



DIVISION OF
CORPORATION FINANCE

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

Mail Stop 7010

December 9, 2008

Via U.S. Mail and Fax (714) 619-9399

Mr. Robert J. Miranda
Chief Financial Officer
Victory Energy Corporation
112 N. Curry Street
Carson City, NV 89703-4934

**Re: Victory Energy Corporation
Form 10-KSB/A for the Fiscal Year Ended December 31, 2007
Filed April 18, 2008**

**Form 10-Q for the Period Ended September 30, 2008
Filed November 14, 2008
File No. 2-76219-NY**

Dear Mr. Miranda:

We have reviewed your supplemental response letter dated November 25, 2008 as well as the above referenced filings and have the following comments. As noted in our comment letter dated July 21, 2008, we have limited our review to your financial statements and related disclosures and do not intend to expand our review to other portions of your documents.

Form 10-Q for the period ended March 31, 2008

1. We note your response labeled Other Matters and your conclusion that there is no obligation to record a liability on the balance sheet related to payment of royalties to James Capital. We also note in Section 2.1(a) and 2.1(b) of the Fund Agreement that the Fund can take at its discretion its Net Royalty Interest "in kind" and the decision to take the Net Royalty Interest in-kind or cash will be made on three month intervals. Given the repayment of the Net Royalty Interest is at the discretion of James Capital and appears to be on demand, tell us how you concluded this obligation should not be recorded as a liability on your balance sheet.

Mr. Robert Miranda
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Please respond to this comment within 10 business days or tell us when you will provide us with a response. Please furnish a letter that keys your responses to our comments and provides any requested information. Detail letters greatly facilitate our review. Please file your response letter via EDGAR. You may contact Bob Carroll, Staff Accountant, at (202) 551-3362 or Kim Calder at (202) 551-3701 if you have questions regarding comments on the financial statements and related matters.

Sincerely,

/s/ Chris White

Chris White
Branch Chief