

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934.

Date of Report: February 14, 2006
(Date of earliest event reported)

Mexco Energy Corporation

(Exact name of registrant as specified in its charter)

CO
(State or other
jurisdiction of
incorporation)

0-6694
(Commission File
Number)

84-0627918
(IRS Employer
Identification
Number)

214 W. Texas Avenue, Suite 1101
(Address of principal executive offices)

79701
(Zip Code)

Registrant's telephone number, including area code: **432-682-1119**

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.13e-4(c))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On February 14, 2006, Mexco Energy Corporation issued a press release announcing its financial results for the quarter ended December 31, 2005. A copy of the press release is furnished as a part of this current report on Form 8-K as Exhibit 99.1 and is incorporated herein in its entirety by reference.

The press release is being furnished pursuant to Item 2.02, Results of Operations and Financial Condition. The information furnished is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, is not subject to the liabilities of that section and is not deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

Exhibit 99.1 Copy of Mexco's press release dated February 14, 2006, publicly announcing its third quarter fiscal 2006 financial results.

Pursuant to the requirements of the Securities and Exchange Act of 1934, Mexco has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MEXCO ENERGY CORPORATION

Dated: February 14, 2006

By: /s/ Nicholas C. Taylor
Nicholas C. Taylor
CEO

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>DESCRIPTION</u>
99.1	Copy of Mexco's press release dated February 14, 2006, publicly announcing its third quarter fiscal 2006 financial results.

FOR IMMEDIATE RELEASE:

Mexco Energy Corporation Reports Profitable Third Quarter

MIDLAND, TX – 2/14/06 – Mexco Energy Corporation (AMEX: MXC) reported net income for the third quarter of fiscal 2006 of \$354,608, or \$0.19 per diluted share, as compared to net income of \$183,359, or \$0.10 per diluted share, for the third quarter of fiscal 2005, a 93% increase.

For the nine months ended December 31, 2005, the Company reported net income of \$801,249, or \$0.43 per diluted share, as compared to \$405,120, or \$0.22 per diluted share, for the same period of fiscal 2005, a 98% increase. Operating revenues increased \$672,946 (31%) to \$2,850,914 for the nine month period from \$2,177,968 for the same period of fiscal 2005. The average sales price received of \$7.97 Mcfe was up 37% from the \$5.80 per Mcfe received in the first nine months of fiscal 2005.

Oil and gas sales for the third quarter of fiscal 2006 increased \$336,558 (43%) to \$1,111,524 from \$774,966 in the third quarter of fiscal 2005. The average sales price received of \$9.56 per Mcfe was up 53% from the \$6.23 per Mcfe received in the third quarter of fiscal 2005. Oil production increased 2% and gas production decreased 9% during the third quarter of fiscal 2006 as compared to the third quarter of fiscal 2005.

Total operating expenses for the third quarter of fiscal 2006 increased \$65,012 to \$553,130 from \$488,118 in the third quarter of fiscal 2005. Included in operating expenses was a 45% increase in general and administrative expense. The increase in general and administrative expense was primarily attributable to consulting costs directly associated with the Company's Russian Venture.

The Company continues to focus a substantial portion of its efforts on the acquisition of royalties in areas with significant development potential. For the nine months ended December 31, 2005 revenues from oil and gas royalty interests accounted for approximately 26% of the Company's revenues, compared to approximately 21% for the nine months ended December 31, 2004.

The Company owns oil and gas properties in ten states, with the majority of its activity centered in West Texas. The Company plans to continue to focus its efforts to increase oil and natural gas reserves, through exploration and development as well as acquisition of royalties.

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, Mexco Energy Corporation cautions that statements in this press release which are forward-looking and which provide other than historical information involve risks and uncertainties that may impact the Company's actual results of operations. These risks include, but are not limited to, production variance from expectations, volatility of oil and gas prices, the need to develop and replace reserves, exploration risks, uncertainties about estimates of reserves, competition, government regulation, and mechanical and other inherent risks associated with oil and gas production. A discussion of these and other factors, including risks and uncertainties, is set forth in the Company's Form 10-K for the fiscal year ended March 31, 2005. Mexco Energy Corporation disclaims any intention or obligation to revise any forward-looking statements.

For additional information, please contact:

Nicholas C. Taylor, CEO
Tammy L. McComic, CFO
432-682-1119

Mexco Energy Corporation and Subsidiaries
CONSOLIDATED BALANCE SHEETS

	December 31 2005 (Unaudited)	March 31 2005
ASSETS		
Current assets		
Cash and cash equivalents	\$ 81,125	\$ 85,209
Accounts receivable:		
Oil and gas sales	581,347	418,348
Trade	3,021	23,258
Related parties	1,062	2,103
Prepaid costs and expenses	64,080	7,362
Total current assets	730,635	536,280
Investment in GazTex, LLC	282,126	282,126
Property and equipment, at cost		
Oil and gas properties, using the full cost method (\$970,831 and \$921,719 excluded from amortization as of December 31, 2005 and March 31, 2005 respectively)	18,792,530	18,376,974
Other	39,848	36,855
	18,832,378	18,413,829
Less accumulated depreciation, depletion, and amortization	10,335,206	9,929,086
Property and equipment, net	8,497,172	8,484,743
	\$ 9,509,933	\$ 9,303,149
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 103,094	\$ 111,675
Income tax payable	295,740	48,127
Total current liabilities	398,834	159,802
Long-term debt	1,125,000	1,990,000
Asset retirement obligation	375,714	374,506
Deferred income tax liability	730,933	715,284
Minority interest	25,362	25,362
Commitments and contingencies		
Stockholders' equity		
Preferred stock - \$1.00 par value; 10,000,000 shares authorized; none outstanding	-	-
Common stock - \$0.50 par value; 40,000,000 shares authorized; 1,766,566 shares issued	883,283	883,283
Additional paid-in capital	3,841,238	3,826,592
Retained earnings	2,275,144	1,473,895
Treasury stock, at cost (33,525 shares)	(145,575)	(145,575)
Total stockholders' equity	6,854,090	6,038,195
	\$ 9,509,933	\$ 9,303,149

Mexco Energy Corporation and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended December 31		Nine Months Ended December 31	
	2005	2004	2005	2004
Operating revenue:				
Oil and gas sales	\$ 1,111,524	\$ 774,966	\$ 2,848,159	\$ 2,172,413
Other	<u>387</u>	<u>372</u>	<u>2,755</u>	<u>5,555</u>
Total operating revenues	1,111,911	775,338	2,850,914	2,177,968
Operating expenses:				
Production	223,169	206,493	648,844	604,458
Accretion of asset retirement obligation	6,566	5,824	18,132	19,077
Depreciation, depletion, and amortization	129,398	141,764	406,120	414,816
General and administrative	<u>193,997</u>	<u>134,037</u>	<u>569,478</u>	<u>465,984</u>
Total operating expenses	553,130	488,118	1,642,574	1,504,335
Operating profit	558,781	287,220	1,208,340	673,633
Other income (expense):				
Interest income	232	107	594	238
Interest expense	<u>(25,286)</u>	<u>(23,309)</u>	<u>(82,159)</u>	<u>(61,115)</u>
Net other expense	(25,054)	(23,202)	(81,565)	(60,877)
Earnings before income taxes and minority interest	533,727	264,018	1,126,775	612,756
Income tax expense:				
Current	179,287	(6,910)	321,230	106,522
Deferred	<u>3,019</u>	<u>87,569</u>	<u>15,649</u>	<u>101,114</u>
	182,306	80,659	336,879	207,636
Income before minority interest	351,421	183,359	789,896	405,120
Minority interest in loss of subsidiary	<u>3,187</u>	<u>-</u>	<u>11,353</u>	<u>-</u>
Net income	<u>\$ 354,608</u>	<u>\$ 183,359</u>	<u>\$ 801,249</u>	<u>\$ 405,120</u>
Net income per common share:				
Basic:	\$ 0.20	\$ 0.11	\$ 0.46	\$ 0.23
Diluted:	\$ 0.19	\$ 0.10	\$ 0.43	\$ 0.22