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

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 2007

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT

For the transition period from ___________ to ___________

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 February 4, 2008
Common Stock, par value $.001 per share	10,211,156

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

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

FOR THE QUARTERLY PERIOD ENDED

DECEMBER 31, 2007

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PART I - FINANCIAL INFORMATION

Lucas Energy, Inc.
Consolidated Balance Sheets
(Unaudited)

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<S>	December 31, 2007 <C>	March 31, 2007 <C>
CURRENT ASSETS		
Cash	$ 2,771,990	$ 710,018
Marketable securities	517,850	--
Oil and gas receivables	296,835	131,485
Note receivable	32,000	32,000
Other current assets	272,293	38,823
TOTAL CURRENT ASSETS	3,890,968	912,326
OIL AND GAS PROPERTIES, FULL COST METHOD		
Properties subject to amortization	16,845,902	9,623,745
Accumulated depletion	(351,723)	(166,204)
OIL AND GAS PROPERTIES, NET	16,494,179	9,457,541
FIXED ASSETS, net of accumulated depreciation of $145 and $0, respectively	2,473	--
OTHER ASSETS		
Drilling deposits, bonds, and prepaid expenses	317,025	56,123
Note receivable	414,466	--
TOTAL ASSETS	$ 21,119,111	$ 10,425,990
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 1,614,101	$ 386,004
Accrued interest payable	--	52,766
TOTAL CURRENT LIABILITIES	1,614,101	438,770
NON-CURRENT LIABILITIES		
Note payable	--	2,300,000
Asset retirement obligation	133,755	111,022
Deferred tax liabilities	271,591	132,185
TOTAL LIABILITIES	2,019,447	2,981,977
STOCKHOLDERS' EQUITY		
Preferred stock, 10,000,000 shares authorized of $0.001 par value, no shares issued and outstanding	--	--
Common stock, 25,000,000 shares authorized of $0.001 par value 10,211,156 and 7,448,107 shares issued and outstanding, respectively	10,211	7,448
Additional paid-in capital	18,413,841	7,052,121
Retained earnings	651,612	384,444
Unrealized gain on marketable equity securities	24,000	--
TOTAL STOCKHOLDERS' EQUITY	19,099,664	7,444,013
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 21,119,111	$ 10,425,990

</TABLE>

See notes to consolidated financial statements.

Lucas Energy, Inc.
Consolidated Statements of Operations and Comprehensive Income
For the Three and Nine Months Ended December 31, 2007 and 2006
(Unaudited)

<TABLE>
<CAPTION>

	For the Three Months Ended December 31,	For the Three Months Ended December 31,	For the Nine Months Ended December 31,	For the Nine Months Ended December 31,

	2007	2006	2007	2006
<S>	<C>	<C>	<C>	<C>
REVENUES				
Oil and gas revenues	$ 811,023	$ 396,367	$ 1,737,510	$ 910,788
Other revenues	--	--	10,000	34,000
TOTAL REVENUES	811,023	396,367	1,747,510	944,788
EXPENSES				
Lease operating expenses	245,179	16,465	552,320	185,926
Depreciation, depletion and accretion	90,960	48,663	198,034	111,820
General and administrative	253,740	43,726	606,749	125,390
TOTAL EXPENSES	589,879	108,854	1,357,103	423,136
INCOME FROM OPERATIONS	221,144	287,513	390,406	521,652
OTHER INCOME (EXPENSES)				
Gain on sale of assets	--	--	--	81,534
Interest income	51,919	4,187	118,045	8,347
Interest expense	--	(84,060)	(101,877)	(139,236)
TOTAL OTHER INCOME (EXPENSES)	51,919	(79,873)	16,168	(49,355)
NET INCOME BEFORE INCOME TAXES	273,063	207,640	406,574	472,297
INCOME TAX EXPENSE	93,157	41,173	139,406	122,359
NET INCOME	$ 179,906	$ 166,467	$ 267,168	$ 349,938
OTHER COMPREHENSIVE INCOME (LOSS)	(49,000)	--	24,000	--
COMPREHENSIVE INCOME	$ 130,906	$ 166,467	$ 291,157	$ 349,938
INCOME PER SHARE - BASIC AND DILUTED	$ 0.01	$ 0.02	$ 0.03	$ 0.05
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	10,211,156	6,885,850	9,007,615	6,859,420

</TABLE>

See notes to consolidated financial statements.

Lucas Energy, Inc.
Consolidated Statements of Stockholders' Equity
For the Nine Month Period Ended December 31, 2007
(Unaudited)

<TABLE>
<CAPTION>

	Preferred Stock		Common Stock		Additional Paid-In	Retained	Other Comprehensive	
	Shares	Amount	Shares	Amount	Capital	Earnings	Income	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, March 31, 2007	-	$ --	7,448,107	$ 7,448	$ 7,052,121	$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
Balance, June 30, 2007	-	$ --	7,448,107	$ 7,448	$ 7,052,121	$410,110	$ 30,000	$ 7,499,679
Common Stock issued for cash (net of issuance cost)	-	--	2,763,049	2,763	11,366,220	--	--	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
Balance, September 30, 2007	-	$ --	10,211,156	$10,211	$18,418,341	$471,706	$ 73,000	$18,973,258
Stock issuance costs	-	--	--	--	(4,500)	--	--	(4,500)
Unrealized (loss) on available for sale securities	-	--	--	--	--	--	(49,000)	(49,000)
Net income for the three months ended December 31, 2007	-	--	--	--	--	179,906	--	179,906

Balance, December 31, 2007	-	$ --	10,211,156	$10,211	$18,413,841	$651,612	$ 24,000	$19,099,664
	======	======	==========	=======	===========	========	========	===========

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See notes to consolidated financial statements.

Lucas Energy, Inc.
Consolidated Statements of Cash Flows
For the Nine Months Ended December 31, 2007 and 2006
(Unaudited)

	For the Nine Months Ended December 31, 2007	For the Nine Months Ended December 31, 2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 267,168	$ 349,938
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and accretion	198,034	111,820
Deferred taxes	139,406	--
Gain on sale of assets	--	(81,534)
Changes in operating assets and liabilities:		
Increase in accounts receivable	(165,350)	(128,561)
Increase in other current assets	(247,936)	(12,876)
Increase in other assets	(260,902)	(27,805)
Increase in accounts payable and accrued expenses	1,175,332	515,219
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,105,752	726,201
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of oil and gas property and equipment	(8,063,263)	(3,624,297)
Investments in marketable securities	(10,000)	--
Issuance of notes receivable	(400,000)	--
Cash received for sale of marketable securities	365,000	--
Proceeds from sale of operating interest	--	302,975
NET CASH USED IN INVESTING ACTIVITIES	(8,108,263)	(3,321,322)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from the sale of common stock	11,364,483	1,371,858
Proceeds of note payable	--	2,300,000
Repayment of note payable	(2,300,000)	(125,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	9,064,483	3,546,858
NET INCREASE IN CASH	2,061,972	951,737
CASH AT BEGINNING OF PERIOD	710,018	59,232
CASH AT END OF PERIOD	$ 2,771,990	$ 1,010,969
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	$ --	$ 4,790,000
Unrealized holding gain on available for sale of securities	$ 24,000	$ --
Increase in asset retirement obligation liability	$ 10,363	$ --
Marketable securities received in sale of oil and gas property	$ 848,850	$ --

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' financial statements 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 investments in the common stock of Solar Night, Inc. and Bonanza Oil & Gas, Inc. Marketable equity securities are classified as "available-for-sale" and are reported at fair value. The investments are 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 the securities are written down to fair value and the loss is charged to income.

On October 25, 2007, Lucas Energy sold 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, in exchange for 3,000,000 shares valued at $848,850 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. On November 20, 2007 Lucas Energy sold 1,290,000 shares of Bonanza Oil & Gas, Inc. to a third party for cash proceeds of $365,000. No gain or loss was recognized on the sale.

CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject Lucas to concentration of credit risk consist of cash. At December 31, 2007, Lucas had $2,671,990 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 December 31, 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 December 31, 2007, the fair value of cash, accounts receivable, and accounts payable, including amounts due to and from related parties, if any, 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 conditions, 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.

INCOME PER SHARE OF COMMON STOCK

Basic and diluted net income per share calculations are presented in accordance with Financial Accounting Standards Statement No. 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. Lucas has warrants outstanding which are exercisable for common stock on a one warrant for one share basis. The warrants were not common stock equivalents from date of issuance until December 31, 2007 because they were out-of-the-money for purposes of computing fully diluted income per share.

RECLASSIFICATION

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

NOTE 4. NOTES RECEIVABLE

During the nine months ended December 31, 2007, Lucas loaned $400,000 to a third party engaged in identifying potential oil and gas prospects in which Lucas would likely participate. The note bears an interest rate of 8% per annum with a six-month term. On January 13, 2008 the note was extended for an additional six month term. Lucas intends to further extend the term beyond six months and, accordingly, has classified the note receivable and the related accrued interest of $14,466 as noncurrent. Lucas also had a note receivable with Global Production, Inc., that was originally executed on March 26, 2007 for $32,000, which came due as of December 31, 2007 and is currently in default. Management is currently evaluating the realizability of its notes receivable from Global Production.

NOTE 5. NOTES PAYABLE

During the nine months ended December 31, 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. STOCKHOLDERS' EQUITY AND WARRANTS

The Board of Directors approved a 4 to 1 reverse stock split as of February 4, 2008. All common stock shares and share-related information are presented to reflect the reverse stock split for all periods presented.

During the nine months ended December 31, 2007, Lucas issued 2,763,049 Units in a private placement for $4.60 per Unit. Lucas received gross proceeds of $12,710,002 (net proceeds of $11,364,483 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 $8.00 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 247,500 warrants to purchase common stock to the placement agents with an exercise price of $8.00 per share for a period of 3 years with a value of $1,230,426. As of December 31, 2007 the warrants mentioned above were the only warrants issued and outstanding by Lucas. No warrants were exercised, cancelled, or expired during the nine months ended December 31, 2007 and all warrants outstanding were determined to have no intrinsic value.

The relative fair value of the Common Stock and the Common Stock Purchase Warrants comprising the Units are as follows:

Description	Shares	Relative Fair Value Amount
Common Stock	2,763,049	$ 5,398,367
Common Stock Purchase Warrants	2,763,049	7,311,635
Total Proceeds		12,710,002
Placement Fees		(1,345,519)
Net Proceeds		$ 11,364,483

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 currently 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 have conducted 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. The well was completed on October 16, 2007, and initial production was 163 barrels of production per day ("BOPD"). The RVS No. 3 was completed on October 30, 2007, and initial production was 111 BOPD. The Perkins Oil Unit No. 1 was completed on January 3, 2008, and initial production was 73 BOPD and 30 MCF of gas per day. The drilling program continues with the movement of a drilling rig to Well No. 4 located in Gonzales County, Texas.

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.

We seek to maintain a low overhead cost structure while we remain focused on growing our portfolio. For the past eleven 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 nine months ended December 31, 2007, our oil and gas net sales were $811,023 and $1,737,510, respectively, versus $396,367 and $910,788 for the three and nine months ended December 31, 2006, respectively. Oil and gas revenues increased during the period due to additional wells put on line through the ongoing acquisition and rework program as well as the addition of new laterals drilled during the quarter. The increase in revenues for the three months ended December 31, 2007 compared to the three months ended December 31, 2006 is attributable to an increase in average price received and an increase in production of 2,039 net barrels as our new laterals came online.

	For the three months ended December 31, 2007	For the three months ended December 31, 2006	Increase/ (Decrease)
Volumes: (net)			
Oil (bbls)	9,093	7,045	2,039
Gas (mcf)	584	--	584
Average price received:			
Oil	$ 88.89	$ 56.27	$ 32.62
Gas	$ 5.08	--	$ 5.08
Revenues:			
Oil	$808,238	$396,367	$411,871
Gas	$ 2,785	--	$ 2,785
Total	$811,023	$396,367	$414,656

GENERAL AND ADMINISTRATIVE EXPENSES

For the three and nine months ended December 31, 2007, general and administrative expenses totaled $253,740 and $606,749, respectively, versus $43,726 and $125,390, respectively, for the three and nine months ended December 31, 2006. The increases during 2007 are principally due to an increase in professional fees, headcount and investor relations costs as we ramp up our business for increased operating activities.

INTEREST EXPENSE

For the three months ended December 31, 2007, interest expense decreased from $84,060 in 2006 to $0 in 2007. This change is attributed to the repayment in July 2007 of $2,300,000 debt issued in August 2006. For the nine months ended December 31, 2007, interest expense decreased from $139,236 in 2006 to $101,877 in 2007. The decrease is due to the retirement of the $2,300,000 debt that was outstanding from August 2006 to July 2007.

INTEREST INCOME

For the three months ended December 31, interest income increased from $4,187 in 2006 to $51,919 in 2007. This change is attributed to the sale of common stock and the subsequent increase in cash balances held during the period in addition to interest income related to the notes receivable. For the nine months ended

December 31, interest income increased from $8,347 in 2006 to $118,045 in 2007 due to the increased cash balances held during the period.

NET INCOME

For the three months ended December 31, 2007, we had net income of $179,906 versus net income of $166,467 for the three months ended December 31, 2006. For the nine months ended December 31, 2007, we had net income of $267,168 versus $349,938 for the nine months ended December 31, 2006. The increase in income for the three-month period is attributable to the increase in revenues. The decrease in net income for the nine-month period ended December 31, 2007 is primarily attributable to increased operating costs offsetting increased revenues. The increased operating costs reflect a ramp up of our operations to meet increased operating activities.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2007, we had cash of $2,771,990 and working capital of $2,276,868. This compares to cash of $710,018 and working capital of $473,556 at March 31, 2007. During the nine months ended December 31 2007, we completed a private placement that provided net proceeds of $11,364,483. We used the funds received in the private placement principally to repay the $2,300,000 note payable and acquire oil and gas property and equipment. 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 over the next twelve months 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.

For the nine months ended December 31, 2007, Lucas issued 2,763,049 Units in a private placement for $4.60 per Unit. Lucas received gross proceeds of $12,710,002 (net proceeds of $11,364,483 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 $8.00 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 nine month period ended December 31, 2007, net cash provided from operating activities was $1,105,737, versus net cash provided from operating activities of $726,201 in the nine month period ended December 31, 2006. This increase in net cash provided from operations activities is primarily due to an increase in our accounts payable and accrued expenses as a result of our increased drilling activity.

CASH FLOW FROM INVESTING ACTIVITIES

For the nine month period ended December 31, 2007, net cash used in investing activities was $8,108,263, primarily attributed to our drilling and continued rework program, versus net cash used in investing activities of a $3,321,322 for the nine month period ended December 31, 2006. Our investing activities were funded from the use of proceeds from the private placement completed in the second quarter.

CASH FLOW FROM FINANCING ACTIVITIES

For the nine month period ended December 31, 2007, net cash flows from financing activities was $9,064,483 primarily attributable to our $12,710,002 Unit offering versus net cash flows provided from financing activities of $3,546,858 primarily attributable to short-term financings for the nine month period ended December 31, 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 December 31, 2007 through the date of this filing.

CONTRACTUAL COMMITMENTS

None.

OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 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 the patent. The receivable was fully paid 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 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 December 31, 2007, the design and operation of such disclosure controls and procedures were effective. Based on managements' assessment of disclosure controls and procedures in the first quarter, the Company hired an accounting firm 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 that occurred during the fiscal quarter ended December 31, 2007 that have materially affected, 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.

For the nine months ended December 31, 2007, Lucas issued 2,763,049 Units in a private placement for $4.60 per Unit. Lucas received gross proceeds of $12,710,002 (net proceeds of $11,364,483 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 $8.00 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 Certifications Pursuant to Section 13a-14 of the Securities Exchange Act
Exhibit 32.1, 32.2*	Certifications 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)	February 7, 2008
/s/ MALEK BOHSALI Malek Bohsali	Principal Financial Officer and Accounting Officer	February 7, 2008

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 December 31, 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: February 7, 2008

/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 December 31, 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: February 7, 2008

/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 December 31, 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

February 7, 2008

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 December 31, 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

February 7, 2008