

August 14, 2007



## Lucas Energy Reports Record Quarter Revenues and Fully Retires Debt

HOUSTON, Aug. 14, 2007 (PRIME NEWSWIRE) -- Lucas Energy, Inc. (OTCBB:LUCE), a U.S. based independent oil and gas company, today announced record financial results for the first fiscal quarter ended June 30, 2007.

Three-Months Ended June 30, 2007

For the three-month period ended June 30, 2007, Lucas Energy reported record revenues from the sale of oil and gas. Revenues increased 257% to \$494,814, up from \$138,493 for the same three-month period in 2006. Total revenue exceeded \$500,000 for the first time coming in at \$504,814. EBITDA for the third fiscal quarter was \$164,178, up over 144% from \$67,048 for the same three-month period in 2006. The Company's growth was the result of purchases of additional producing oil and gas properties and the completion of work to bring existing wells back into production.

Stockholders' equity grew to \$7,499,679, as of June 30, 2007. The Company's cash balance as of July 31, 2007 was \$4,750,187 which will be used for the FY 2008 drilling program.

The company repaid the \$2.3m note it floated for the Wilson Oil acquisition ahead of schedule and now is debt free.

James J. Cerna, Chief Executive Officer of Lucas Energy, stated, "We are pleased to report this record quarter. The payoff of the debt ahead of schedule will increase our net income immediately as interest payments totaled \$333,500 a year."

Revenues may vary based on prices and volumes from the sale of the Company's oil and gas production, and due to variances in projected and actual operating margins. The complete financial results are available on Form 10-QSB at <http://www.sec.gov>.

Lucas Energy, Inc. (OTCBB: LUCE) ([www.lucasenergy.com](http://www.lucasenergy.com)) is an independent oil and gas company building a diversified portfolio of valuable oil and gas assets in the United States. The company is focused on identifying underperforming oil and gas assets, which are revitalized through a meticulous process of evaluation, application of modern well technology, and stringent management controls. This process allows the company to increase its asset base and cash flow, while significantly reducing the risk of traditional exploration projects. Lucas Energy's financial structure allows it to minimize the high overhead of traditional E&P companies. For more information, visit <http://www.lucasenergy.com>. The Company's headquarters are located at 3000 Richmond Avenue, Suite 400, Houston, Texas 77098.

"Safe-Harbor" Statement Under the Private Securities Litigation Reform Act of 1995. This press release contains forward-looking information within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements regarding potential sales, the success of the company's business, as well as statements that include the word "believe" or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Lucas Energy to differ materially from those implied or expressed by such forward-looking statements. Lucas Energy assumes no responsibility to update the information included herein for events occurring after the date hereof. Actual results could differ materially from those anticipated due to factors such as the lack of capital, timely development of products, inability of potential customers to pay, and political and economic risks inherent in international trade.

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