SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934
For the fiscal year ended December 31, 1999 Commission File No. 0-18774

Spindletop Oil & Gas Co.

(Exact name of registrant as specified in its charter)

Texas (State or other jurisdiction of incorporation or organization)	75-2063001 (IRS Employer or ID #)
9319 LBJ, Frwy., #205 Dallas, TX (Address of principal executive offices)	75243 (Zip Code)

Company's telephone number, including area code: (972) 644-2581

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock par value $0.01 per share
(Title of Class)

Indicate by check mark whether the Company (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Company was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

As of March 31, 2000, 7,525,804 shares of the Company's common stock were issued and outstanding, and the aggregate market value of the voting stock held by non-affiliates of the company as of that date is not determinable since no significant public trading market has been established for the Company's common stock.

PART I

Item 1. Description of Business.

(a) General Business Development. Spindletop Oil & Gas Co. is engaged in the exploration, development and production of oil and natural gas; the rental of oilfield equipment;and through one of its subsidiaries, the gathering and marketing of natural gas. The term "Company" is used herein to refer to Spindletop Oil & Gas Co. and its wholly owned subsidiaries, Prairie Pipeline Co. ("PPL") and Spindletop Drilling Company ("SDC") .

The net crude oil and gas reserves of the Company as of December 31, 1999, were 22,562 barrels of oil and condensate and 1,910,744 MCF (thousand cubic feet) of natural gas. The Company owns rental equipment, including natural gas compressors, pumping units, natural gas dehydrators and other various pieces of oilfield production equipment. In addition, the Company, through PPL, owns approximately 26.1 miles of pipelines located in Texas, which are used for the gathering of natural gas. The Company's principal executive offices are located at 9319 LBJ Freeway, Suite #205, Dallas, Texas. The telephone number is (972)644-2581.

BACKGROUND

The Company is a Texas Corporation. The Company was previously known as Prairie States Energy Co. ("PSE"). On July 13, 1990, Spindletop Oil & Gas Co., a Utah Corporation, ("SOG UTAH") merged into PSE, and the name of PSE was changed to Spindletop Oil & Gas Co., the Company herein.

The Company was originally incorporated in Colorado as Mid-America Drilling & Exploration, Inc., on August 9, 1978 as a wholly-owned subsidiary of Mid-America Petroleum, Inc. ("MAP"). The principal business of the Company at that time was contract drilling of oil and gas wells. The initial public offering of the Company occurred by prospectus dated December 13, 1979. In January 1981, the shares of the Company owned by MAP were distributed as a dividend to the shareholders of MAP. The Company's name was changed to Prairie States Exploration, Inc. on March 15, 1983. Prairie States Exploration, Inc. became insolvent in late 1983, and filed for protection under Chapter 11 of the Bankruptcy Code on December 14, 1983.

Prairie States Exploration, Inc. was successfully reorganized under Chapter 11 of the Bankruptcy Code, and the Bankruptcy Court approved the plan of reorganization on September 9, 1985. Pursuant to the Plan, the Company merged into a wholly-owned subsidiary, Prairie States Energy Co., a Texas Corporation. The Plan of Reorganization was proposed and funded by Paul E. Cash.

Since the reorganization, the Company has engaged in the general oil and gas business, including exploration, development, and production of oil and gas, the rental of oilfield production equipment and the ownership and construction and operation of pipelines for the gathering and marketing of natural gas. SOG Utah was incorporated on August 15, 1975 as Main Street Equities, Inc., a Utah corporation. SOG Utah sold 5,000,000 shares of common stock in a public offering in 1976. Until 1981, the business of the company consisted of minor real estate operations. In October 1981 the name was changed to Aledo Oil and Gas Company and in January 1983 the name was changed to Spindletop Oil & Gas Co.

The name "Spindletop" has been used by Paul E. Cash since 1975 in conjunction with several previous oil and gas businesses in which he was engaged.

On July 13, 1990, SOG Utah was merged into PSE, and the name of the surviving company was changed to Spindletop Oil & Gas Co., a Texas corporation. In the

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merger, each shareholder of PSE received one-half share of the common stock of the surviving company, the Company, for each share of PSE owned prior to the merger. Each shareholder of SOG Utah received one and one-half shares of the common stock of the surviving company, for each share of SOG Utah owned prior to the merger. After the merger, the Company had outstanding 44,922,564 shares of common stock, 32,255,195 of which were owned by the shareholders of PSE and 12,667,369 by shareholders of SOG Utah. Shares issued to the former shareholders of SOG Utah have not been registered with the Securities and Exchange Commission but according to Rule 144-K these shares would automatically become free trading three years from date of issuance. The Company's management believes that all shares issued to the former shareholders of SOG Utah are now free trading in accordance with Rule 144-K. On January 31, 1997, the Company effected a one for six reverse stock split. The Company reduced the authorized common shares from 150,000,000 to 100,000,000 and increased the par value from $.001 to $.01 per share.

Pursuant to a Stock Purchase Agreement dated December 1, 1999 between Paul E. Cash (Mr. Cash) and Giant Energy Corp., (Giant) a Texas Corporation, on December 1, 1999, Giant purchased controlling interest in Spindletop Oil & Gas Co.

Giant purchased 5,860,889 shares of the Registrant's outstanding Common Stock from Mr. Cash. After the transaction, Giant Energy owns 77.88 percent of the Registrant's 7,525,804 shares of outstanding Common Stock. Giant Energy acquired the above shares for $490,000 cash.

Prior to the Stock Purchase Agreement, control of the Registrant was held by Mr. Cash, who owned 81.98 percent of the Registrant's outstanding Common Stock. Prior to the transaction Mr. Cash was President and Chairman of the Board of the Registrant. After the transaction, Mr. Cash resigned as President and Chairman of the Board of Registrant, but he will remain a director of Registrant.

On December 1, 1999, Registrant acquired oil and gas properties and equipment from Mr. Cash and Double River Investment Co. (owned 100% by Mr. Cash)for a total purchase price of $460,885.04.

PLAN OF OPERATION

In 1995 the Company successfully concentrated its efforts on oil and gas property acquisitions. With increased competition for oil and gas property acquisitions and with a corresponding increase in oil and gas prices, the Company, in 1996, returned its focus to its primary business of oil and gas exploration and production. The Company's long-term strategy is to build an oil and gas production company through an exploration program. Additionally, the Company will continue to rework existing wells in an attempt to increase production and reserves.

The Company will continue to generate and evaluate prospects using its own geological and land staff. The Company intends to fund operations primarily from cash flow generated by operations. The Company's primary area of operation has been and will continue to be in Texas with an emphasis in the geological provinces known as the Ft. Worth Basin in Texas.

The Company will attempt to expand its pipeline system. Expansion will be dependent upon success in its exploration programs, since the majority of its existing pipelines are connected to wells which it operates. In addition, the oilfield rental equipment business will be expanded as needed, but this segment also depends upon the success of the exploration and development program.

The Company in 1996 expanded its current pipeline system by 6.7 miles by acquiring, at no cost, a pipeline system in Hood County, Texas. The Company sold this pipeline in 1998 for a price of $30,000.

(b) Financial information relating to Industry Segments The Company has two identifiable business segments: exploration, development and production of oil and natural gas, and gas gathering and oil field equipment rental. Footnote 15 to the Consolidated Financial Statements filed herein sets forth the relevant information regarding revenues, income from operations and identifiable assets for these segments.

(c) Narrative Description of Business The Company and SDC are engaged in the exploration, development and production of oil and natural gas, and the rental of oil and gas production equipment. PPL is engaged in the gathering and marketing of natural gas.

(i) Principal Products, Distribution and Availability. The principal products marketed by the Company are crude oil and natural gas which are sold to major oil and gas companies, brokers, pipelines and distributors, and oil and gas properties which are acquired and sold to oil and gas development entities. Reserves of oil and gas are depleted upon extraction, and the Company is in competition with other entities for the discovery of new prospects.

The Company is also engaged in the gathering and marketing of natural gas through its subsidiary PPL. The Company owns 26.1 miles of pipelines and currently gathers approximately 410 MCF of gas per day. Gas is gathered for a fee. Substantially all of the gas gathered by the Company is gas produced from wells which the Company operates and in which it owns a working interest.

The Company is also engaged in the business of rental of oilfield production equipment. The equipment is comprised of pumping units, compressors, gas dehydrators and related production equipment. Substantially all of such equipment is located on wells which the Company operates and in which it owns a working interest.

(ii) Patents, Licenses and Franchises. Oil and gas leases of the Company are obtained from the owner of the mineral estate. The leases are generally for a primary term of 1 to 5 years, and in some instances as long as 10 years, with the provision that such leases shall be extended into a secondary term and will continue during such secondary term as long as oil and gas are produced in commercial quantities or other operations are conducted on such leases as provided by the terms of the leases. It is generally required that a delay rental be paid on an annual basis during the primary term of the lease unless the lease is producing. Delay rentals are normally $1.00 to $5.00 per net mineral acre.

The Company currently holds interests in producing and non-producing oil and gas leases. The existence of the oil and gas leases and the terms of the oil and gas leases are important to the business of the Company because future additions to reserves will come from oil and gas leases currently owned by the Company, and others that may be acquired, when they are proven to be productive. The Company is continuing to purchase oil and gas leases in areas where it currently has production, and also in other areas.

(iii) Seasonality. The Company's oil and gas activities generally are conducted on a year round basis with only minor interruptions caused by weather.

(iv) Working Capital Items. The Company finances the majority of its operations, including the purchase of oil and gas leases, the development of wells, the construction of pipelines and acquisition of oil field rental equipment from its internal working capital as well as some borrowings.

(v) Dependence on Customers. The following is a summary of significant purchasers of the oil and natural gas produced by the Company for the three year period ended December 31, 1999:

Purchaser	December 31, Percent (1)		
	1999	1998	1997
TXU Processing	15%	13%	13%
Mitchell Marketing Co.	23%	22%	13%
Texas Utilities Fuel Co.	-%	- %	10%

(1) Percent of total oil and gas sales

In the past The Company sold gas under long term contracts to TXU Processing (formerly called Lone Star Gas Company) and its affiliates. Such contracts are no longer in effect. Gas previously marketed under those contracts is now sold to other parties under market sensitive, short term contracts.

Sales of natural gas to Texas Utilities Fuel Company ("TUFCO") are pursuant to contracts expiring in 1994 through 1999. Gas previously marketed under those contracts and from those contracts that will expire is sold to other parties under market sensitive, short-term contracts.

(vi) Competition. Numerous entities and individuals, many of whom have far greater financial and other resources than the Company, are active in the exploration for and production of oil and gas. Substantial competition exists for leases, prospects and equipment, all of which are necessary for successful operations. Competition is focused primarily on the discovery of new prospects which can be developed and made productive.

The market prices received for the Company's products depend on a number of factors beyond the control of the Company, including consumer demand, worldwide availability, transportation facilities, and United

States and foreign government regulation of exports, imports, production and prices. Widely fluctuating prices for oil and gas over recent years, have had a direct effect on the profitability of the Company's operations.

(vii) Development Activities. The Company's primary oil and gas prospect acquisition efforts have been in known producing areas in the United States with emphasis devoted to Texas.

The Company intends to use a portion of its available funds to participate in drilling activities. Any drilling activity is performed by independent drilling contractors. The Company does not refine or otherwise process its oil and gas production.

Exploration for oil and gas is normally conducted with the Company acquiring undeveloped oil and gas prospects, and carrying out exploratory drilling on the prospect with the Company retaining a majority interest in the prospect. Interests in the property are sometimes sold to key employees and associated companies at cost. Also, interests may be sold to third parties with the Company retaining an overriding royalty interest, carried working interest, or reversionary interest.

A prospect is a geographical area designated by the Company for the purpose of searching for oil and gas reserves and reasonably expected by it to contain at least one oil or gas reservoir. The Company utilizes its own funds to acquire oil and gas leases covering the lands comprising the prospects. These leases are selected by the Company and are obtained directly from the landowners, as well as from landmen, geologists, other oil companies, some of whom may be affiliated with the Company, and by direct purchase, farm-in, or option agreements. After an initial test well is drilled on a property, any subsequent development of such prospect will normally require the Company's participation for the development of the discovery.

(viii) Environmental Regulation. The Company's oil and gas exploration and production activities are subject to Federal, State and environmental quality and pollution control laws and regulations. Such regulations restrict emission and discharge of wastes from wells, may require permits for the drilling of wells, prescribe the spacing of wells and rate of production, and require prevention and clean-up of pollution.

Although the Company has not in the past incurred substantial costs in complying with such laws and regulations, future environmental restrictions or requirements may materially increase the Company's capital expenditures, reduce earnings, and delay or prohibit certain activities. However, such restrictions and requirements would also apply to the Company's competitors, and it is unlikely that compliance by the Company would adversely affect the Company's competitive position.

(ix) Additional Government Regulation. In addition to environmental regulations, the production and sale of oil and gas is subject to regulation by Federal, State and local governmental authorities and agencies. Such regulations encompass matters such as the location and spacing of wells, the prevention of waste, the rate of production, the sale price of certain oil and gas, conservation, and safety.

Oil Price Regulation
Historically, regulatory policy affecting crude oil pricing was derived from the Emergency Petroleum Allocation Act of 1973, as amended, which provided for mandatory crude oil price controls until June 1, 1979, and discretionary controls through September 30,1981. On April 5, 1979, President Carter directed the Department of Energy to complete administrative procedures designed to phase out, commencing June 1, 1979, price controls on all domestically produced crude oil by October 1, 1981. However, on January 28, 1981, President Reagan ordered the elimination of remaining federal controls on domestic oil production, effective immediately.
Consequently, oil may currently be sold at unregulated prices.

Gas Price Regulation.
The Natural Gas Act of 1938 ("NGA") regulates the interstate transportation and certain sales for resale of natural gas. The Natural Gas Policy Act of 1978 ("NGPA") regulates the maximum selling prices of certain categories of gas, whether sold in so-called "first sales" in interstate or intrastate commerce. These statutes are administered by the Federal Energy Regulatory Commission ("FERC"). The NGPA established various categories of natural gas and provided

for graduated deregulation of price controls for first sales of several categories of natural gas. With certain exceptions, all price deregulation contemplated under the NGPA as originally enacted in 1978 has already taken place. Under current market conditions, deregulated gas prices under new contracts tend to be substantially lower than most regulated price ceilings prescribed by the NGPA.

On July 26, 1989, the Natural Gas Wellhead Decontrol Act of 1989 ("Decontrol Act") was enacted. The Decontrol Act amended the NGPA to remove as of July 27, 1989 both price and non-price controls from natural gas not subject to a first sale contract in effect on July 26, 1989. The Decontrol Act also provided for the phasing out of all price regulation under the NGPA by January 1, 1993.

(x) Special Tax Provisions. See footnote 7 to Consolidated Financial Statements

(xi) Employees. The Company employs a total of 4 people. All are full-time employees.

(d) Financial information about foreign and domestic operations and export sales.

All of the Company's business is conducted domestically, with no export sales.

Item 2. Properties

Oil and Gas Properties.
The following table sets forth pertinent data with respect to the Company-owned oil and gas properties, all located within the continental United States, as estimated by the Company:

	Year Ended December 31, 1999	1998	1997
Gas and Oil Properties (net) (1):			
Proved Developed Gas Reserves-MCF (2)	1,683,667	1,699,425	2,122,247
Proved Undeveloped Gas Reserves-MCF(3)	227,077	299,112	299,112
Total Proved Gas Reserves-MCF	1,910,744	1,998,537	2,421,359
Proved Developed Crude Oil and Condensate Reserves-Bbls(2)	22,562	33,920	61,646
Proved Undeveloped Crude Oil and Condensate Reserves-Bbls (3)	-	-	-
Total Proved Crude Oil and Condensate Reserves-Bbls	22,562	33,920	61,646

(See footnotes on Page 9 following)

	Year Ended December 31, 1999	1998	1997

Present Value of Estimated Future Net Revenues From Proved Reserves (4) (5):			
Developed	$ 1,394,000	$ 1,405,000	$ 2,107,000
Developed and Undeveloped	1,604,000	1,599,000	2,283,000
Productive Wells (6):			
Gas Wells			
Gross	231	228	236
Net	29.96	27.59	29.34
Oil Wells			
Gross	205	212	216
Net	13.25	14.56	14.83
Acreage:			
Developed Acres (Producing)			
Gross	81,073	81,073	82,042
Net	7,685	7,685	7,864
Undeveloped Acres			
Gross	86,868	86,868	86,868
Net	13,856	13,856	13,856

(See footnotes below and on Page 10 following)

(1) The estimate of the net proved oil and gas reserves, future net revenues, and the present value of future net revenues.

(2) "Proved Developed Oil and Gas Reserves" are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods.

(3) "Proved Undeveloped Reserves" are reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

(4) "Estimated Future Net Revenues" are computed by applying current prices of oil and gas, less the estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves.

(5) "Present Value of Estimated Future Net Revenues" is computed by discounting the Estimated Future Net Revenues at the rate of ten percent (10%) per year in accordance with the Securities and Exchange Commission Rules and Regulations.

(6) Operated Wells having multiple completions are as follows:

	1999		1998		1997	
	Gross	Net	Gross	Net	Gross	Net
Gas	6	2.55	6	2.55	6	2.55
Oil	-0-	-0-	-0-	-0-	-0-	-0-

The Company has interests in numerous wells which are operated by third party operators. Information as to multiple completions with respect to third party operated wells is not available to the Company.

The Company's working interests in exploration and development wells completed during the years indicated were as follows:

	Year Ended December 31, 1999		1998		1997	
	Gross	Net	Gross	Net	Gross	Net
Exploratory wells:						
Productive	-	-	-	-	-	-
Non-Productive	-	-	-	-	2	1.6
Total	-	-	-	-	1	1.6
Development wells:						
Productive	-	-	-	-	-	-
Non-Productive	-	-	-	-	-	-
Total	-	-	-	-	-	-
Total Exploratory and Development wells:						
Productive	-	-	-	-	-	-
Non-Productive	-	-	-	-	2	1.6
Total	-	-	-	-	1	1.6

The following tables set forth additional data with respect to production from Company-owned oil and gas properties, all located within the continental United States:

	Year Ended December 31, 1999	1998	1997	1996	1995
Oil and Gas Production (net):					
Gas-Mcf	277,834	350,566	357,166	371,074	322,465
Crude Oil and Condensate-Bbls	6,986	13,304	14,998	17,276	17,873
Average Sales Price Per Unit Produced:					
Gas - per Mcf	$ 2.20	$ 1.97	$ 2.66	$ 2.48	$ 2.28
Crude Oil and Condensate - per Bbl.	$16.70	$11.97	$20.29	$21.16	$16.61
Average Production Cost Per Equivalent Barrel (1) (2)	$ 9.59	$ 7.37	$ 8.90	$ 8.90	$ 8.81

(1) Includes severance taxes and ad valorem taxes.

(2) Gas production is converted to equivalent barrels at the rate of six MCF per barrel, representing the estimated relative energy content of natural gas to oil.

The Company owns producing royalties and overriding royalties under properties located in Texas. The revenues from these properties is not significant.

Current Activities - March 15, 2000.	
Gross Wells in Process of Drilling	-0-
Net Wells in Process of Drilling	-0-
Waterfloods in Process of Installation	-0-
Pressure Maintenance Operations	-0-

The Company is not aware of any major discovery or other favorable or adverse event that is believed to have caused a significant change in the estimated proved reserves since December 31, 1999.

Office Space.

The Company leases office space as follows:

Location Square Feet Lease Expires Dallas, Texas 5,393 Month to month

Pipelines.
The Company owns, through its subsidiary Prairie Pipeline Co., 26.1 miles of natural gas pipelines in Parker, Palo Pinto and Eastland Counties, Texas. These pipelines are steel and polyethylene and range in size from 2 inches to 6 inches. These pipelines primarily gather natural gas from wells operated by the Company and in which the Company owns a working interest, but also for other parties.

The Company normally does not purchase and resell natural gas, but gathers gas for a fee. The fees charged in some cases are subject to regulations by the State of Texas and the Federal Energy Regulatory Commission. Average daily volumes of gas gathered by the pipelines owned by the Company was 410, 518 and 615 MCF per day for 1999, 1998, and 1997 respectively.

Oil Field Production Equipment.
The Company owns various natural gas compressors, pumping units, dehydrators and various other pieces of oil field production equipment.

Substantially all of the equipment is located on oil and gas properties in which the Company owns a working interest and which are operated by the Company. The rental fees are charged as lease operating fees to each property and each owner.

Item 3. Legal Proceedings

Neither the Registrant nor its subsidiaries nor any officers or directors is a party to any material pending legal proceedings for or against the Company or its subsidiary nor are any of their properties subject to any proceedings.

Item 4. Submission of Matters of Security Holders to a Vote

None

PART II

Item 5. Market for the Company's Common Stock and Related Stockholder Matters.

No significant public trading market has been established for the Company's common stock. The common stock of the Company is traded on an occasional basis by dealers in the over the counter market, the terms of which are not available to the Company. The Company does not believe that listings of bid and asking prices for its stock in the pink sheets are indicative of the actual trades of its stock, since trades are made infrequently.

There is no amount of common stock which is subject to outstanding options or warrants to purchase, or securities convertible into, common stock of the Company. On January 31, 1997, the Company effected a one for six reverse stock split. At that time, the Company reduced the authorized common shares from 150,000,000 to 100,000,000 and increased the par value from $.001 to $.01 per share.

The approximate number of record holders of the Company's Common Stock on March 20, 2000, was 634.

The Company has not paid any dividends since its reorganization and it is not contemplated that it will pay any dividends on its Common Stock in the foreseeable future. There are no financing agreements in place which restrict payment of dividends.

The Registrant currently serves as its own stock transfer agent and registrar.

Item 6. Selected Financial Data

The selected financial information presented should be read in conjunction with the consolidated financial statements and the related notes thereto.

	Years Ended December 31,				
	1999	1998	1997	1996	1995
Total Revenue	$1,072,000	$ 1,239,000	$1,685,000	$1,693,000	$ 1,448,000
Net Income(Los	(271,000)	(229,000)	83,000	141,000	7,000
Earnings Per Share(1)	(.04)	(.03)	.01	.02	-
At End of Periods					
Total Assets	1,843,000	1,793,000	2,225,000	2,154,000	1,949,000
Long-Term Debt	241,000	-	-	-	-

(1) After 1 for 6 stock split discussed in Note 2 to Consolidated Financial Statements.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Liquidity and Capital Resources

The Company's operating capital needs, as well as its capital spending program are generally funded from cash flow generated by operations. Because future cash flow is subject to a number of variables, such as the level of production and the sales price of oil and natural gas, the Company can provide no assurance that its operations will provide cash sufficient to maintain current levels of capital spending. Accordingly, the Company may be required to seek additional financing from third parties in order to fund its exploration and development programs.

Results of Operations:

1999 Compared to 1998

Oil and gas revenues decreased in 1999 due to a decrease in both oil and gas production.

Lease operating expenses decreased in 1999. No major rework was done on existing wells as compared to prior years.

During 1999 the company invested in the stock market and experienced a loss on sale of securities.

1998 Compared to 1997

Oil and gas revenues decreased primarily because of decreases in oil and gas prices. There was also a slight decrease in production.

Lease operating expenses decreased because of a sale of some oil and gas properties and an overall decrease in the amount of repairs and maintencance required on existing wells in 1998.

Gas pipeline sales and gas pipeline purchases decreased because of the sale the pipeline in 1998 for $30,000. This pipeline had been obtained at no cost. The $30,000 gain is reflected in other income

1997 Compared to 1996

Gas pipeline sales of $89,000 and related gas pipeline purchases of $64,000 did not exist in 1996. The pipeline was purchased in December 1996.

Revenue from lease operations decreased $28,000 in 1997. The Company decreased its monthly overhead fee on several wells that it operates.

Year 2000 Disclosure
The Company has not experienced any problems related to the year 2000 date change, nor have its suppliers experienced any difficulties with respect to the products and services provided to the Company.

Certain Factors That Could Affect Future Operations Certain information contained in this report, as well as written and oral statements made or incorporated by reference from time to time by the Company and its representatives in other reports, filings with the Securities and Exchange Commission, press releases, conferences, teleconferences or otherwise, may be deemed to be 'forward-looking statements' within the meaning of Section 21E of the Securities Exchange Act of 1934 and are subject to the 'Safe Harbor' provisions of that section.

Forward-looking statements include statements concerning the Company's and management's plans, objectives, goals, strategies and future operations and performance and the assumptions underlying such forward-looking statements. When used in this document, the words "anticipates," "estimates," "expects," "believes," "intends," "plans" and similar expressions are intended to identify such forward-looking statements. Actual results and developments could differ materially from those expressed in or implied by such statements due to these and other factors.

Item 8. Consolidated Financial Statements and Schedules, index at page 20.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

The accountants for the Company are Farmer, Fuqua, Hunt & Munselle, P.C. Certified Public Accountants, who have prepared audit reports for the years ended December 31, 1997, 1998, and 1999.

There have been no disagreements between the Company and Farmer, Fuqua, Hunt & Munselle, P.C. on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

PART III

Item 10. Directors and Executive Officers of the Registrant

(a) and (b)The Directors and Executive Officers of the Company and certain information concerning them is set forth below:

Name	Age	Position
Chris Mazzini	42	Director, President and Chairman of the Board
Michelle Mazzini	38	Director and Secretary
Paul E. Cash	67	Director
Gary Goodnight	45	Controller

All directors hold office until the next annual meeting of the shareholders or until their successors are duly elected and qualified. Officers of the Company serve at the discretion of the board of directors.

(c) Significant employees Not applicable

(d) Family relationships Michelle Mazzini is the wife of Chris Mazzini

(e) Business experience Chris Mazzini, President graduated from the University of Texas at Arlington in 1979 with a Bachelor of Science degree in geology. Mr. Mazzini founded Giant Energy Corp (Giant) in 1985 and has served as President of Giant since then. He has worked in the oil and gas industry since 1978. He joined the Company in December 1999 when he purchased controlling interest from Mr. Cash.

Michelle Mazzini, received her Bachelor of Science Degree in Business Administration (major: Accounting) in accounting from the University of Southwestern Louisiana where she graduated magna cum laude in 1985. Ms. Mazzini earned her law degree from Louisana State University where she graduated Order of the Coif in 1988. Ms. Mazzini serves as Vice President and legal counsel of Giant Energy Corp.

Paul E. Cash is a graduate of The University of Texas (B.B.A.-Accounting) and is a Certified Public Accountant. He has been active in the oil and gas industry for over 25 years, during which time he has served as financial officer of two publicly-owned companies, Texas Gas Producing Co. and Landa Oil Co., and also served as president of publicly-owned Continental American Royalty Co., Bloomfield Royalty Co., Southern Bankers Investment Co., Spindletop Oil & Gas Co. (a Utah Corporation), Double River Oil & Gas Co., and Loch Exploration Inc. Mr. Cash has also been an officer and part owner of several private oil and gas companies and partnerships. Mr. Cash also formerly served as Mayor of the City of Sunnyvale, Texas.

Gary Goodnight, CPA, is the Controller and Principal Accounting Officer. Mr. Goodnight joined the Company in November 1986. Mr. Goodnight was employed by KPMG Peat Marwick LLP from 1977 to 1979. From 1979 until joining the Company, Mr. Goodnight was employed by various independent oil and gas exploration companies. He received a B.B.A. from the University of Texas at Austin in 1977.

(f) Involvement in certain legal proceedings. None of the directors or executive officers of the Registrant, during the past five years, has been involved in any civil or criminal legal proceedings, bankruptcy filings or has been the subject of an order, judgment or decree of any Federal or State authority involving Federal or State securities laws.

Item 11. Executive Compensation

(a) Cash Compensation For the year ended December 31, 1999, neither of the CEO's, Mr. Cash or Mr. Mazzini, took any salary from the Company. None of the Company's executive officers were paid cash compensation at the annual rate in excess of $100,000.

(b) Compensation Pursuant to Plan. None

(c) Other Compensation Key employees of the Company, may sometimes be assigned overriding royalty interests and/or carried working interest in prospects acquired by or generated by the Company. These interests normally vary from one-half to one percent for each employee. There is no set formula or policy for such program, and the frequency and amounts are largely controlled by the economics of each particular prospect.

(d) Compensation of Directors Directors are not currently compensated nor are there plans to compensate them for their services on the board.

(e) Termination of Employment and Change of Control Arrangement There are no plans or arrangements for payment to officers or directors upon resignation or a change in control of the Registrant.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

(a) & (b) Security ownership of certain beneficial owners and managers The table below sets forth the information indicated regarding the ownership of the Registrant's common stock, $.01 par value, the only outstanding voting securities, as of December 31, 1999 with respect to: (i)any person who is known to the Registrant to be the owner of more than five percent (5%) of the Registrant's common stock;(ii) the common stock of the Registrant beneficially owned by each of the directors of the Registrant and, (iii) by all officers and directors as a group. Each person has sole investment and voting power with respect to the shares indicated, except as otherwise set forth in the footnotes to the table.

NAME AND ADDRESS OF BENEFICIAL OWNER	NUMBER OF SHARES	NATURE OF BENEFICIAL OWNERSHIP	%BASED ON OUTSTANDING PERCENT OF CLASS
Chris Mazzini 9319 LBJ Frwy, Suite 205 Dallas, TX 75243	5,898,543	Direct	78%
Paul E. Cash 9319 LBJ Frwy, Suite 205 Dallas, TX 75243	308,468	Direct	4%
All officers and directors as a group	6,207,011		82%

(c) Changes in control The Company is not aware of any arrangements or pledges with respect to its securities which may result in a change in control of the Company.

Item 13. Certain Relationships and Related Transactions (a) Transactions with management and others.
none

(b) Certain Business Relationships

Key employees of the Company, may sometimes be assigned overriding royalty interests and/or carried working interests in prospects acquired by or generated by the Company. These interests normally vary from one-half to one percent for each employee. There is no set formula or policy for such program, and the frequency and amounts are largely controlled by the economics of each particular prospect.

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

PART IV

(a) The following documents filed as part of this Report
1. Independent Auditors' Report Consolidated Balance Sheets at December 31, 1999 and 1998 Consolidated Statements of Income (Loss) for the years ended December 31, 1999, 1998, and 1997 Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 1999, 1998, and 1997 Consolidated Statements of Cash Flows for the years ended December 31, 1999, 1998, and 1997 Notes to Consolidated Financial Statements
2. Financial Statement Schedules required to be filed by Item 8 and Paragraph (d) of this Item 14 Schedule II Valuation and Qualifying Accounts All other schedules have been omitted because they are not applicable or required under the rules of Regulation S-X or the information has been supplied in the consolidated financial statements or notes thereto. Such schedules and reports are at page 40 of this Report.
3. The Exhibits are listed in the index of Exhibits Required by Item 601 of Regulation S-K at Item (c) below and included at page 41.

(b) A Form 8-K was filed filed during the last quarter of the period covered by this Report. The 8-K reported the change in control of the Registrant

(c) The Index of Exhibits is included following the Financial Statement Schedules beginning at page 41 of this Report.

(d) The Index to Consolidated Financial Statements and Supplemental Schedules is included following the signatures, beginning at page 20 of this Report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

SPINDLETOP OIL & GAS CO.

Dated April 13, 2000

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By  /s/ Chris Mazzini
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   Chris Mazzini
   President, Director
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Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following on behalf of the Company and in the capacities and on the dates indicated.

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      Signatures                      Capacity                 Date
Principal Executive Officers:


/s/Chris Mazzini                    President, Director      April 13, 2000
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Chris Mazzini
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/s/ Michelle Mazzini -------------------- *Michelle Mazzini*	*Secretary, Director*	*April 13, 2000*
/s/ Paul E. Cash -------------- *Paul E. Cash*	*Director*	*April 13, 2000*
/s/ Gary D. Goodnight ------------------ *Gary D. Goodnight*	*Controller*	*April 13, 2000*

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
Index to Consolidated Financial Statements and Schedules

All other schedules have been omitted because they are not applicable, not required, or the information has been supplied in the consolidated financial statements or notes thereto.

INDEPENDENT AUDITORS' REPORT

Board of Directors and Shareholders
Spindletop Oil & Gas Co.

We have audited the accompanying consolidated balance sheets of Spindletop Oil & Gas Co. (a Texas Corporation) and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of income (loss), changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 1999. These consolidated financial statements are the responsibility of the

Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Spindletop Oil & Gas Co. and subsidiaries as of December 31, 1999 and 1998, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1999, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the index of consolidated financial statements are presented for purposes of complying with the Securities and Exchange Commission's rules and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

FARMER, FUQUA, HUNT & MUNSELLE, P.C.

Dallas, Texas
April 12, 2000

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31,	
	1999	1998
ASSETS		
Current Assets		
Cash	$ 284,000	$ 288,000
Accounts receivable	267,000	284,000
Accounts receivable, related parties	59,000	33,000
Shareholder Loans	-	8,000
Inventory	-	-
Total Current Assets	610,000	613,000
Property and Equipment - at cost		
Oil and gas properties (full cost method)	3,205,000	3,008,000

Rental equipment	405,000	338,000
Gas gathering systems	145,000	151,000
Other property and equipment	180,000	191,000
	3,935,000	3,688,000
Accumulated depreciation and amortization	(2,714,000)	(2,548,000)
	1,221,000	1,140,000
Other Assets, net of accumulated amortization of $101,000 and $89,000 at December 31,1999 and 1998 respectively	12,000	40,000
Total Assets	$ 1,843,000	$ 1,793,000

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - (Continued)

	December 31,	
	1999	1998
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 439,000	$ 426,000
Tax savings benefit payable	97,000	97,000
Total Current Liabilities	536,000	523,000
Notes payable-related party	308,000	-
Shareholders' Equity		
Common stock, $.01 par value;100,000,000 shares authorized;7,525,804 shares issued and outstanding (7,525,804 at December 31, 1998)	75,000	75,000
Additional paid-in capital	733,000	733,000
Retained earnings	191,000	462,000
	999,000	1,270,000
Total Liabilities And Shareholders' Equity	$ 1,843,000	$ 1,793,000

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The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (LOSS)

	Years ended December 31, 1999	1998	1997
Revenues			
Oil and gas revenues	$ 729,000	$ 850,000	$ 1,255,000
Revenue from lease operations	158,000	176,000	187,000
Gas pipeline sales	-	35,000	89,000
Gas gathering fees	18,000	17,000	19,000
Equipment rental	110,000	121,000	114,000
Interest income	2,000	5,000	9,000
Other	55,000	35,000	12,000
	1,072,000	1,239,000	1,685,000
Expenses			
Pipeline and rental operations	50,000	86,000	70,000
Gas pipeline purchases	-	19,000	64,000
Lease operations	457,000	529,000	663,000
Depreciation and amortization	207,000	260,000	257,000
General and administrative	551,000	574,000	547,000
Loss on sale of securities	78,000	-	-
Interest expense	-	-	1,000
	1,343,000	1,468,000	1,602,000
Net Income (Loss)	$ (271,000)	$ (229,000)	$ 83,000
Earnings (Loss)Per Share Of Common Stock	$ (0.04)	$ (0.03)	$ .01
Weighted average shares outstanding	7,525,804	7,525,804	7,492,992

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 1999, 1998, and 1997

	Common Stock		Additional Paid-in	Retained
	Shares	Amount	Capital	Earnings
Balance January 1, 1997	7,488,304	$ 75,000	$ 727,000	$ 608,000
Stock issued in exchange for pipeline	37,500	-	6,000	-
Net income	-	-	-	83,000
Balance December 31, 1997	7,525,804	75,000	733,000	691,000
Net loss	-	-	-	(229,000)
Balance December 31, 1998	7,525,804	75,000	733,000	462,000
Net loss	-	-	-	(271,000)
Balance December 31, 1999	7,525,804	$ 75,000	$ 733,000	$ 191,000

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended December 31,		
	1999	1998	1997
Cash Flows from Operating Activities			
Net Income (Loss)	$ (271,000)	$ (229,000)	$ 83,000
Reconciliation of net income (loss) to net cash provided by (used for) operating activities			
Depreciation and amortization	207,000	260,000	257,000
Other	(4,000)	-	-
(Increase) decrease in accounts receivable	(1,000)	137,000	(21,000)
(Increase) decrease in inventory	-	8,000	23,000
Increase (decrease) in accounts payable	13,000	(202,000)	(10,000)
Net cash provided by (used for) operating activities	(56,000)	(26,000)	332,000

Cash Flows from Investing Activities			
Capitalized acquisition, exploration and development costs	-	(188,000)	(429,000)
Proceeds from sale of properties	44,000	-	-
Proceeds from sale of other assets	16,000	-	-
Proceeds from sale of property equipment	-	69,000	70,000
Purchase of property and equipment	(8,000)	(9,000)	(21,000)
Net cash provided by (used for) investing activities	52,000	(128,000)	(380,000)
Cash Flows from Financing Activities			
Repayment of notes payable	-	(1,000)	(19,000)
Proceeds from borrowings	-	-	8,000
Repayment of shareholder loans	-	-	245,000
Advances to shareholder	-	(5,000)	(214,000)
Net cash provided by (used for) financing activities	-	(6,000)	20,000
Decrease in cash	(4,000)	(160,000)	(28,000)
Cash at beginning of period	288,000	448,000	476,000
Cash at end of period	$ 284,000	$ 288,000	$448,000

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION AND ORGANIZATION

Merger and Basis of Presentation On July 13, 1990, Prairie States Energy Co., a Texas corporation, (the Company) merged with Spindletop Oil & Gas Co., a Utah corporation (the Acquired Company). The name of Prairie States Energy Co. was changed to Spindletop Oil & Gas Co. at the time of the merger.

Organization and Nature of Operations

The Company was organized as a Texas Corporation in September 1985, in connection with the Plan of Reorganization (the Plan), effective September 9, 1985, of Prairie States Exploration, Inc., (Exploration), a Colorado Corporation, which had previously filed for Chapter 11 bankruptcy. In connection with the Plan, Exploration was merged into the Company, with the Company being the surviving corporation. After giving effect to the stock split discussed in Note 2, up to a total of 166,667 of the Company's common shares may be issued to Exploration's former shareholders. As of December 31, 1999, 1998, and 1997, 122,436, 122,436, and 122,436 shares, respectively, have been issued to former shareholders in connection with the Plan.

Spindletop Oil & Gas Co. is engaged in the exploration, development and production of oil and natural gas; the rental of oilfield equipment; and through one of its subsidiaries, the gathering and marketing of natural gas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Consolidation
The consolidated financial statements include the accounts of Spindletop Oil & Gas Co. and its wholly-owned subsidiaries, Prairie Pipeline Co. and Spindletop Drilling Company. All significant intercompany transactions and accounts have been eliminated.

Oil and Gas Properties
The Company follows the full cost method of accounting for its oil and gas properties. Accordingly, all costs associated with acquisition, exploration and development of oil and gas reserves are capitalized and accounted for in cost centers, on a country-by-country basis. If unamortized costs within a cost center exceed the cost center ceiling (as defined), the excess is charged to expense during the year in which the excess occurs.

Depreciation and amortization for each cost center are computed on a composite unit-of-production method, based on estimated proved reserves attributable to the respective cost center. All costs associated with oil and gas properties are currently included in the base for computation and amortization. Such costs include all acquisition, exploration and development costs. All of the Company's oil and gas properties are located within the continental United States.

Gains and losses on sales of oil and gas properties are treated as adjustments of capitalized costs. Gains or losses on sales of property and equipment, other than oil and gas properties, are recognized as part of operations. Expenditures for renewals and improvements are capitalized, while expenditures for maintenance and repairs are charged to operations as incurred.

Property and Equipment
The Company, as operator, leases equipment to owners of oil and gas wells, on a month-to-month basis.

The Company, as operator, transports gas through its gas gathering systems, in exchange for a fee.

Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives (5 to 10 years for rental equipment and gas gathering systems, 4 to 5 years for other property and equipment). The straight-line method of depreciation is used for financial reporting purposes, while accelerated methods are used for tax purposes.

Inventory
Inventory consists of oil field materials and supplies, stated at the lower of average cost or market.

Goodwill
The goodwill resulting from the contingent consideration, as discussed in Note 7, is being amortized over the remaining life of the net operating loss existing at the time of the Plan discussed in Note 1, which expires in 2000.

Income Taxes
The Company accounts for income taxes pursuant to Statement of Financial Accounting Standards No. 109 "Accounting for Income Taxes" (SFAS 109), which requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement carrying amounts and tax bases of assets and liabilities, using enacted tax rates in effect in the years in which the differences are expected to reverse. These temporary differences primarily relate to depreciation, depletion and intangible drilling costs. The Company has established a full valuation allowance against these carryforward benefits, due to uncertainty as to the Company's ability to utilize the loss carryforwards.

Investment Tax Credits

Investment tax credits are accounted for by the "flow-through" method which recognizes the credits as a reduction of income tax expense in the year the credit is utilized.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Stock Split

In December 1996 the Board of Directors declared a 1-for-6 reverse stock split on the Company's common stock. The record date was January 31, 1997. All share and per share data as appropriate, reflect this split.

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3. ACCOUNTS RECEIVABLE

	December 31, 1999	December 31, 1998
Trade	$ 378,000	$ 387,000
Accrued revenue	187,000	146,000
Other	2,000	1,000
	567,000	534,000
Less allowance for losses	(300,000)	(250,000)
	$ 267,000	$ 284,000

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 1999	December 31, 1998
Trade payables	$ 56,000	$ 69,000
Production proceeds payable	253,000	451,000
Accrued production taxes	4,000	10,000
Other	126,000	98,000
	$ 439,000	$ 628,000

5. NOTES PAYABLE-RELATED PARTY

	December 31, 1999	December 31, 1998
Non-interest bearing note to Paul Cash, due in monthly installments of $3,000 beginning January, 2001, with unpaid principal due November, 2008 ($384,000 face value less amortized discount of $143,000 based on an effective interest rate of 8.50%). The note is uncollateralized.	241,000	-

Non-interest bearing note to Paul Cash, due June, 2000 ($77,000 face value less amortized discount of $10,000 based on an effective interest rate of 8.50%). The note is uncollateralized.	67,000	-
	308,000	-
Less current maturities	-	-
	$ 308,000	$ -

Principal maturities of notes payable as of December 31, 1999 are as follows:

Year Ended December 31,	Amount
2000	$ -
2001	85,000
2002	20,000
2003	22,000
2004	23,000
Thereafter	158,000
	$ 308,000

6. RELATED PARTY TRANSACTIONS

From March 1994 until 1998, the Company provided various personnel, office space, supplies and other administrative services to a related company, Double River Oil & Gas Co. (Double River) for a fee of $575 per month.

At December 31, 1999, and 1998, approximately $2,000 and $2,000 respectively, are due from Double River.

Included in the accompanying balance sheets are the following amounts related to Mr. Cash:

	December 31, 1999	December 31, 1998
Shareholder loans, non-interest bearing	$ -	$ 8,000
Notes payable, non-interest bearing	308,000	-

7. INCOME TAXES

The Company accounts for income taxes pursuant to Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" (SFAS 109). SFAS 109 utilizes the liability method of computing deferred income taxes.

For Federal income tax purposes, the Company has net operating loss and investment credit carryovers of approximately $838,000 and $1,000, respectively, which expire at various dates through 2014.

Expires	Net Operating Loss	Investment Tax

December 31,	Carryforward	Credit
2000	$ -	$ 1,000
2005	55,000	-
2007	146,000	-
2010	28,000	-
2012	27,000	-
2013	323,000	-
2014	259,000	-
	$ 838,000	$ 1,000

In connection with the Plan discussed in Note 1, the Company agreed to pay, in cash, to Exploration's unsecured creditors, as defined, one-half of the future

reductions of Federal income taxes which were directly related to any allowed carryovers of Exploration's net operating losses and investment tax credits. Such payments are to be made on a pro-rata basis. Amounts incurred under this agreement, which are considered contingent consideration under APB No. 16, totaled $ -0-, $ -0-, and $3,000 in 1999, 1998 and 1997, respectively, and have been recorded as goodwill. As of December 31, 1999 the Company has not received a ruling from the Internal Revenue Service concerning the net operating loss and investment credit carryovers. Until the tax savings which result from the utilization of these carryforwards is assured, the Company will not pay to Exploration's unsecured creditors any of the tax savings benefit. As of December 31, 1999 and 1998, the Company owes $97,000 and $97,000 respectively to Exploration's unsecured creditors.

In calculating tax savings benefits described above, consideration was given to the alternative minimum tax, where applicable, and the tax effects of temporary differences, as shown below:

	1999	1998	1997
Intangible drilling costs	$ (4,000)	$ (175,000)	$ (183,000)
Differences between book and tax depreciation, depletion and amortization	4,000	36,000	49,000

Deferred income taxes reflect the effects of temporary differences between the tax bases of assets and liabilities and the reported amounts of those assets and liabilities for financial reporting purposes. Deferred income taxes also reflect the value of net operating losses, investment tax credits and an offsetting valuation allowance. The Company's total deferred tax assets and corresponding valuation allowance at December 31, 1999 and 1998 consisted of the following:

	December 31, 1999	December 31, 1998
Deferred tax assets		
Net operating loss carryforwards	$ 209,000	$ 145,000
Investment tax credit carryforwards	1,000	1,000
Depreciation, depletion and amortization	140,000	139,000
Other, net	7,000	7,000
Total	357,000	292,000
Deferred tax liabilities		
Intangible drilling costs	(229,000)	(227,000)

Net deferred tax assets	128,000	65,000
Less valuation allowance	(128,000)	(65,000)
Net deferred tax asset	$ -	$ -

SFAS 109 requires that a valuation allowance be recorded against tax assets which are not likely to be realized. The Company's carryforwards expire at specific future dates and utilization of certain carryforwards is limited to specific amounts each year. However, due to the uncertain nature of their ultimate realization based upon past performance and expiration dates, the Company has established a full valuation allowance against these carryforward benefits and is recognizing the benefits only as reassessment demonstrates they

are realizable. Realization is entirely dependent upon future earnings in specific tax jurisdictions. While the need for this valuation allowance is subject to periodic review, if the allowance is reduced, the tax benefits of the carryforwards arising prior to reorganization will be credited to additional paid-in capital, because they bear no relationship to current operations, while the tax benefits of carryforwards arising after reorganization will be recorded in future operations as a reduction of the Company's income tax expense.

9. CASH FLOW INFORMATION The Company does not consider any of its assets to meet the definition of a cash equivalent.

Net cash provided by operating activities includes cash payments for interest of $ -0-, $ -0- and $1,000 in 1999, 1998, and 1997, respectively.

Excluded from the Consolidated Statements of Cash Flows were the effects of certain non-cash investing and financing activities, as follows:

	1999	1998	1997
Purchase of equipment for note payable	$ 67,000	$ -	$ -
Purchase of oil and gas properties for note payable	240,000	-	-
Goodwill capitalized as additional cost of acquired company	-	-	3,000
Tax savings benefit payable	-	-	3,000
Issuance of common stock to acquire gas gathering system	-	-	6,000
Acquisition of oil and gas properties in exchange for forgiveness of accounts receivable	-	-	10,000

10. EARNINGS PER SHARE Earnings per share EPS) are calculated in accordance with Statement of Financial Accounting Standards No. 128, Earnings per Share (SFAS 128), which was adopted in 1997 for all years presented. Basic EPS is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted EPS does not apply to the Company due to the absence of dilutive potential common shares. All calculations have been adjusted

for the effects of the stock split discussed in Note 2. The adoption of SFAS 128 had no effect on previously reported EPS.

11. CONCENTRATIONS OF CREDIT RISK As of December 31, 1999, one of the Company's subsidiaries had approximately $283,000 in checking accounts at one bank.

Most of the Company's business activity is in Texas. Accounts receivable as of December 31, 1999 and 1998 are primarily from a wide variety of individual and institutional owners of joint interests in oil and gas wells. A portion of the Company's ability to collect these receivables is dependent upon revenues generated from sales of oil and gas produced by the related wells.

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12. FINANCIAL INSTRUMENTS

The estimated fair value of the Company's financial instruments at December 31, 1999 and 1998 follow:

	1999		1998	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash	$ 284,000	$ 284,000	$ 288,000	$ 288,000
Accounts receivable	267,000	267,000	284,000	284,000
Accounts receivable, related parties	59,000	59,000	33,000	33,000
Shareholder loans	-	-	8,000	8,000
Notes payable	308,000	308,000	-	-

The fair value amounts for each of the financial instruments listed above approximate carrying amounts due to the short maturities of these instruments.

13. COMMITMENTS AND CONTINGENCIES In connection with the Plan of Reorganization discussed in Note 1, the Company agreed to pay, in cash, to Exploration's unsecured creditors, as defined, one-half of the future reduction of Federal income taxes which were directly related to any allowed carryovers of Exploration's net operating losses and investment tax credits existing at the time of the reorganization. These net operating losses expired in 1998 and the investment tax credits expired in 1997.

In June 1993, Spindletop Drilling Company entered into an agreement with Loch Exploration, Inc., whereby the parties agreed to combine their talents and resources to evaluate and acquire producing and non-producing oil and gas properties at various auctions. Any such properties acquired under the terms of this agreement are to be acquired by initial assignment to the Company. The Company has agreed to provide Loch with a recordable assignment of its interest, such interest to be determined by the proportionate share of monies expended for the acquisition of said properties. All costs are to be borne by the Company and Loch in the same proportions as their respective ownership interests. The Company will serve as administrator for properties acquired in connection with this agreement, and will be entitled to an overhead reimbursement for properties for which the Company serves as operator. This agreement had an initial term of six months, and continues month to month thereafter, until canceled by either party.

In March 1994, the Company entered into an agreement with PGC Gas Company, an unaffiliated entity, under terms similar to those of the agreement with Loch Exploration, Inc., described above. This agreement has an initial term of six months, and will continue month to month thereafter, until canceled by either party.

The Company's oil and gas exploration and production activities are subject to Federal, State and environmental quality and pollution control laws and regulations. Such regulations restrict emission and discharge of wastes from wells, may require permits for the drilling of wells, prescribe the spacing of wells and rate of production, and require prevention and clean-up pollution.

Although the Company has not in the past incurred substantial costs in complying with such laws and regulations, future environmental restrictions or requirements may materially increase the Company's capital expenditures, reduce earnings, and delay or prohibit certain activities.

14. ADDITIONAL OPERATIONS AND BALANCE SHEET INFORMATION Certain information about the Company's operations for the years ended December 31, 1999, 1998, and 1997 follows.

Significant Oil and Gas Purchasers
The Company's oil sales are made on a day to day basis at approximately the current area posted price. The loss of any oil purchaser would not have an adverse effect upon operations. The Company generally contracts to sell its natural gas to purchasers pursuant to both short-term and long-term contracts. Additionally, some of the Company's natural gas not under contract is sold at the then current prevailing "spot" price on a month to month basis. Following is a summary of significant oil and gas purchasers during the three year period ended December 31, 1999.

	Year Ended December 31,		
	1999	1998	1997
Lone Star Gas Company and Affiliates	15%	13%	13%
Mitchell Marketing Co.	23	22	13
Texas Utilities Fuel Company	-	-	10

There are no other customers of the Company which individually accounted for more than 10% of the Company's oil and gas revenues during the three years ended December 31, 1999.

	Year Ended December 31,		
	1999	1998	1997
Capitalized costs relating to oil and gas producing activities:			
Unproved properties	$ 93,000	$ 89,000	$ 139,000
Proved properties	3,112,000	2,919,000	2,742,000
Total Capitalized Costs	3,205,000	3,008,000	2,881,000
Accumulated amortization	(2,128,000)	(1,965,000)	(1,758,000)
	$ 1,077,000	$ 1,043,000	$ 1,123,000

	Year ended December 31,		
	1999	1998	1997

Costs incurred in oil and gas property acquisition, exploration and development:			
Acquisition of Properties	$ 241,000	$ -	$ 81,000
Exploration Costs	-	122,000	327,000
Development Costs	-	66,000	21,000
	$ 241,000	$ 188,000	$ 429,000

Results of operations from producing activities:	Year ended December 31,		
	1999	1998	1997
Sales of oil and gas	$ 729,000	$ 850,000	$ 1,255,000
Production costs	457,000	529,000	663,000
Amortization of oil and gas properties	163,000	207,000	198,000
	620,000	736,000	861,000
	$ 109,000	$ 114,000	$ 394,000

	Year ended December 31,		
	1999	1998	1997
Sales price per equivalent Mcf	$ 2.20	$ 1.97	$ 2.81
Production cost per equivalent Mcf	$ 1.59	$ 1.23	$ 1.48
Amortization per equivalent Mcf	$ .51	$ .48	$ .44

Costs incurred in gas gathering and equipment rental			
Acquisition of property and equipment	$ -	$ -	$ -

Results of operations from gas gathering and equipment rental:			
Revenues	$ 128,000	$ 173,000	$ 222,000
Gas pipeline purchases	-	19,000	64,000
Operating Expenses	50,000	86,000	70,000
Depreciation	14,000	21,000	20,000
	64,000	126,000	154,000
	$ 64,000	$ 47,000	$ 68,000

15. BUSINESS SEGMENTS The Company's two business segments are (1) oil and gas exploration, production and operations and (2) transportation of natural gas, including related equipment rental. Management has chosen to organize the Company into

the two segments based on the products or services provided.The following is a summary of selected information for these segments for the three-year period ended December 31, 1999:

	1999	1998	1997
Revenues:(3)			
Oil and gas exploration, production and operations	$ 887,000	$ 1,026,000	$ 1,442,000
Gas gathering and equipment rental	128,000	173,000	222,000
	$ 1,015,000	$ 1,199,000	$ 1,664,000
Depreciation, depletion and amortization expense:			
Oil and gas exploration, production and operations	$ 163,000	$ 207,000	$ 198,000
Gas gathering and equipment rental	14,000	21,000	20,000
	$ 177,000	$ 228,000	$ 218,000
Income from operations:			
Oil and gas exploration, production and operations	$ 267,000	$ 290,000	$ 581,000
Gas gathering and equipment rental	64,000	47,000	68,000
	331,000	337,000	649,000
Corporate and other (1)	(602,000)	(566,000)	(566,000)
Consolidated net income	$ (271,000)	$ (229,000)	$ 83,000
Identifiable assets:			
Oil and gas exploration, production and operations	$ 1,077,000	$ 1,043,000	$ 1,124,000
Gas gathering & rental equipment	118,000	71,000	83,000
	1,195,000	1,114,000	1,207,000
Corporate and other (2)	648,000	679,000	1,018,000
	$ 1,843,000	$1,793,000	$ 2,225,000

(1) Corporate and other includes general and administrative expenses, other non-operating income and expense and income taxes.

(2) Corporate and other includes cash, accounts and notes receivable, inventory, other property and equipment and intangible assets.

(3) All reported revenues are from external customers.

16. SUPPLEMENTARY INCOME STATEMENT INFORMATION

	Charged Directly to Expense

	1999	1998	1997
Maintenance and Repairs	$ 50,000	$ 86,000	$ 49,000
Production taxes	41,000	45,000	68,000
Taxes, other than payroll and income taxes	12,000	23,000	21,000

17. SUPPLEMENTAL RESERVE INFORMATION (UNAUDITED) The Company's net proved oil and gas reserves as of December 31, 1999, 1998 and 1997 have been estimated by Company personnel in accordance with guidelines established by the Securities and Exchange Commission. Accordingly, the following reserve estimates were based on existing economic and operating conditions. Oil and gas prices in effect at December 31 of each year were used. Operating costs, production and ad valorem taxes and future development costs were based on current costs with no escalation.

There are numerous uncertainties inherent in estimating quantities of proved reserves and in projecting the future rates of production and timing of development expenditures. The following reserve data represents estimates only and should not be construed as being exact. Moreover, the present values should not be construed as the current market value of the Company's oil and gas reserves or the costs that would be incurred to obtain equivalent reserves.

Changes in Estimated Quantities of Proved Oil and Gas Reserves

	Oil Bbls	Gas Mcf
Proved reserves:		
Balance December 31, 1996	72,091	2,471,174
Sales of reserves in place	-	(4,554)
Acquired properties	-	176,266
Revisions of previous estimates	4,553	135,639
Production	(14,998)	(357,166)
Balance December 31, 1997	61,646	2,421,359
Sales of reserves in place	-	(50,843)
Revisions of previous estimates	(14,422)	(21,413)
Production	(13,304)	(350,566)
Balance December 31, 1998	33,920	1,998,537
Sales of reserves in place	(7,856)	-
Acquired properties	-	354,133
Revisions of previous estimates	3,484	(164,092)
Production	(6,986)	(277,834)
Balance December 31, 1999	22,562	1,910,744
Proved Developed Reserves:		
Balance December 31, 1997	61,646	2,122,247
Balance December 31, 1998	33,920	1,699,425
Balance December 31, 1999	22,562	1,683,667

Standardized Measure of Discounted Future Net Cash Flows and Changes Therein Relating to Proved Oil and Gas Reserves

(Unaudited)

The Standardized Measure of Discounted Future Net Cash Flows and Changes Therein Relating to Proved Oil and Gas Reserves ("Standardized Measures") does not purport to present the fair market value of a company's oil and gas properties. An estimate of such value should consider, among other factors, anticipated future prices of oil and gas, the probability of recoveries in excess of existing proved reserves, the value of probable reserves and acreage prospects, and perhaps different discount rates. It should be noted that estimates of reserve quantities, especially from new discoveries, are inherently imprecise and subject to substantial revision.

Future net cash flows were computed using the contract price which was not escalated. Future production includes operating costs and taxes. No deduction has been made for interest, general corporate overhead, depreciation or amortization. Future income tax payable was not computed because of the net operating loss carryforward (See Note 7). The annual discount of estimated future net cash flows is defined, for use herein, as future cash flows discounted at 10% per year, over the expected period of realization

	December 31, 1999	1998	1997
Standardized Measures of Discounted Future Net Cash Flows:			
Future production revenue	$ 4,643,000	$ 4,487,000	$ 6,302,000
Future development costs	(110,000)	(110,000)	(110,000)
Future production costs	(2,523,000)	(2,238,000)	(3,167,000)
Future net cash flows before Federal income tax	2,010,000	2,139,000	3,025,000
Future Federal income tax	-	-	-
Future net cash flows	2,010,000	2,139,000	3,025,000
Effect of discounting 10% per year	(406,000)	(540,000)	(741,000)
	$ 1,604,000	$1,599,000	$ 2,284,000

	1999	1998	1997
Change Relating to the Standardized Measures of Discounted Future Net Cash Flows:			
Beginning balance	$ 1,599,000	$ 2,284,000	$ 2,381,000
Oil and gas sales, net of production costs	(272,000)	(321,000)	(592,000)

Net change in prices, net of production costs	(317,000)	(211,000)	99,000
Extensions and discoveries	-		-
Purchase of reserves in place	825,000	-	124,000
Sales of reserves in place	(113,000	(73,000)	(4,000)
Revisions of quantity estimates	(171,000)	(124,000)	204,000
Accretion of discount	160,000	228,000	238,000
Other	(107,000)	(184,000)	(166,000)
	$ 1,604,000	$ 1,599,000	$ 2,284,000

SCHEDULE II

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
VALUATION AND QUALIFYING ACCOUNTS
YEARS ENDED DECEMBER 31, 1999, 1998, AND 1997

Description	Beginning Balance	Charged To Costs and Expenses	Deductions	Ending Balance
Allowance for Doubtful Accounts				
December 31, 1997	$ 230,000	-	-	$ 230,000
December 31, 1998	$ 230,000	20,000	-	$ 250,000
December 31, 1999	$ 250,000	50,000	-	$ 300,000

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
Index to Exhibits
PAGE

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
Subsidiaries the Registrant

Prairie Pipeline Co. incorporated June 22, 1983, under the laws of the State of Texas, is a wholly-owned subsidiary of Registrant.

Spindletop Drilling Company, incorporated September 5, 1975, under the laws of the State of Texas, is a wholly-owned subsidiary of the Registrant.

ARTICLE 5

MULTIPLIER: 1

CURRENCY: U.S. Dollars

PERIOD TYPE	12 MOS
FISCAL YEAR END	Dec 31 1999
PERIOD START	Jan 1 1999
PERIOD END	Dec 31 1999
EXCHANGE RATE	1
CASH	284,000
SECURITIES	0
RECEIVABLES	326,000
ALLOWANCES	0
INVENTORY	0
CURRENT ASSETS	610,000
PP&E	3,935,000
DEPRECIATION	2,714,000
TOTAL ASSETS	1,843,000
CURRENT LIABILITIES	536,000
BONDS	308000
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	75,000
OTHER SE	924,000
TOTAL LIABILITY AND EQUITY	999,000
SALES	729,000
TOTAL REVENUES	1,072,000
CGS	0
TOTAL COSTS	507,000
OTHER EXPENSES	836,000
LOSS PROVISION	0
INTEREST EXPENSE	0
INCOME PRETAX	(271,000)
INCOME TAX	0
INCOME CONTINUING	(271,000)
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	(271,000)
EPS BASIC	(0.04)
EPS DILUTED	0

End of Filing