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 June 30, 2008

[ ] 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 the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ] Accelerated Filer [ ]

Non-accelerated filer [ ] Smaller reporting company [X]
(Do Not Check if a Smaller Reporting Company)

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 August 12, 2008
Common Stock, par value $.001 per share	10,246,189

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

FOR THE QUARTERLY PERIOD ENDED

June 30, 2008

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PART I - FINANCIAL INFORMATION

Lucas Energy, Inc.
Consolidated Balance Sheets
(Unaudited)

<TABLE>
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<S>	June 30, 2008 <C>	March 31, 2008 <C>
CURRENT ASSETS		
Cash	$ 512,857	$ 1,142,386
Marketable securities	4,108,670	2,388,355
Accounts receivable - oil and gas	417,800	559,886
Other current assets	14,119	38,849
TOTAL CURRENT ASSETS	5,053,446	4,129,476
OIL AND GAS PROPERTIES, FULL COST METHOD		
Properties subject to amortization	19,928,717	18,978,699
Properties not subject to amortization accumulated depletion	(1,045,335)	(846,470)
OIL AND GAS PROPERTIES, NET	18,883,382	18,132,229
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION OF $363 AND $0	2,037	2,255
OTHER ASSETS	86,986	51,766
TOTAL ASSETS	$ 24,025,851	$ 22,315,726
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 769,612	$ 1,174,737
TOTAL CURRENT LIABILITIES	769,612	1,174,737
NON-CURRENT LIABILITIES		
Asset retirement obligation	148,992	141,512
Deferred tax liabilities	1,551,766	834,126
TOTAL LIABILITIES	2,470,370	2,150,375
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, 10,246,189 and 10,246,189 shares issued and outstanding	10,246	10,246
Additional paid-in capital	18,518,806	18,518,806
Retained earnings	3,026,429	407,046
Accumulated other comprehensive income	--	1,229,253
TOTAL STOCKHOLDERS' EQUITY	21,555,481	20,165,351
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 24,025,851	$ 22,315,726

</TABLE>

See notes to consolidated financial statements.

Lucas Energy, Inc.
Consolidated Statements of Operations
For the Three Months Ended June 30, 2008 and 2007
(Unaudited)

<TABLE>
<CAPTION>

<S>	For the Three Months Ended June 30, 2008 <C>	For the Three Months Ended June 30, 2007 <C>

REVENUES		
Oil and gas revenues	$ 1,323,804	$ 494,814
Consulting income	--	10,000
TOTAL REVENUES	1,323,804	504,814
EXPENSES		
Lease operating expenses	270,910	162,716
Depreciation and depletion	203,983	55,185
General and administrative	262,810	177,920
TOTAL EXPENSES	737,703	395,821
INCOME FROM OPERATIONS	586,101	108,993
OTHER INCOME (EXPENSES)		
Unrealized gain on investments, net	1,645,315	--
Realized loss on investment	(125,420)	--
Interest income	1,774	3,743
Interest expense	--	(83,147)
TOTAL OTHER INCOME (EXPENSES)	1,521,669	(79,404)
NET INCOME BEFORE INCOME TAXES	2,107,770	29,589
INCOME TAX EXPENSE	717,640	3,923
NET INCOME	$ 1,390,130	$ 25,666
UNREALIZED HOLDING GAIN (LOSS) ON MARKETABLE EQUITY SECURITIES	--	30,000
COMPREHENSIVE INCOME	$ 1,390,130	$ 55,666
INCOME PER SHARE - BASIC AND DILUTED	$ 0.14	$ 0.00
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	10,246,189	29,792,429

</TABLE>

See notes to consolidated financial statements.

LUCAS ENERGY, INC.
Consolidated Statement of Stockholders' Equity
For the Three Months Ending June 30, 2008
(Unaudited)

<TABLE>
<CAPTION>

	Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings	Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, March 31, 2008	--	$ --	10,246,189	$ 10,246	$18,518,806	$ 407,046	$ 1,229,253	$20,165,351
Adoption of FASB statement No. 159	--	--	--	--	--	1,229,253	(1,229,253)	--
Net income for the three months ended June 30, 2008	--	--	--	--	--	1,390,130	--	1,390,130
Balance, June 30, 2008	--	$ --	10,281,189	$ 10,246	$18,518,806	$3,026,429	$ --	$21,555,481

</TABLE>

Lucas Energy, Inc.
Consolidated Statements of Cash Flows
For the Three Months Ended June 30, 2008 and 2007
(Unaudited)

<TABLE>
<CAPTION>

	For the Three Months Ended June 30, 2008	For the Three Months Ended June 30, 2007
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 1,390,130	$ 55,666
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and depletion	203,983	55,185
Deferred taxes	717,640	3,923
Unrealized gain on investments	(1,645,315)	(30,000)

Realized loss on investments	125,420	--
Changes in operating assets and liabilities		
Increase in accounts receivable	142,086	(44,445)
Increase in other current assets	24,730	10,978
Increase in other assets	(35,220)	(7,605)
Increase in accounts payable and accrued expenses	(480,125)	(48,762)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	443,329	(5,060)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for investments	(125,420)	(10,000)
Purchase of oil and gas property and equipment	(947,438)	(322,112)
NET CASH USED IN INVESTING ACTIVITIES	(1,072,858)	(332,112)
NET INCREASE (DECREASE) IN CASH	(629,529)	(337,172)
CASH AT BEGINNING OF PERIOD	1,142,386	710,018
CASH AT END OF PERIOD	$ 512,857	$ 372,846
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest	$ --	$ 83,147
Income taxes	$ --	$ --
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Adoption of SFAS 159	1,229,253	--
Increase in Asset Retirement Obligation	$ 2,580	$ --

</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' annual report filed with the SEC on Form 10-KSB for the year ended March 31, 2008. 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 2008 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. 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

Lucas reports its short-term investments and other marketable securities at fair value. At June 30, 2008, Lucas' short-term investments consisted of investment s in the common stock of Solar Night, Inc. and Bonanza Oil & Gas, Inc. and an investment in a short-term futures commodity contract. The shares of common stock in Solar Night and Bonanza have always been recorded on Lucas' balance sheet at fair value. However, pursuant to accounting rules prior to March 31, 2008,, the change in fair value of the investments had not been included in Lucas' results of operations, but instead had been recorded directly to stockholders' equity as part of "accumulated other comprehensive income."

Effective April 1, 2008, Lucas adopted Statement of Financial Accounting Standards No. 159, THE FAIR VALUE OPTION FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES -- INCLUDING AN AMENDMENT OF FASB STATEMENT NO. 115 . Statement No. 159 allows a company the option to value its financial assets and liabilities, on an instrument by instrument basis, at fair value, and include the change in fair value of such assets and liabilities in its results of operations. Lucas chose to apply the provisions of Statement No. 159 to all its existing investments. Accordingly, beginning with the first quarter of 2009, the change in fair value of the investments owned by Lucas, are included in Lucas' results of operations.

For the three months ended June 30, 2008, the change in fair value of financial instruments caption on Lucas' statement of operations includes an unrealized gain of $1,645,315 million related to the common stock investments and a $125,420 realized loss related to the commodity investment. Prior to adopting Statement No. 159, unrealized gains (net of tax) of $1,229,253 were included in other comprehensive income. This is the amount of unrealized gains that, prior to Lucas' adoption of Statement No. 159, had not been recorded in Lucas' historical results of operations. Upon the adoption of Statement No. 159 as of April 1,

2008, this $1,229,253 of unrealized gains (net of deferred taxes of $633,252) was reclassified on Lucas' balance sheet from accumulated other comprehensive income to retained earnings. The deferred tax portion in the amount of $633,252 of accumulated other comprehensive income is reflected in deferred tax liabilities. In conjunction with the adoption of Statement No. 159, Lucas also adopted on April 1, 2008 Statement of Financial Accounting Standards No. 157, FAIR VALUE MEASUREMENTS . Statement No. 157 provides a common definition of fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements, but does not require any new fair value measurements. The adoption of Statement No. 157 had no impact on Lucas' financial statements, but the adoption did result in additional required disclosures as set forth in Note 4.

CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject Lucas to concentration of credit risk consist of cash. At June 30, 2008, Lucas had $312,857 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' 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 June 30, 2008, no allowance for doubtful accounts has been recorded and none of the accounts receivable have been collateralized.

FAIR VALUE OF FINANCIAL INSTRUMENTS

As of June 30, 2008, 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' 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 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 had 2,763,049 warrants at June 30, 2008 that were out of the money and are therefore anti-dilutive.

RECLASSIFICATION

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

NOTE 4. FAIR VALUE MEASUREMENTS

Certain of Lucas assets are reported at fair value in the accompanying balance sheets. The following tables provide fair value measurement information for such assets as of June 30, 2008 and 2007.

The carrying values of cash and cash equivalents, accounts receivable and accounts payable (including income taxes payable) included in the accompanying consolidated balance sheets approximated fair value at June 30, 2008. These assets and liabilities are not presented in the following tables.

<TABLE>
<CAPTION>

As of June 30, 2008

			Fair Value Measurements Using:		
	Carrying Amount	Total Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<S>	<C>	<C>	<C>	<C>	<C>
Financial Assets (Liabilities):					
Trading Securities	$ 4,108,670	$ 4,108,670	$ 4,033,670	$ 75,000	$ --
Accrued Expense	(75,000)	(75,000)	--	(75,000)	--

</TABLE>

Statement No. 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. As presented in the table above, this hierarchy consists of three broad levels. Level 1 inputs on the hierarchy consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 3 inputs have the lowest priority. Lucas uses appropriate valuation techniques based on the available inputs to measure the fair values of its assets and liabilities. When available, Lucas measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

The following methods and assumptions were used to estimate the fair values of the assets and liabilities in the table above.

LEVEL 1 FAIR VALUE MEASUREMENTS

SHORT-TERM STOCK INVESTMENTS -- The fair values of these investments are based on quoted market prices. Lucas' short-term investments as of June 30, 2008 consisted entirely of trading securities which are subject to market fluctuations.

LEVEL 2 FAIR VALUE MEASUREMENTS

COMMODITY INVESTMENTS AND COMMODITY LIABILITY - The fair values of the investment in commodity futures contracts are estimated valuations provided by counterparties using the Black-Scholes model based upon the forward commodity price curves as of June 30, 2008, implied volatilities of commodities, and a risk free rate (using the treasury yield on June 30, 2008).

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 under-performing 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 in Texas. We expended $6.1 million on our drilling program in fiscal 2008 and have completed 5 new lateral wells/lateral reworks and 10 well revitalizations. 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 thirteen consecutive quarters since inception, we have achieved positive cash flow from operations and have retained our earnings in order to grow our portfolio of assets

RESULTS OF OPERATIONS:

OIL AND GAS REVENUES

For the three months ended June 30, 2008, our oil and gas net sales were $1,323,804, versus $494,814 for the three months ended June 30, 2007. 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 in the previous fiscal year. The increase in average price received for the three months ended June 30, 2008 compared to the three months ended June 30, 2007 of $61.24 was also a factor.

	For the three months ended June 30, 2008	For the three months ended June 30, 2007	Increase/ (Decrease)
Volumes (net of royalty):			
Oil (bbls)	10,666	7,934	2,731
Gas (mcf)	923	467	457
Average price received:			
Oil	$ 123.12	$ 61.88	$ 61.24
Gas	$ 11.51	$ 7.01	$ 4.50
Revenues:			
Oil	$1,313,173	$ 490,952	$ 822,221
Gas	$ 10,631	$ 3,862	$ 6,769
Total	$1,323,804	$ 494,814	$ 828,990

The $828,990 increase in our oil and gas net sales was primarily attributable to an increase of 2,731 (net) barrels of production of oil as we brought 10 additional wells into production through the ongoing acquisition and rework program and from the addition of 4 new laterals drilled or reentered on existing well sites during the previous fiscal year. We also experienced a favorable $61.24 per barrel increase in the average prices we received on our oil production due to increases in the commodity price of oil and the arrangement in January 1, 2008, we concluded with our oil purchaser to receive a $2.10 premium over West Texas Intermediate posted prices until December 31, 2008.

Overall, our production increase over the previous year reflects the $947,438 in capital expenditures we made on our acquisition and rework program and our development activities on existing well sites.

LEASE OPERATING EXPENSES

Lease operating expenses increased $108,194 due to the overall increases in production from our acquisition and development activities. We experienced a $ 1.16 per barrel oil equivalent increase in production costs due to increased field costs from additional production volumes. We achieved certain economies of scale associated with performing projects in a limited geographical area thereby allowing our fixed production costs to be substantially unchanged and therefore attributable over greater production. Normal workover costs for equipment repairs, maintenance of ongoing production and unsuccessful workovers undertaken to increase production are expensed in the year incurred. Workover activity can significantly affect production volumes and, accordingly, the production cost per barrel over each period.

DEPRECIATION AND DEPLETION

Depreciation and depletion expense increased $148,798 due to an increase in the depletion rate to $18.38 per barrel oil equivalent from $6.89 per barrel oil equivalent. This increase in the depletion rate is due to the estimated future development costs to recover our reserves.

GENERAL AND ADMINISTRATIVE EXPENSES

For the three months ended June 30, 2008, general and administrative expenses totaled $262,810 versus $177,920 for the three months ended June 30, 2008. The increases during 2008 are principally due to an increase in headcount and professional fees.

UNREALIZED GAINS ON INVESTMENTS

Effective April 1, 2008, Lucas adopted Statement of Financial Accounting Standards No. 159, THE FAIR VALUE OPTION FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES -- INCLUDING AN AMENDMENT OF FASB STATEMENT NO. 115 . Statement No. 159 allows a company the option to value its financial assets and liabilities, on an instrument by instrument basis, at fair value, and include the change in fair value of such assets and liabilities in its results of operations. Lucas chose to apply the provisions of Statement No. 159 to all its existing investments. Accordingly, beginning with the first quarter of 2009, the change in fair value of the investments owned by Lucas, are included in Lucas' results of operations. As a result, we recognized an unrealized holding gain on investments of $1,645,315 during this quarter.

INTEREST EXPENSE

For the three months ended June 30, 2008, interest expense decreased to $ 0 from $83,147 in 2007. This change is attributed to the repayment of the note payable in the prior period .

INCOME TAX EXPENSE

For the three months ended June 30, 2008, income tax expense increased from $3,923 in 2007 to $717,640 in 2008 due principally to increase income from operations and deferred taxes related to unrealized gains on investments.

NET INCOME

For the three months ended June 30, 2008, we had net income of $1,390,130 versus net income of $25,666 for the three months ended June 30, 2007. The increase in income for the period is attributable to the increase in income from operations as a result of increased production volumes and average prices received and unrealized gains on investments principally related to our investment in Bonanza Oil and Gas.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2008, we had cash of $ 512,857 and working capital of $4,283,834. This compares to cash of $2,954,739 and working capital of $1,142,386 at March 31, 2008. 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, equity issuance, lease transactions or other financing sources may not be available on acceptable terms, or at all.

CASH FLOW FROM OPERATING ACTIVITIES

For the three-month period ended June 30, 2008, net cash provided from operating activities was $443,329, versus net cash used by operating activities of ($5,060) for the three-month period ended June 30, 2007. This increase in net cash provided from operations activities is primarily due to cash flow generated from field operations due to increased volumes and prices from production.

CASH FLOW FROM INVESTING ACTIVITIES

For the three-month period ended June 30, 2008, net cash used in investing activities was $1,072,858, primarily attributed to our lease acquisition and continued rework program, versus net cash used in investing activities of a $332,112 for the three month period ended June 30, 2007. Our investing activities were funded from the use of cash from operations.

HEDGING

We did not hedge any of our oil or natural gas production during 2008 and have not entered into any such hedges from June 30, 2008 through the date of this filing.

CONTRACTUAL COMMITMENTS

None

OFF-BALANCE SHEET ARRANGEMENTS

As of June 30, 2008, we had no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

None

CRITICAL ACCOUNTING POLICIES

Our discussion and analysis of our financial condition and results of operations is based on our consolidated 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.

FAIR VALUE MEASUREMENT

Lucas determines the fair value of its short term investments in common stock using quoted market prices. In accordance with Statement of Financial Accounting Standards ("SFAS") No. 157. See note 4, "Fair Value Measurements" we have determined that the fair value methodology described above for our investments is consistent with observable market inputs and have categorized our investments as level 1 in accordance with SFAS No. 157.

During the three-month period ended June 30, 2008, Lucas recorded an increase in the fair value of its investment in trading securities, principally due to the increase in trading prices of the stock held as investment. Approximately $1.65 million of the increase was recorded as an unrecognized gain in the income statement due to the change in trading price.

During the three-month period ended June 30, 2008, Lucas made investments in commodity forward contracts. Lucas determined the fair value of the contracts based on the forward curve of the remaining settlements in the contract. In accordance with Statement of Financial Accounting Standards ("SFAS") No. 157. See note 4, "Fair Value Measurements" we have determined that the fair value methodology described above for our commodity contracts is consistent with observable market inputs and have categorized our investments as level 2 in accordance with SFAS No. 157.

During the three-month period ended June 30, 2008, a settlement loss of $125,420 was recorded in the income statement due to market prices being higher than the contract ceiling.

UNREALIZED GAINS ON INVESTMENTS

Effective April 1, 2008, Lucas adopted Statement of Financial Accounting Standards No. 159, THE FAIR VALUE OPTION FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES -- INCLUDING AN AMENDMENT OF FASB STATEMENT NO. 115 . Statement No. 159 allows a company the option to value its financial assets and liabilities, on an instrument by instrument basis, at fair value, and include the change in fair value of such assets and liabilities in its results of operations. Lucas chose to apply the provisions of Statement No. 159 to all its existing investments. Accordingly, beginning with the first quarter of 2009, the change in fair value of the investments owned by Lucas, are included in Lucas' results of operations.

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.

MANAGEMENT'S EVALUATION ON THE EFFECTIVENESS OF DISCLOSURE CONTROLS AND PROCEDURES

Our chief executive officer and chief financial officer have reviewed and continue to evaluate the effectiveness of our controls and procedures over financial reporting and disclosure (as defined in the Securities Exchange Act of 1934 ("Exchange Act") Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this quarterly report. The term "disclosure controls and procedures" is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. This term refers to the controls and procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosures. In designing and evaluating our controls and procedures over financial reporting and disclosure, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and our management necessarily is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

An evaluation was performed under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2008. Based on that evaluation, our management, including our chief executive officer and chief financial officer, has concluded that our disclosure controls and procedures were effective as of June 30, 2008.

CHANGES IN INTERNAL CONTROL. We made no changes to our internal control over financial reporting during the quarter ended June 30, 2008 that has materially affected, or is reasonably likely to materially affect, our 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.

None.

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)	August 13, 2008
/s/ MALEK BOHSALI Malek Bohsali	Principal Financial Officer and Accounting Officer	August 13, 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-Q for the three months ended June 30, 2008, 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: August 13, 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-Q for the three months ended June 30, 2008, 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: August 13, 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-Q for the three month period ended June 30, 2008 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
August 13, 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-Q for the three month period ended June 30, 2008 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
August 13, 2008