

PRESS RELEASE

SPINDLETOP OIL & GAS CO. ENTERS THE BARNETT SHALE PLAY OF NORTH TEXAS

Dallas, Texas (January 12, 2004)

Spindletop Oil & Gas has drilled and completed its first operated Barnett Shale well in the Newark, East, Barnett Shale Field. The Olex U.S. No.1 well located in Denton County, Texas was placed into sales at an initial spot rate of 1,747 mcf of natural gas per day. The well had a shut in tubing pressure of 3150 psi. Currently, the well is producing at a rate of approximately 800 mcf of natural gas per day. Spindletop also recently completed the drilling of the Olex U.S. No. 2 well and has set production casing to 8,840 feet to the Barnett Shale Formation. Spindletop expects to drill additional wells on this lease.

This press release may contain "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described herein. Although the Company believes that the expectations in such statements to be reasonable, there can be no assurance that such expectations will prove to be correct.

Spindletop Oil & Gas Co. is a publicly held independent exploration and production company headquartered in Richardson, Texas that operates properties throughout Texas, Alabama, Arkansas, Louisiana, Oklahoma and New Mexico. The company also operates several gas pipeline gathering systems and owns over 200 outside operated oil and gas producing properties in sixteen states. Approximately 90% of the company's reserves are natural gas.

The company filed its 3rd Quarter Form 10-Q with the Securities and Exchange Commission on November 19, 2003. For more information on the results, please go to the Company's website at www.spindletopoil.com, or contact Chris Mazzini, Chairman & CEO of Spindletop Oil & Gas Co., 972-644-2581.