,703	548,421	108,401
Lease operating expenses	65,719	37,597	104,800	40,055
Depreciation and depletion	106,360	19,941	127,818	21,699
Gross Profit	262,984	37,165	315,803	46,647
EXPENSES				
Professional fees	7,957	--	14,308	785
General and administrative	41,343	11,073	67,356	17,578
Total Expenses	49,300	11,073	81,664	18,363
INCOME FROM OPERATIONS	213,684	26,092	234,139	28,284
OTHER EXPENSES				

Sale of assets	--	--	81,534	--
Interest income	2,546	6	4,160	11
Interest expense	(52,082)	(1,547)	(55,176)	(1,547)
Total Other Expenses	(49,536)	(1,541)	30,518	(1,536)
NET INCOME BEFORE INCOME TAXES	164,148	24,551	264,657	26,748
INCOME TAX EXPENSE	43,942	3,318	81,186	3,353
NET INCOME	$ 120,206	$ 21,233	$ 183,471	$ 23,395
BASIC INCOME PER SHARE	$ 0.00	$ 0.00	$ 0.01	$ 0.00
FULLY DILUTED INCOME PER SHARE	$ 0.00	$ 0.00	$ 0.01	$ 0.00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	27,450,562	23,780,011	27,358,961	23,780,011
FULLY DILUTED AVERAGE NUMBER OF SHARES OUTSTANDING	27,450,562	23,780,011	27,358,961	23,780,011

</TABLE>

The accompanying notes are an integral part of these financial statements.

LUCAS ENERGY, INC.
Statements of Stockholders' Equity
(Unaudited)

<TABLE>
<CAPTION>

	Preferred Stock		Common Stock		Additional	
	Shares	Amount	Shares	Amount	Paid-In Capital	Retained Earnings
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at inception on April 6, 2005	--	$ --	--	$ --	$ --	$ --
Common shares issued for cash at $0.01 per share	--	--	5,200,000	5,200	49,800	--
Common shares issued for cash paid for oil leases at $0.08 per share	--	--	2,800,000	2,800	222,230	--
Preferred shares issued for cash at $0.60 per share	325,000	325	--	--	194,675	--
Preferred shares issued for services rendered at $0.60 per share	19,250	19	--	--	11,531	--
Net income for the period from inception on April 6, 2005 through March 31, 2006	--	--	--	--	--	62,316
Balance, March 31, 2006	344,250	344	8,000,000	8,000	478,236	62,316
Recapitalization	(344,250)	(344)	17,340,013	17,340	(16,996)	--
Common shares issued for cash at $0.50 per share	--	--	1,980,000	1,980	988,020	--
Stock issuance costs	--	--	--	--	(61,482)	--
Common shares issued for wells at $2.50 per share	--	--	220,000	220	549,780	
Net income for the six months ended September 30, 2006	--	--	--	--	--	183,471
Balance, September 30, 2006	$ --	$ --	27,540,013	$27,540	$ 1,937,558	$245,787

</TABLE>

The accompanying notes are an integral part of these financial statements.

LUCAS ENERGY, INC.

Statements of Cash Flows
(Unaudited)

<TABLE>
<CAPTION>

<S>	For the Six Months Ended September 30, 2006 <C>	From Inception on April 6, 2005 Through September 30, 2005 <C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 183,471	$ 23,395
Adjustments to reconcile net loss to net cash used by operating activities:		
Preferred stock issued for services	--	11,550
Depreciation and depletion	127,818	21,699
Gain on sale of assets	(81,534)	--
Changes in operating assets and liabilities		
Increase in accounts receivable	(119,207)	(43,607)
Increase in other current assets	(1,553)	(8,614)
Increase in other assets	(22,875)	(2,866)
Increase in accounts payable and accrued expenses	252,393	17,914
Net Cash Provided by Operating Activities	338,513	19,471
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of operating interest	302,975	--
Purchase of property and equipment	(3,366,758)	(668,457)
Net Cash Used by Investing Activities	(3,063,783)	(668,457)
CASH FLOWS FROM FINIANCING ACTIVITIES		
Proceeds from the sale of common stock	990,000	280,030
Proceeds from the sale of preferred stock	--	140,000
Proceeds from notes payable	2,300,000	275,000
Repayment of note payable	(125,000)	--
Payment of stock offering costs	(61,482)	--
Net Cash Provided by Financing Activities	3,103,518	695,030
NET INCREASE IN CASH	378,248	46,044
CASH AT BEGINNING OF PERIOD	59,232	--
CASH AT END OF PERIOD	$ 437,480	$ 46,044
SUPPLIMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest	$ --	$ --
Income Taxes	$ --	$ --
NON-CASH FINANCING ACTIVITIES		
Preferred stock issued for services	$ --	$ 11,550
Common stock issued for wells	$ 550,000	$ --

</TABLE>

The accompanying notes are an integral part of these financial statements.

LUCAS ENERGY INC.
(Formerly Panorama Investments, Corp.)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

1. BASIS OF PRESENTATION

The unaudited financial information furnished herein reflects all adjustments, which in the opinion of management are necessary to fairly state the Company's financial position and the results of its operations for the periods presented. This report on Form 10-QSB should be read in conjunction with the Company's financial statements and notes thereto included in the Company's Form 10-KSB for the fiscal year ended March 31, 2006. The Company assumes that the users of the interim financial information herein have read or have access to the audited financial statements for the preceding fiscal year and that the adequacy of additional disclosure needed for a fair presentation may be determined in that context. Accordingly, footnote disclosure, which would substantially duplicate the disclosure contained in the Company's Form 10-KSB for the fiscal year ended November 30, 2005, has been omitted. The results of operations for the three and six month periods ended September 30, 2006 are not necessarily indicative of results for the entire year ending March 31, 2007.

2. NATURE OF OPERATIONS

a) Organization

The Company was incorporated in the State of Nevada, U.S.A., on December 16, 2003. The Company's principal offices are in Houston, Texas. Lucas Energy, Inc. ("the Subsidiary") was originally incorporated in the State of Nevada on April 6, 2005 for the purpose of acquiring and operating certain oil and gas leases in the state of Texas. Currently, the Company operates fifteen separate oil and gas leases. In conjunction with the acquisition of the Subsidiary, the Company changed its fiscal year end to March 31. The shareholders of the Subsidiary became the controlling shareholders of the Company, accordingly the acquisition of the Subsidiary was accounted for as a reverse merger whereby the historical financial statements are presented as the financial statements of the Company.

b) Development Stage Activities

Prior to the acquisition of Lucas Energy, Inc., the Company was classified as a development stage enterprise.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

b) Financial Instruments

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that this Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

c) Foreign Currency Translation

The Company's functional currency is the U.S. dollar. Transactions in foreign currency are translated into U.S. dollars as follows:

i) monetary items at the rate prevailing at the balance sheet date;
ii) non-monetary items at the historical exchange rate;
iii) revenue and expense at the average rate in effect during the applicable accounting period.

d) Basic and Diluted Loss Per Share

Basic loss per share is calculated using the weighted average number of shares issued and outstanding during the year. Diluted loss per share is calculated using the treasury stock method.

e) New Accounting Standards

Management does not believe that any recently issued, but not yet effective, accounting standard, if currently adopted, could have a material effect on the accompanying financial statements.

4. SIGNIFICANT EVENTS

ACQUISITION AND SHARE EXCHANGE AGREEMENT:

On May 19, 2006, the Company entered into an Acquisition and Share Exchange Agreement (the "Acquisition Agreement"), pursuant to which the Company acquired, through an exchange transaction, all of the issued and outstanding capital stock of privately held, Lucas Energy Resources, Inc., formerly known as Lucas Energy, Inc. ("Lucas Energy Resources"), from Lucas Energy Resources' shareholders. Lucas Energy is an independent oil and gas company that is building a diversified portfolio of oil and gas assets in the United States. The transaction was contingent upon the satisfaction of certain circumstances, including the issuance and transfer of certain of the Company's shares to the former Lucas Energy Resources shareholders and completion of certain corporate actions by both companies and their shareholders. The terms of the Acquisition Agreement were satisfied and the transaction was completed on June 16, 2006. In conjunction with the transaction, the Company has amended its Articles of Incorporation to change the Company's name, has forward split it common stock on a 2.4 to 1 ratio, and has changed its trading symbol on the OTC-BB to "LUCE".

The terms of the Acquisition Agreement required that of all of the Lucas Energy Resources shareholders agree to exchange their shares, including preferred and common classes, for an aggregate of 21,800,011 (forward split adjusted) of the Company's common shares in a specified Closing Transaction which occurred June 13, 2006. The transaction required transfer of 2,640,000 outstanding "control" shares to Lucas Energy Resources' private shareholders and required the issuance of an additional 19,160,011 shares to Lucas Energy Resources' private shareholders, for a total new issuance relating to the transaction of 21,800,011 common shares.

In May 2006, the Company completed a private placement of 1,980,000 shares of its common stock at $0.50 per share for gross cash proceeds of $990,000.

In August 2006, the Company issued 220,000 shares of its common stock valued at $2.50 per share for interests in 9 oil properties.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION RESULTS OF OPERATIONS

THREE MONTHS ENDED SEPTEMBER 30, 2006

We realized revenues of $435,063 for the quarter. $401,063 was from the sale of oil and gas during the quarter ended September 30, 2006 compared to $94,703 in the same quarter of 2005. Similarly, we incurred lease operating expenses of $65,719 during the quarter ended September 30, 2006 compared to $37,597 for the same quarter of 2005. In 2006, we recorded depreciation and depletion expense of $106,360 for our oil production compared to $19,941 in 2005. During the quarter we realized consulting income of $34,000 while we had no consulting income in 2005.

We incurred operating expenses of $49,300 for the three month period ended September 30, 2006 compared to $11,073 for the corresponding quarter of 2005. These expenses consisted of general operating expenses incurred in connection with the day to day operation of our oil production business and the preparation and filing of our periodic reports. The increase relates to our acquisition of additional oil properties subsequent to September 30, 2005. We expect our revenues and well operating expenses to continue to grow as we repair and improve the wells we have purchased.

Our net income from operations for the three months ended September 30, 2006 was $120,206. Our income from operations for the three months ended September 30, 2005 was $21,233. The increase relates to our acquisition of additional oil properties subsequent to September 30, 2005.

SIX MONTHS ENDED SEPTEMBER 30, 2006

We realized revenues of $514,421 from the sale of oil and gas during the half year ended September 30, 2006 compared to $108,401 in the same period of 2005. We started operations on April 6, 2005. Similarly, we incurred lease operating expenses of $104,800 during the six months ended September 30, 2006 compared to $40,055 for the same period of 2005. In 2006, we recorded depreciation and depletion expense of $127,818 for our oil production compared to $21,699 in 2005. During the quarter we realized consulting income of $34,000 while we had no consulting income in 2005. We expect our revenues and well operating expenses to continue to grow as we repair and improve the wells we have purchased.

We incurred operating expenses of $81,664 for the six month period ended September 30, 2006 compared to $18,363 for the corresponding six months of 2005. These expenses consisted of general operating expenses incurred in connection with the day to day operation of our oil production business and the preparation and filing of our periodic reports. The increase relates to our acquisition of additional oil properties subsequent to September 30, 2005.

Our net income from operations for the six months ended September 30, 2006 was $183,471. Our income from operations for the six months ended September 30, 2005 was $23,395. The increase relates to our acquisition of additional oil properties subsequent to September 30, 2005.

We also recorded a gain on the sale of oil properties of $81,534 during the six months ended September 30, 2006. We had no such gain in the corresponding period of 2005.

LIQUIDITY AND CAPITAL RESOURCES

We realized cash from operations of $338,513 during the six months ended September 30, 2006 compared to cash provided of $19,471 during the six months ended September 30, 2005.

We used $3,366,758 of our cash to purchase oil properties during the six months ended September 30, 2005 compared to $668,457 for the same period in 2006. We received cash of $302,975 from the sale of oil properties in 2006 compared to $-0- for the same period of 2005.

We received cash of $280,030 from the sale of shares of our common stock in September 30, 2005 quarter compared to $990,000 in the 2006 quarter. We borrowed $2,300,000 in 2006 compared to the $275,000 borrowed in 2005. We used $125,000 to repay notes payable during the September 30, 2006 six months.

We expect our current cash balance of $437,480 at September 30, 2006 to satisfy our cash requirements for the next 12 months. We expect to be able to satisfy our cash requirements for at least the next twelve months without having to raise additional funds or seek bank loans. However, if we identify additional oil and gas projects that we want to purchase, we may choose to raise additional monies through sales of our equity securities or through loans from banks or third parties to make the acquisitions.

OFF-BALANCE SHEET ARRANGEMENTS

We have no off-balance sheet arrangements.

MILESTONES OF BUSINESS OPERATIONS

On May 19, 2006, Lucas Energy, Inc., formerly known as, Panorama Investments, Corp. (the "Company" or "Lucas Energy") entered into an Acquisition and Share Exchange Agreement (the "Acquisition Agreement"), pursuant to which the Company has acquired, through an exchange transaction, all of the issued and outstanding

capital stock of privately held, Lucas Energy Resources, Inc., formerly known as Lucas Energy, Inc. ("Lucas Energy Resources"), from Lucas Energy Resources' shareholders. Lucas Energy is an independent oil and gas company that is building a diversified portfolio of oil and gas assets in the United States. The transaction was contingent upon the satisfaction of certain circumstances, including the issuance and transfer of certain Lucas Energy shares to the former Lucas Energy Resources shareholders and completion of certain corporate actions by both companies and their shareholders. The terms of the Acquisition Agreement were satisfied and the transaction was completed on June 16, 2006. In conjunction with the transaction, Lucas Energy, Inc., has Amended its Articles of Incorporation to change the Company's name, has forward split it common stock on a 2.4 to 1 ratio, and has changed its trading symbol on the OTC-BB to "LUCE".

The terms of the Acquisition Agreement required that of all of the Lucas Energy Resources shareholders agree to exchange their shares, including preferred and common classes, for an aggregate of 21,800,011 (forward split adjusted) Lucas Energy common shares in a specified Closing Transaction which occurred June 13, 2006. The transaction required transfer of 2,640,000 outstanding "control" shares to Lucas Energy Resources' private shareholders and required the issuance of an additional 19,160,011 shares to Lucas Energy Resources' private shareholders, for a total new issuance relating to the transaction of 21,800,011 common shares.

CRITICAL ACCOUNTING POLICIES

The unaudited financial statements as of September 30, 2006 included herein have been prepared without audit pursuant to the rules and regulations of the U.S. Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with general accepted accounting procedures have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. It is suggested that these financial statements be read in conjunction with our November 30, 2005 audited financial statements and notes thereto, which can be found in our Form 10K-SB filing on the SEC website at www.sec.gov under our SEC File Number 0-51414.

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States. Because a precise determination of many assets and liabilities is dependent upon future events,

the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

b) Financial Instruments

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that this Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

c) Foreign Currency Translation

The Company's functional currency is the U.S. dollar. Transactions in foreign currency are translated into U.S. dollars as follows:

- i) monetary items at the rate prevailing at the balance sheet date;
- ii) non-monetary items at the historical exchange rate;
- iii) revenue and expense at the average rate in effect during the applicable accounting period.

d) Basic and Diluted Loss Per Share

Basic loss per share is calculated using the weighted average number of shares issued and outstanding during the year. Diluted loss per share is calculated using the treasury stock method.

e) New Accounting Standards

Management does not believe that any recently issued, but not yet effective, accounting standard, if currently adopted, could have a material effect on the accompanying financial statements.

FORWARD LOOKING STATEMENTS

Some of the statements contained in this Form 10-QSB that are not historical facts are "forward-looking statements" which can be identified by the use of terminology such as "estimates," "projects," "plans," "believes," "expects," "anticipates," "intends," or the negative or other variations, or by discussions of strategy that involve risks and uncertainties. We urge you to be cautious of the forward-looking statements, that such statements, which are contained in this Form 10-QSB, reflect our current beliefs with respect to future events and involve known and unknown risks, uncertainties and other factors affecting our operations, market growth, services, products and licenses. No assurances can be given regarding the achievement of future results, as actual results may differ materially as a result of the risks we face, and actual events may differ from the assumptions underlying the statements that have been made regarding anticipated events.

All written forward-looking statements made in connection with this Form 10-QSB that are attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. Given the uncertainties that surround such statements, you are cautioned not to place undue reliance on such forward-looking statements.

The safe harbors of forward-looking statements provided by the Securities Litigation Reform Act of 1995 are unavailable to issuers not subject to the reporting requirements set forth under Section 13(a) or 15(D) of the Securities Exchange Act of 1934, as amended. As we have not registered our securities pursuant to Section 12 of the Exchange Act, such safe harbors set forth under the Reform Act are unavailable to us.

ITEM 3. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our principal executive officer and the principal financial officer, we have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded as of the evaluation date that our disclosure controls and procedures were effective such that the material information required to be included in our Securities and Exchange Commission reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to our company, particularly during the period when this report was being prepared.

Additionally, there were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the evaluation date. We have no identified any significant deficiencies or material weaknesses in our internal controls, and therefore there were no corrective actions taken.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

NONE.

ITEM 2. CHANGES IN SECURITIES

The following unregistered securities have been issued since April 1st, 2006:

Date	No. of Shares	Title	Valued At	Reason
May 2006	1,980,000	Common	$0.50	Cash
August 2006	220,000	Common	$2.50	Wells

During the third quarter, the company achieved pre-negotiated financial benchmarks associated with the Medium Term Note dated August 8, 2006. Because financial results for the quarter met and exceeded both revenue and EBITDA targets, the company has executed its "performance based call option" and has returned 500,000 shares of stock to the treasury. This results in a reduction of shares outstanding from 28,040,013 to 27,540,013 at no cost to the company.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

The following exhibits are included with this registration statement filing. Those marked with an asterisk and required to be filed hereunder, are

incorporated by reference and can be found in their entirety in our original Form 10-SB Registration Statement, filed under SEC File Number 0-51414, at the SEC website at www.sec.gov:

Exhibit No.	Description
31.1	ss. 302 Certification of Principal Executive Officer, Principal Accounting Officer
32.1	ss. 906 Certification of Principal Executive Officer, Principal Accounting Officer

SIGNATURES

Pursuant to the requirements of Section 13(a) or 15(d) 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.

November 1, 2006

Lucas Energy, Inc., Registrant

By: /s/ James J. Cerna
- --------------------------------
James J. Cerna,
President and Chief Executive Officer, Principal Accounting Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT

I, James J. Cerna, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Lucas Energy, Inc.;

2. Based on my knowledge, this quarterly 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 quarterly report;

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

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a. designed such disclosure controls and procedures 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 quarterly report is being prepared;

b. evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c. presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. I have disclosed, based on my most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a. all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 1st day of November, 2006.

/s/ James J. Cerna

- ----------------------------------

Chief Executive Officer, Principal Accounting Officer

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Lucas Energy, Inc., (the "Company") on Form 10-QSB for the period ending September 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James J. Cerna, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss.ss.1350, as adopted pursuant to ss.906 of the Sarbanes-Oxley Act of 2002, that:

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

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

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 1st day of November, 2006.

/s/ James J. Cerna
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Chief Executive Officer, Principal Accounting Officer