

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

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**FORM 8-K**

**CURRENT REPORT**

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

**Date of Report: February 18, 2008**  
(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  
Midland, TX**  
(Address of principal executive offices)

**79701**  
(Zip Code)

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

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))

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## **Item 2.02 Results of Operations and Financial Condition.**

On February 18, 2008, Mexco Energy Corporation issued a press release announcing its financial results for the quarter ended December 31, 2007. 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**

(d) Exhibits

| <u>Exhibit No.</u> | <u>Document</u>                       |
|--------------------|---------------------------------------|
| 99.1               | News Release dated February 18, 2008. |

## **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 hereunto duly authorized.

## **MEXCO ENERGY CORPORATION**

Date: February 18, 2008

By: /s/ Tammy McComic  
Tammy McComic  
Vice President and Chief Financial Officer

## EXHIBIT 99.1

February 18, 2008

### FOR IMMEDIATE RELEASE

#### **Mexco Energy Corporation Reports Profitable Third Quarter Results**

MIDLAND, TX – 2/18/08 -- Mexco Energy Corporation (AMEX: MXC) today reported net income of \$221,114 for the quarter ending December 31, 2007, the Company's third quarter of fiscal 2008, compared to net income of \$67,080 for the same quarter of fiscal 2007, an increase of 230 percent. Earnings per share for the third quarter of fiscal 2008 were \$.12 per diluted share compared to \$.04 per diluted share in fiscal 2007.

Nicholas C. Taylor, President and CEO of Mexco Energy Corporation, said, "In all respects our third quarter ending December 31, 2007 showed improvement in oil and gas prices and volumes resulting in a tripling of earnings over the comparable quarter last year."

Operating revenues increased \$291,882 or 44% to \$955,080 in the third quarter of fiscal 2008 from \$663,198 for the same period of fiscal 2007. The average sales price received of \$8.23 per Mcfe was up 37% from the \$6.00 per Mcfe received in the third quarter of fiscal 2008. Oil production increased 7% and gas production increased 4% during the third quarter of fiscal 2008 as compared to the third quarter of fiscal 2007.

The Company continues to focus a substantial portion of its efforts on the acquisition of royalties in areas with significant development potential. For the three month period ending December 31, 2007 revenues from oil and gas royalty interests accounted for approximately 21% of the Company's revenues, compared to approximately 24% for the three month period ending December 31, 2006.

Taylor continued, "On the last day of the quarter we completed the largest acquisition of gas properties in the Company's history. This \$1,850,000 purchase is producing income free of capital and operating expenses, amounting to an approximate 22% royalty in three wells in the Newark East (Barnett Shale) Field. These wells are operated by Chesapeake Energy Corporation in one of the largest gas fields in Texas."

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, 2007. Mexco Energy Corporation disclaims any intention or obligation to revise any forward-looking statements.

**Mexco Energy Corporation and Subsidiaries**  
**CONSOLIDATED BALANCE SHEETS**

|   | December 31,<br><u>2007</u><br>(Unaudited) | March 31,<br><u>2007</u> |
|---|--|--------------------------|
| <b>ASSETS</b>   |  |                          |
| Current assets  |  |                          |
| Cash and cash equivalents   | \$ 219,954                                 | \$ 72,537                |
| Accounts receivable:  |  |                          |
| Oil and gas sales   | 468,199                                    | 399,659                  |
| Trade   | 310,709                                    | 2,987                    |
| Income tax receivable   | 60,654                                     | 59,736                   |
| Prepaid costs and expenses  | <u>38,046</u>                              | <u>65,986</u>            |
| Total current assets  | 1,097,562                                  | 600,905                  |
| Investment in GazTex, LLC   | 20,509                                     | 20,509                   |
| Property and equipment, at cost   |  |                          |
| Oil and gas properties, using the full cost method  | 23,622,834                                 | 20,526,431               |
| Other   | <u>51,412</u>                              | <u>51,412</u>            |
|   | 23,674,246                                 | 20,577,843               |
| Less accumulated depreciation, depletion and amortization   | <u>11,771,801</u>                          | <u>11,240,277</u>        |
| Property and equipment, net   | <u>11,902,445</u>                          | <u>9,337,566</u>         |
|   | <u>\$13,020,516</u>                        | <u>\$ 9,958,980</u>      |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>   |  |                          |
| Current liabilities   |  |                          |
| Accounts payable and accrued expenses   | \$ 518,294                                 | \$ 154,074               |
| Long-term debt  | 3,075,000                                  | 700,000                  |
| Asset retirement obligation   | 359,021                                    | 350,584                  |
| Deferred income tax liability   | 1,093,988                                  | 978,686                  |
| Commitments and contingencies   |  |                          |
| Stockholders' equity  |  |                          |
| Preferred stock - \$1.00 par value;<br>10,000,000 shares authorized; none outstanding   | -  | -                        |
| Common stock - \$0.50 par value;<br>40,000,000 shares authorized;<br>1,841,366 and 1,840,366 shares issued;<br>1,757,366 and 1,780,841 shares outstanding as of<br>December 31 and March 31, 2007, respectively | 920,683                                    | 920,183                  |
| Additional paid-in capital  | 4,361,898                                  | 4,291,892                |
| Retained earnings   | 3,118,249                                  | 2,871,085                |
| Treasury stock, at cost (84,000 and 59,525 shares, respectively)  | <u>(426,617)</u>                           | <u>(307,524)</u>         |
| Total stockholders' equity  | <u>7,974,213</u>                           | <u>7,775,636</u>         |
|   | <u>\$ 13,020,516</u>                       | <u>\$ 9,958,980</u>      |

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

|  | Three Months Ended December 31, |                  |
|--|---------------------------------|------------------|
|  | <u>2007</u>                     | <u>2006</u>      |
| Operating revenue:                                 |                                 |                  |
| Oil and gas sales                                  | \$ 952,211                      | \$ 663,031       |
| Other  | 2,869                           | 167              |
| Total operating revenues                           | <u>955,080</u>                  | <u>663,198</u>   |
| Operating expenses:                                |                                 |                  |
| Production   | 241,019                         | 218,774          |
| Accretion of asset retirement obligation           | 6,368                           | 5,592            |
| Depreciation, depletion, and amortization          | 174,842                         | 152,135          |
| General and administrative                         | <u>187,648</u>                  | <u>176,791</u>   |
| Total operating expenses                           | <u>609,877</u>                  | <u>553,292</u>   |
| Operating profit                                   | 345,203                         | 109,906          |
| Other income (expense):                            |                                 |                  |
| Interest income                                    | 1,170                           | 336              |
| Interest expense                                   | <u>(22,791)</u>                 | <u>(2,359)</u>   |
| Net other expense                                  | <u>(21,621)</u>                 | <u>(2,023)</u>   |
| Earnings before income taxes and minority interest | 323,582                         | 107,883          |
| Income tax expense (benefit):                      |                                 |                  |
| Current  | -                               | (30,531)         |
| Deferred   | <u>102,468</u>                  | <u>71,334</u>    |
|  | 102,468                         | 40,803           |
| Earnings before minority interest                  | 221,114                         | 67,080           |
| Minority interest in loss of subsidiary            | <u>-</u>                        | <u>-</u>         |
| Net income   | <u>\$ 221,114</u>               | <u>\$ 67,080</u> |
| Net income per common share:                       |                                 |                  |
| Basic:   | \$ 0.13                         | \$ 0.04          |
| Diluted:   | \$ 0.12                         | \$ 0.04          |

For additional information, please contact: Nicholas C. Taylor, President and Chief Executive Officer or Tammy L. McComic, Vice-President and Chief Financial Officer, both of Mexco Energy Corporation, (432) 682-1119.