UNITED STATES
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 quarterly period ended September 30, 2007

Commission File Number: 0-51414

[LUCAS ENERGY, INC. LOGO]

LUCAS ENERGY, INC.
(Exact name of registrant as specified in its charter)

Nevada	98-0417780
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3000 Richmond Ave. #400
Houston, TX 77098
(Address of principal executive offices) (Zip Code)

(713) 528-1881
(Registrant's telephone number, including area code)

(Former name, former address, and former fiscal year
if changed since last report)

Indicate by check mark 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 [ ]

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of November 8, 2007
Common Stock, par value $.001 per share	40,844,625

Transitional Small Business Format (check one): Yes [ ] No [X]

LUCAS ENERGY, INC. QUARTERLY REPORT ON FORM 10-QSB

FOR THE QUARTERLY PERIOD ENDED

SEPTEMBER 30, 2007

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PART I - FINANCIAL INFORMATION

Lucas Energy, Inc.
Consolidated Balance Sheets
(Unaudited)

<TABLE>
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<S>	September 30, 2007 <C>	March 31, 2007 <C>
CURRENT ASSETS		
Cash	$ 4,987,370	$ 710,018
Marketable securities	83,000	--
Oil and gas receivable	196,398	131,485
Related party receivable	3,032	--
Note receivable	438,400	32,000
Other current assets	297,507	38,823
TOTAL CURRENT ASSETS	6,005,707	912,326
OIL AND GAS PROPERTIES, FULL COST METHOD		
Properties subject to amortization	14,450,008	9,623,745
Properties not subject to amortization	--	--
Accumulated depletion	(265,331)	(166,204)
OIL AND GAS PROPERTIES, NET	14,184,677	9,457,541
OTHER ASSETS	348,433	56,123
TOTAL ASSETS	$ 20,538,817	$ 10,425,990
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 1,260,139	$ 386,004
Accrued interest payable	--	52,766
TOTAL CURRENT LIABILITIES	1,260,139	438,770
NON-CURRENT LIABILITIES		
Note payable	--	2,300,000
Asset retirement obligation	126,986	111,022
Deferred tax liabilities	178,434	132,185
TOTAL LIABILITIES	1,565,559	2,981,977
STOCKHOLDERS' EQUITY		
Preferred stock, 10,000,000 shares authorized of $0.001 par value, no shares issued and outstanding	--	--
Common stock, 100,000,000 shares authorized of $0.001 par value, 40,844,625 and 29,792,429 shares issued and outstanding	40,844	29,792
Additional paid-in capital	18,387,708	7,029,777
Retained earnings	471,706	384,444
Unrealized gain on marketable equity securities	73,000	--
TOTAL STOCKHOLDERS' EQUITY	18,973,258	7,444,013
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 20,538,817	$ 10,425,990

</TABLE>

See notes to consolidated financial statements.

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Lucas Energy, Inc.
Consolidated Statements of Operations
For the Three and Six Months Ended September 30, 2007 and 2006
(Unaudited)

<TABLE>
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<S>	For the Three Months Ended September 30, 2007 <C>	For the Three Months Ended September 30, 2006 <C>	For the Six Months Ended September 30, 2007 <C>	For the Six Months Ended September 30, 2006 <C>
REVENUES				
Oil and gas revenues	$ 431,673	$ 401,063	$ 926,487	$ 514,421
Consulting income	--	34,000	10,000	34,000
TOTAL REVENUES	431,673	435,063	936,487	548,421
EXPENSES				
Lease operating expenses	121,537	65,719	307,141	104,800
Depreciation and depletion	51,889	106,360	107,074	127,818
General and administrative	197,978	49,300	353,010	81,664
TOTAL EXPENSES	371,404	221,379	767,225	314,282

INCOME FROM OPERATIONS	60,269	213,684	169,262	234,139
OTHER INCOME (EXPENSES)				
Gain on sale of assets	--	--	--	81,534
Interest income	62,383	2,546	66,126	4,160
Interest expense	(18,730)	(52,082)	(101,877)	(55,176)
TOTAL OTHER EXPENSES	43,653	(49,536)	(35,751)	30,518
NET INCOME BEFORE INCOME TAXES	103,922	164,148	133,511	264,657
INCOME TAX EXPENSE	42,326	43,942	46,249	81,186
NET INCOME	$ 61,596	$ 120,206	$ 87,262	$ 183,471
UNREALIZED HOLDING GAIN ON MARKETABLE EQUITY SECURITIES	43,000	--	73,000	--
COMPREHENSIVE INCOME	$ 104,596	$ 120,206	$ 160,262	$ 183,471
INCOME PER SHARE - BASIC AND DILUTED	$ 0.00	$ 0.00	$ 0.00	$ 0.01
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	37,386,516	27,450,562	33,610,221	27,358,961

</TABLE>

See notes to consolidated financial statements.

Lucas Energy, Inc.
Consolidated Statements of Stockholders' Equity
From the Three and Six Months Ending September 30, 2007
(Unaudited)

<TABLE>
<CAPTION>

	Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, March 31, 2007	--	$ --	29,792,429	$29,792	$ 7,029,777	$384,444	$ --	$ 7,444,013
Unrealized gain on available for sale securities	--	--	--	--	--	--	30,000	30,000
Net income for the three months ended June 30, 2007	--	--	--	--	--	25,666	--	25,666
Comprehensive income	--	--	--	--	--	25,666	30,000	55,666
Balance, June 30, 2007	--	--	29,792,429	29,792	7,029,777	410,110	30,000	7,499,679
Common Stock issued for cash at $1.15 per share (net of proceeds)	--	--	11,052,196	11,052	11,357,931	--	--	11,368,983
Unrealized gain on available for sale securities							43,000	43,000
Net income for the three months ended September 30, 2007	--	--	--	--	--	61,596	--	61,596
Comprehensive income	--	--	--	--	--	61,596	43,000	104,596
Balance, September 30, 2007	--	$ --	40,844,625	$40,844	$18,387,708	$471,706	$73,000	$18,973,258

</TABLE>

See notes to consolidated financial statements.

Lucas Energy, Inc.
Consolidated Statements of Cash Flows
For the Six Months Ended September 30, 2007 and 2006
(Unaudited)

<TABLE>
<CAPTION>

	For the Six Months Ended	For the Six Months Ended

<S>	September 30, 2007 <C>	September 30, 2006 <C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 87,262	$ 183,471
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and depletion	107,074	127,818
Deferred taxes	46,249	--
Noncash interest on note receivable	(6,400)	--
Gain on sale of assets	--	(81,534)
Changes in operating assets and liabilities		
Increase in accounts receivable	(64,913)	(119,207)
Increase in other current assets	(258,684)	(1,553)
Increase in other assets	(292,310)	(22,875)
Increase in related party receivable	(3,032)	--
Increase in accounts payable	812,143	252,393
Increase in accrued expenses	9,227	--
NET CASH PROVIDED BY OPERATING ACTIVITIES	436,616	338,513
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of operating interest	--	302,975
Investments in marketable securities	(10,000)	--
Issuance of note receivable	(400,000)	--
Purchase of oil and gas properties	(4,818,247)	(3,366,758)
NET CASH USED IN INVESTING ACTIVITIES	(5,228,247)	(3,063,783)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the sale of common stock	11,368,983	928,518
Proceeds of note payable	--	2,300,000
Repayment of note payable	(2,300,000)	(125,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	9,068,983	3,103,518
NET INCREASE IN CASH	4,277,352	378,248
CASH AT BEGINNING OF PERIOD	710,018	59,232
CASH AT END OF PERIOD	$ 4,987,370	$ 437,480
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest	$ 154,643	$ --
Income taxes	$ --	$ --
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Common stock issued for oil and gas properties	$ --	$ 550,000
Unrealized holding gain on available for sale securities	73,000	--
Increase in ARO liability	8,017	--

</TABLE>

See notes to consolidated financial statements.

LUCAS ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited interim consolidated financial statements of Lucas Energy, Inc. ("Lucas") have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission, and should be read in conjunction with the audited financial statements and notes thereto contained in Lucas's annual report filed with the SEC on Form 10-KSB for the year ended March 31, 2007. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosure contained in the audited financial statements for the most recent fiscal year 2007 as reported in Form 10-KSB have been omitted.

NOTE 2. ORGANIZATION AND BUSINESS OPERATIONS

Lucas 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, Lucas operates forty-one separate oil and gas leases. The business is conducted through its wholly-owned operating subsidiary, Lucas Energy Resources, Inc., which was incorporated on April 6, 2005 in Nevada.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 during the reporting period. Actual results could differ from those estimates.

Lucas's financials are based on a number of significant estimates, including oil and gas reserve quantities which are the basis for the calculation of depreciation, depletion and impairment of oil and gas properties, and timing and costs associated with its retirement obligations.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in banks and financial instruments which mature within three months of the date of purchase.

MARKETABLE SECURITIES.

Marketable securities consist of an investment in the common stock of Solar Night, Inc. Equity securities are classified as "available-for-sale" and are reported at fair value. The investment is publicly-traded and considered liquid. The unrealized gains or losses on these securities, represented by net changes in the fair value of the security, are included in accumulated other comprehensive income as a separate component of shareholder's equity unless the decline in value is deemed to be other-than-temporary, in which case securities are written down to fair value and the loss is charged to income.

CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject Lucas to concentration of credit risk consist of cash. At September 30, 2007, Lucas had $4,887,370 in cash in excess of federally insured limits. Lucas maintains cash accounts only at large high quality financial institutions and Lucas believes the credit risk associated with cash held in banks is remote.

Lucas's receivables primarily consist of accounts receivable from oil and gas sales. Accounts receivable are recorded at invoiced amount and generally do not bear interest. Any allowance for doubtful accounts is based on management's estimate of the amount of probable losses due to the inability to collect from customers. As of September 30, 2007, no allowance for doubtful accounts has been recorded and none of the accounts receivable have been collateralized.

FAIR VALUE OF FINANCIAL INSTRUMENTS

As of September 30, 2007, the fair value of cash and accounts and advances payable, including amounts due to and from related parties, approximate carrying values because of the short-term maturity of these instruments.

OIL AND GAS PROPERTIES, FULL COST METHOD

Lucas uses the full cost method of accounting for oil and gas producing activities. Costs to acquire mineral interests in oil and gas properties, to drill and equip exploratory wells used to find proved reserves, and to drill and equip development wells including directly related overhead costs and related asset retirement costs are capitalized.

Under this method, all costs, including internal costs directly related to acquisition, exploration and development activities are capitalized as oil and gas property costs. Properties not subject to amortization consist of exploration and development costs which are evaluated on a property-by-property basis. Amortization of these unproved property costs begins when the properties become proved or their values become impaired. Lucas assesses the realizability of unproved properties, if any, on at least an annual basis or when there has been an indication that impairment in value may have occurred. Impairment of unproved properties is assessed based on management's intention with regard to future exploration and development of individually significant properties and the ability of Lucas to obtain funds to finance such exploration and development. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is added to the capitalized costs to be amortized.

Costs of oil and gas properties are amortized using the units of production method.

Under full cost accounting rules for each cost center, capitalized costs of proved properties, less accumulated amortization and related deferred income taxes, shall not exceed an amount (the "cost ceiling") equal to the sum of (a) the present value of future net cash flows from estimated production of proved oil and gas reserves, based on current economic and operating condition, discounted at 10 percent, plus (b) the cost of properties not being amortized, plus (c) the lower of cost or estimated fair value of any unproved properties included in the costs being amortized, less (d) any income tax effects related to differences between the book and tax basis of the properties involved. If capitalized costs exceed this limit, the excess is charged as an impairment expense.

ASSET RETIREMENT OBLIGATIONS

Lucas follows the provisions of Financial Accounting Standards Board Statement No. 143, "Accounting for Asset Retirement Obligations" (SFAS No. 143). The fair value of an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The present value of the estimated asset retirement costs is capitalized as part of the carrying amount of the long-lived asset. For Lucas, asset retirement obligations relate to the abandonment of oil and gas producing facilities. The amounts recognized are based upon numerous estimates and assumptions, including future retirement costs, future recoverable quantities of oil and gas, future inflation rates and the credit-adjusted risk-free interest rate.

REVENUE RECOGNITION

Lucas recognizes oil and natural gas revenue under the sales method of accounting for its interests in producing wells as oil and natural gas is produced and sold from those wells. Oil and natural gas sold by Lucas is not significantly different from Lucas's share of production.

BASIC INCOME PER SHARE OF COMMON STOCK

Basic and diluted net income per share calculations are presented in accordance with Financial Accounting Standards Statement 128 and are calculated on the basis of the weighted average number of common shares outstanding during the year. Common stock equivalents are excluded from the calculation when a loss is incurred as their effect would be anti-dilutive. The basic income per share of common stock is based on the weighted average number of shares issued and outstanding at the date of the financial statements.

RECLASSIFICATION

Certain amounts in prior periods have been reclassified to conform to current period presentation.

NOTE 4. NOTES RECEIVABLE

During the three months ended September 30, 2007, Lucas loaned $400,000 to a third party at an interest rate of 8% per annum with a six month term. In the event the note is not paid by January 18, 2008 (the due date), the interest rate on the unpaid balance shall be 16% thereafter.

NOTE 5. NOTES PAYABLE

During the three months ended September 30, 2006, Lucas entered into a Promissory Note in the amount of $2,300,000 with an original maturity date of February 3, 2008. On June 25, 2007, the maturity date was extended to February 3, 2009. On July 20, 2007 the note was repaid in full.

NOTE 6. WARRANTS

In the second quarter, Lucas issued 11,052,196 Units in a private placement for $1.15 per Unit. Lucas received gross proceeds of $12,710,002 (net proceeds of $11,368,984 after placement costs). Each Unit was comprised of one share of restricted common stock and one common stock purchase warrant. Each warrant is exercisable at $2.00 per share of common stock for a period of 3 years. The holders of the warrants, at their option, can exercise the warrants on a cashless basis. Lucas issued 990,000 warrants to purchase common stock to the placement agents with an exercise price of $2.00 per share for a period of 3 years with a value of $1,230,426.

The relative fair value of the Common Stock and the Common Stock Purchase Warrants were as follows:

Description	Shares	Relative Fair Value Amount
Common Stock	11,052,196	$ 4,828,385
Common Stock Purchase Warrants	11,052,196	6,540,599
Total Proceeds		12,710,002
Placement fees		(1,339,534)
Net Proceeds		$11,368,984

NOTE 6. SUBSEQUENT EVENTS

On October 25, 2007, Lucas Energy exchanged its 25% working interest in the ApClark prospect, an oil and gas property covering approximately 6,700 acres located in the ApClark field in Southwestern Borden County, Texas, for 3,000,000 shares valued at approximately $800,000 of Bonanza Oil & Gas, Inc. representing a 24.6% stake in the company. Bonanza Oil & Gas, Inc. is a publicly-held oil and gas company led by a team of industry veterans and holds assets ranging from wholly owned prospects to working interests in producing oil wells as well as a large seismic library. Lucas will account for the shares of Bonanza Oil & Gas, Inc. using the equity method of accounting.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

THE FOLLOWING DISCUSSION AND ANALYSIS SHOULD BE READ IN CONJUNCTION WITH THE UNAUDITED FINANCIAL STATEMENTS AND NOTES THERETO INCLUDED ELSEWHERE IN THIS REPORT. THE TERMS "LUCAS ENERGY," "LUCAS," "WE," "US" AND "OUR" REFER TO LUCAS ENERGY, INC.

OVERVIEW

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements may relate to such matters as anticipated financial performance, future revenues or earnings, business prospects, projected ventures, new products and services, anticipated market performance and similar matters. When used in this report, the words "may," "will," "expect," "anticipate," "continue," "estimate," "project," "intend," and similar expressions are intended to identify forward-looking statements regarding events, conditions, and financial trends that may affect our future plans of operations, business strategy, operating results, and financial position. We caution readers that a variety of factors could cause our actual results to differ materially from the anticipated results or other matters expressed in forward-looking statements. These risks and uncertainties, many of which are beyond our control, include:

* the sufficiency of existing capital resources and our ability to raise additional capital to fund cash requirements for future operations;
* uncertainties involved in the rate of growth of our business and acceptance of any products or services;
* volatility of the stock market, particularly within the energy sector; and
* general economic conditions.

Although we believe the expectations reflected in these forward-looking statements are reasonable, such expectations cannot guarantee future results, levels of activity, performance or achievements All forward-looking statements included in this report and all subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements speak only as of the date made, other than as required by law, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

MANAGEMENT ANALYSIS OF OPERATION

Lucas Energy, Inc., through its consolidated operations, is an independent oil and gas company focused on building and revitalizing a diversified portfolio of oil and gas production assets located in the State of Texas. We seek to acquire underperforming oil and gas assets that we believe we can revitalize in a short period of time.

Acquisitions are a core part of our growth strategy. The majority of the acquisition proposals and candidates that we review are sourced directly by our senior management or specialized third-party consultants with local area knowledge. We focus on well acquisitions in which we estimate (a) have a good opportunity and the appropriate acreage to drill additional laterals (PUD'S), (b) our related payback periods will be less than 12 months and (c) our projected internal rate of return on capital invested will exceed 80%.

We are conducting engineering on a program to drill laterals on existing well-bores or offset locations that we have already leased. The purpose of these laterals will be to provide more aerial access to the formation in order to increase the flow rate and to recover additional oil and gas reserves not recoverable from the existing vertical (straight) holes. We began our drilling program on September 20, 2007 with the drilling of a new horizontal leg in the Hagen Ranch No.3 well, located in the Austin Chalk formation. The Hagen Ranch No.3 well was acquired in 2006 and is located in Gonzales County, Texas. The well sits on a 1330 acre lease which has room for at least two additional wells.

We focus on acquiring shut-in wells that we believe have been overlooked by larger companies and have a high probability of containing large reserves recoverable through the lateral drilling process and responding to our revitalization process. We seek opportunities to acquire mature oil fields that have 30% to 50% of original oil in place. These fields typically have lost some or all of the reservoir pressure required to drive the oil through the overlying rock and sand and into the well bores of the producing wells, or have

experienced mechanical problems. We believe we have standardized a process that enables us to quickly restore oil production as well as increase production yield.

We employ a wide variety of financing structures to acquire assets, including payment of cash and/or stock consideration, seller financing, and royalty fee arrangements. Since becoming a publicly-traded company in June 2006, we have placed a greater emphasis on using our common stock as a form of consideration.

We seek to maintain a low overhead cost structure while we remain focused on growing our portfolio. For the past nine consecutive quarters since inception, we have achieved positive net income and have retained our earnings in order to grow our portfolio of assets.

RESULTS OF OPERATIONS:

OIL AND GAS REVENUES

For the three and six months ended September 30, 2007, our oil and gas net sales were $431,673 and $926,487, respectively, versus $401,063 and $514,421for the three and six months ended September 30, 2006, respectively. Oil and gas revenues increased during the period due to additional wells put on line through the ongoing acquisition and rework program. The increase in revenues for the three months ended September 30, 2007 compared to the three months ended

September 30, 2006 is primarily attributable to a $19.60 per barrel increase we received for oil. The volume decrease for the three month period is attributable to a testing program initiated to begin our drilling program.

	For the three months ended September 30, 2007	For the three months ended September 30, 2006	Increase/ (Decrease)
Volumes: (net)			
Oil (bbls)	5,323	6,138	(815)
Gas (mcf)	778	--	778
Average price received:			
Oil	$ 80.51	$ 69.91	$ 19.60
Gas	$ 5.96	--	$ 5.96
Revenues:			
Oil	$428,540	$401,063	$ 27,477
Gas	$ 4,634	$ 0	$ 4,634
Total	$433,174	$401,063	$ 32,111

GENERAL AND ADMINISTRATIVE EXPENSES

For the three and six months ended September 30, 2007, general and administrative expenses totaled $197,978 and $353,010, respectively, versus $49,300 and $81,664, respectively, for the three and six months ended September 30, 2006. Professional fees principally associated with public company costs and payroll for the three and six months ended September 30, 2007, were $150,833 and $261,955, respectively, versus $9,157 and $15,808, respectively, for the three and six months ended September 30, 2006.

INTEREST EXPENSE

For the three months ended September 30, 2007, interest expense decreased from $52,082 in 2006 to $18,730 in 2007. This change is attributed to the repayment in July of $2,300,000 debt issued in August 2006. For the six months ended September 30, 2007, interest expense increased from $55,176 in 2006 to $101,877 in 2007. The increase is due to the $2,300,000 debt that was outstanding from August 2006 to July 2007.

INTEREST INCOME

For the three months ended September 30, 2007, interest income increased from $2,546 in 2006 to $62,383 in 2007. This change is attributed to the sale of common stock and the subsequent increase in cash balances held during the period. For the six months ended September 30, 2007, interest income increased from $4,160 in 2006 to $66,126 in 2007.

NET INCOME

For the three months ended September 30, 2007, we had net income of $61,596 versus net income of $120,206 for the three months ended September 30, 2006. The decrease in net income is attributable to the increase in general and administrative expenses offset by interest earned on the increase in the cash balance and reduced interest expense due to the repayment of our $2,300,000 note payable. For the six months ended September 30, 2007, we had net income of $87,262 versus $183,471 for the six months ended September 30, 2006. The increase in income is attributable to an $81,534 gain on the sale of assets for the six month period ended September 30, 2006.

LIQUIDITY AND CAPITAL RESOURCES

As of September 30, 2007, we had cash of $4,987,370 and working capital of $4,745,568. This compares to cash of $710,018 and working capital of $473,556 at March 31, 2007. During the second quarter, we completed a private placement that provided net proceeds of $11,368,984. We used a portion of the funds received in the private placement to fully repay the $2,300,000 note payable. We anticipate that cash on hand will be sufficient to cover our planned capital and operating expense budget for the remainder of our fiscal year.

We have adequate capital to fund our ongoing operations. An acceleration of acquisitions or our planned drilling operations beyond our fiscal year may require additional capital expenditures.. Additional financing through partnering, public or private equity financings, lease transactions or other financing sources may not be available on acceptable terms, or at all. Additional equity financings could result in significant dilution to our stockholders.

In the second quarter, Lucas issued 11,052,196 Units in a private placement for $1.15 per Unit. Lucas received gross proceeds of $12,710,002 (net proceeds of $11,368,984 after placement costs). Each Unit was comprised of one share of restricted common stock and one common stock purchase warrant. Each warrant is exercisable at $2.00 per share of common stock for a period of 3 years. The holders of the warrants, at their option, can exercise the warrants on a cashless basis.

CASH FLOW FROM OPERATING ACTIVITIES

For the six months ended September 30, 2007, net cash provided from operating activities was $436,616, versus net cash provided from operating activities of $338,513 in the six months ended September 30, 2006.

CASH FLOW FROM INVESTING ACTIVITIES

For the six months ended September 30, 2007, net cash used in investing activities was $5,228,247, primarily attributed to our continued rework program, versus net cash used in investing activities of a $3,063,783 for the six months ended September 30, 2006.

CASH FLOW FROM FINANCING ACTIVITIES

For the six months ended September 30, 2007, net cash flows from financing activities was $9,068,983 primarily attributable to our $12 million Unit offering versus net cash flows provided from financing activities of $3,103,518 primarily attributable to short-term financings for the six months ended September 30, 2006.

HEDGING

We did not hedge any of our oil or natural gas production during 2007 and have not entered into any such hedges from June 30, 2007 through the date of this filing.

CONTRACTUAL COMMITMENTS

None

OFF-BALANCE SHEET ARRANGEMENTS

As of September 30, 2007, we had no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

On September 1, 2007 the CEO was billed $3,032 for reimbursement of a legal retainer related to patent work on a product that the company's board decided not to pursue. As inventor of the patent, Mr. Cerna agreed to reimburse the company and pay all future costs related to it. The receivable was paid off on October 22, 2007.

CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Market risk is the risk of loss arising from adverse changes in market rates and prices. We are exposed to risks related to increases in the prices of fuel and raw materials consumed in exploration, development and production. We do not engage in commodity price hedging activities.

ITEM 4. CONTROLS AND PROCEDURES.

DISCLOSURE CONTROLS AND PROCEDURES.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that the information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that a company files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

We maintain disclosure controls and procedures designed to ensure that material information related to our company is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms.

Under the supervision of our Chief Executive Officer and our Chief Financial Officer, we re-evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of September 30, 2007, the design and operation of such disclosure controls and procedures were effective. Based on managements' assessment of disclosure controls and procedures in the prior quarter, the Company hired the accounting firm of Schmuck, Smith, Tees & Company P.C. to augment internal accounting staff and to assist with oil and gas related disclosures and financial reporting.

There were no changes in the Company's internal controls over financial reporting other than the addition of the accounting firm of Schmuck, Smith, Tees & Company P.C. that occurred during the fiscal quarter ended September 30, 2007 that have materially affect, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Our management is not aware of any significant litigation, pending or threatened, that would have a significant adverse effect on our financial position or results of operations.

ITEM 2. SALES OF UNREGISTERED SECURITIES AND USE OF PROCEEDS.

In the second quarter, Lucas issued 11,052,196 Units in a private placement for $1.15 per Unit. Lucas received gross proceeds of $12,710,002 (net proceeds of $11,368,984 after placement costs). Each Unit was comprised of one share of restricted common stock and one common stock purchase warrant. Each warrant is exercisable at $2.00 per share of common stock for a period of 3 years. The holders of the warrants, at their option, can exercise the warrants on a cashless basis.

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.

Exhibit 31.1, 31.2*	Chief Executive Officer and Chief Financial Officer Certification Pursuant to Section 13a-14 of the Securities Exchange Act
Exhibit 32.1, 32.2*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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* Filed herewith

SIGNATURES

Pursuant to the requirements 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.

LUCAS ENERGY, INC.
Registrant

Signature	Title	Date
/s/ JAMES J. CERNA James J. Cerna	President, C.E.O. and Chairman (Principal Executive Officer)	November 9, 2007
/s/ MALEK BOHSALI Malek Bohsali	Principal Financial Officer and Accounting Officer	November 9, 2007

INDEX TO EXHIBITS

OF

LUCAS ENERGY, INC.

Exhibit 31.1 *	Chief Executive Officer Certification Pursuant to Section 13a-14 of the Securities Exchange Act
Exhibit 31.2 *	Chief Financial Officer Certification Pursuant to Section 13a-14 of the Securities Exchange Act
Exhibit 32.1 *	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 32.2 *	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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* Filed herewith

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James J. Cerna, certify that:

1. I have reviewed this quarterly report on Form 10-QSB for the three months ended September 30, 2007, of Lucas Energy, Inc.;

2. Based on my knowledge, this 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 report;

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

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;

(b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, 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 and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: November 9, 2007

/s/ JAMES J. CERNA

James J. Cerna
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Malek Bohsali, certify that:

1. I have reviewed this quarterly report on Form 10-KSB for the three months ended September 30, 2007, of Lucas Energy, Inc.;

2. Based on my knowledge, this 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 report;

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

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;

(b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(c) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, 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 and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: November 9, 2007

/s/ MALEK BOHSALI

Malek Bohsali
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICERS
PURSUANT TO 18 U.S.C. 1350
(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 three month period ended September 30, 2007 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. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(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 consolidated financial condition and results of operations of the Company.

/s/ JAMES J. CERNA
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James J. Cerna
President and Chief Executive Officer

November 9, 2007

EXHIBIT 32.2

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICERS
PURSUANT TO 18 U.S.C. 1350
(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 three month period ended September 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Malek, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(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 consolidated financial condition and results of operations of the Company.

/s/ MALEK BOHSALI
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Malek Bohsali
Chief Financial Officer

November 9, 2007