

FORM 10-Q

UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 20549

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTER ENDED JUNE 30, 2006

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Commission File No. 000-18774

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 Identification No.)

12850 Spurling Rd., Suite 200, Dallas, TX
(Address of principal executive offices)

75230
(Zip Code)

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

Indicate by check mark whether the registrant (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 No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer in Rule 12b-2 of the Exchange Act (Check one):
Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING
THE PRECEEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes [] No []

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of August 14, 2006, there were 7,585,803 shares of the Company's common stock outstanding.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES

FORM 10-Q

For the quarter ended June 30, 2006

Index to Consolidated Financial Statements and Schedules

	Page
Part I - Financial Information:	
Item 1. - Financial Statements	
Consolidated Balance Sheets	
June 30, 2006 (Unaudited) and December 31, 2005	4-5
Consolidated Statements of Income or Loss (Unaudited)	
Six Months Ended June 30, 2006 and 2005	
Three Months Ended June 30, 2006 and 2005	6
Consolidated Statements of Cash Flows (Unaudited)	
Six Months Ended June 30, 2006 and 2005	7
Notes to Consolidated Financial Statements	8
Item 2. - Management's Discussion and Analysis of Financial Condition and Results of Operations	10
Item 4. - Controls and Procedures	13
Part II - Other Information:	
Item 1A - Risk Factors	10
Item 5. - Other Information	14
Item 6. - Exhibits	14

Part I - Financial Information

Item 1. - Financial Statements

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

	As of	
	June 30 2006 (Unaudited)	December 31 2005
	-----	-----
ASSETS		
Current Assets		
Cash	\$ 6,350,000	\$ 5,508,000
Accounts receivable, trade	995,000	1,228,000
Prepaid income tax	45,000	-
	-----	-----
Total Current Assets	7,390,000	6,736,000
	-----	-----
Property and Equipment, at cost		
Oil and gas properties (full cost method)	7,412,000	6,819,000
Rental equipment	399,000	399,000
Gas gathering systems	145,000	145,000
Other property and equipment	141,000	157,000
	-----	-----
	8,097,000	7,520,000
Accumulated depreciation and amortization	(5,173,000)	(4,807,000)
	-----	-----
Total Property and Equipment, net	2,924,000	2,713,000
	-----	-----
Real Estate Property, at cost		
Land	688,000	688,000
Commercial office building	1,424,000	1,298,000
Accumulated depreciation	(67,000)	(49,000)
	-----	-----
Total Real Estate Property, net	2,045,000	1,937,000
	-----	-----
Other Assets	-	1,000
	-----	-----
Total Assets	\$12,359,000	\$11,387,000
	=====	=====

The accompanying notes are an integral part of these statements.

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

	As of	
	June 30 2006 (Unaudited)	December 31 2005
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Notes payable, current portion	\$ 120,000	\$ 120,000
Accounts payable and accrued liabilities	2,152,000	1,943,000
Income tax payable	-	20,000
Tax savings benefit payable	97,000	97,000
Total current liabilities	2,369,000	2,180,000
Noncurrent Liabilities		
Notes payable, long-term portion	1,380,000	1,440,000
Asset retirement obligation	239,000	239,000
	1,619,000	1,679,000
Deferred income tax payable	1,046,000	794,000
Shareholders' Equity		
Common stock, \$.01 par value; 100,000,000 Shares authorized; 7,677,471 shares issued and 7,585,803 outstanding at June 30, 2006 and December 31, 2005	77,000	77,000
Additional paid-in capital	831,000	831,000
Treasury Stock	(42,000)	(42,000)
Retained earnings	6,459,000	5,868,000
Total Shareholders' Equity	7,325,000	6,734,000
Total Liabilities and Shareholders' Equity	\$12,359,000	\$11,387,000

The accompanying notes are an integral part of these statements.

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

(Unaudited)

	Six Months Ended		Three Months Ended	
	June 30 2006	June 30 2005	June 30 2006	June 30 2005
Revenues				
Oil and gas revenue	\$ 2,586,000	\$ 2,450,000	\$ 1,205,000	\$ 1,318,000
Revenue from lease operations	70,000	65,000	35,000	28,000
Gas gathering, compression and Equipment rental	52,000	86,000	33,000	48,000
Real estate rental income	171,000	141,000	95,000	70,000
Interest income	115,000	55,000	66,000	29,000
Other	87,000	12,000	86,000	10,000
Total revenue	3,081,000	2,809,000	1,520,000	1,503,000
Expenses				
Lease operations	893,000	565,000	575,000	332,000
Pipeline and rental operations	31,000	22,000	5,000	5,000
Real estate operations	111,000	122,000	43,000	61,000
Depreciation, depletion and amortization	391,000	303,000	175,000	184,000
General and administrative	630,000	530,000	355,000	289,000
Interest expense	47,000	54,000	23,000	27,000
Total Expenses	2,103,000	1,596,000	1,176,000	898,000
Income Before Income Tax	978,000	1,213,000	344,000	605,000
Current tax provision	135,000	249,000	133,000	140,000
Deferred tax provision	252,000	95,000	91,000	40,000
	387,000	344,000	224,000	180,000
Net Income	\$ 591,000	\$ 869,000	\$ 120,000	\$ 425,000
Earnings per Share of Common Stock				
Basic	\$ 0.08	0.11	\$ 0.02	\$ 0.06
Diluted	\$ 0.08	0.11	\$ 0.02	\$ 0.06
Weighted Average Shares				
Outstanding	7,585,803	7,565,803	7,585,803	7,565,803
Diluted Shares Outstanding	7,585,803	7,565,803	7,585,803	7,565,803

The accompanying notes are an integral part of these statements.

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

	Six Months Ended	
	June 30 2006	June 30 2005
Cash Flows from Operating Activities		
Net Income	\$ 591,000	\$ 869,000
Reconciliation of net income to net cash provided by Operating Activities		
Depreciation, depletion and amortization	391,000	303,000
Changes in accounts receivable, trade	233,000	(2,000)
Changes in prepaid income taxes	(45,000)	190,000
Changes in accounts payable	209,000	(425,000)
Changes in current taxes payable	(20,000)	60,000
Changes in deferred tax payable	252,000	95,000
Other	1,000	-
Net cash provided by operating Activities	1,612,000	1,090,000
Cash flows from Investing Activities		
Capitalized acquisition, exploration and development costs	(595,000)	(360,000)
Proceeds from sale of other property and equipment	12,000	-
Purchase of other property and equipment	-	(9,000)
Capitalized tenant improvements and broker fees	(127,000)	-
Net cash used for Investing Activities	(710,000)	(369,000)
Cash Flows from Financing Activities		
Decrease in notes payable	(60,000)	(120,000)
Net cash used for Financing Activities	(60,000)	(120,000)
Increase in cash	842,000	601,000
Cash at beginning of period	5,508,000	4,352,000
Cash at end of period	\$ 6,350,000	\$ 4,953,000

The accompanying notes are an integral part of these statements.

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

1. BASIS OF PRESENTATION AND ORGANIZATION

The accompanying financial statements are presented in accordance with the requirements of Form 10-Q and consequently do not include all of the disclosures normally required by generally accepted accounting principles or those normally made in the Company's annual Form 10-K filing. Accordingly, the reader of this Form 10-Q may wish to refer to the Company's Form 10-K for the year ended December 31, 2005 for further information.

The consolidated financial statements presented herein include the accounts of Spindletop Oil & Gas Co., a Texas corporation ("the Company") and its wholly owned subsidiaries, Prairie Pipeline Co., a Texas corporation and Spindletop Drilling Company, a Texas Corporation. All significant inter-company transactions and accounts have been eliminated.

In the opinion of management, the accompanying unaudited interim financial statements contain all material adjustments, consisting only of normal recurring adjustments necessary to present fairly the financial condition, the results of operations and changes in cash flows of the Company and its consolidated subsidiaries for the interim periods presented. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with generally accepted accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to such rules and regulations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Rental income for long-term leases is recognized on a straight-line basis over the respective term of the lease.

3. RECENT ACCOUNTING DEVELOPMENTS

In March 2004, the Emerging Issues Task Force ("EITF") reached a consensus on EITF Issue No. 04-2, "Whether Mineral Rights are Tangible or Intangible Assets and Related Issues" (previously addressed as Issue 03-O), that mineral rights should be considered tangible assets for accounting purposes and should be separately disclosed in the financial statements or footnotes. The EITF acknowledged that this consensus requires an amendment to Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations" to remove mineral rights as an example of an intangible assets. The Financial Accounting Standards Board ("FASB") has issued FASB Staff Position Nos. FAS 141-1 and FAS 142-1, that amend SFAS Nos. 141 and 142, respectively, to characterize mineral rights as tangible assets. The EITF is still considering whether oil and gas drilling rights are subject to the classification and disclosure provisions of SFAS No. 142 if they are determined to be intangible assets. There has been no resolution of this issue as described in

EITF Issue No. 03-S, "Application of SFAS No. 142, Goodwill and Other Intangible Assets, to Oil and Gas Companies."

The Company classifies the cost of oil and gas mineral rights as property and equipment and believes this is consistent with oil and gas accounting and industry practice. Although it appears unlikely based on the consensus reached in EITF Issue No. 04-2, if the EITF were to determine that under EITF Issue No. 03-S oil and gas mineral rights are intangible assets and are subject to the applicable classification and disclosure provisions of SFAS No.142, certain costs would need to be reclassified from property and equipment to intangible assets on its consolidated balance sheets. These amounts would represent oil and gas mineral rights. In addition, the disclosures required by SFAS Nos. 141 and 142 would be made in the notes to the consolidated financial statements. There would be no effect on the consolidated statements of income or cash flows as the intangible assets related to oil and gas mineral rights would continue to be amortized under the full cost method of accounting.

4. 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. All calculations have been adjusted for the effects of the stock splits and mergers. The adoption of SFAS 128 had no effect on previously reported EPS. Diluted EPS is computed based on the weighted number of shares outstanding, plus the additional common shares that would have been issued had the options outstanding been exercised.

5. REVENUE ACCRUAL

Recorded in oil and gas revenue during the second quarter of 2006, are approximately \$4,000 of condensate and approximately \$126,000 of gas sales produced from two East Texas gas wells, which apply to production from periods prior to the second quarter of 2006. These amounts were not recorded in the prior periods to which they applied as the Company was in a contract dispute with the purchasers of the condensate and gas over the price the Company was paid. It was determined at the time not to record the amounts in dispute as they were considered immaterial to the consolidated financial statements for the periods to which they applied, and in management's opinion did not cause any prior period consolidated financial statements to be materially misstated. Production applicable to the second quarter of 2006 of approximately \$18,000 of condensate and approximately \$23,000 of gas are appropriately included in oil and gas revenues recorded for the three months ended June 30, 2006. Management is continuing to pursue a satisfactory settlement of the amounts in dispute and to maximize the price it is entitled to receive for its production.

Item 2. - Management's Discussion and Analysis of Financial Condition and Results of Operations

WARNING CONCERNING FORWARD LOOKING STATEMENTS

The following discussion should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this report.

This Report on Form 10-Q may contain forward-looking statements within the meaning of the federal securities laws, principally, but not only, under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations." We caution investors that any forward-looking statements in this report, or which management may make orally or in writing from time to time, are based on management's beliefs and on assumptions made by, and information currently available to, management. When used, the words "anticipate," "believe," "expect," "intend," "may," "might," "plan," "estimate," "project," "should," "will," "result" and similar expressions which do not relate solely to historical matters are intended to identify forward-looking statements. These statements are subject to risks, uncertainties, and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties, and factors, that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated, or projected. We caution you that, while forward-looking statements reflect our good faith beliefs when we make them, they are not guarantees of future performance and are impacted by actual events when they occur after we make such statements. We expressly disclaim any responsibility to update our forward-looking statements, whether as a result of new information, future events or otherwise. Accordingly, investors should use caution in relying on past forward-looking statements, which are based on results and trends at the time they are made, to anticipate future results or trends.

Some of the risks and uncertainties that may cause our actual results, performance, or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the factors listed and described at Item 1A "Risk Factors" in the Company's Annual Report on Form 10-K, which investors should review. There have been no changes from the risk factors previously described in the Company's Form 10-K for the fiscal year ended December 31, 2005 (the "Form 10-K").

Other sections of this report may also include suggested factors that could adversely affect our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risks may emerge from time to time and it is not possible for management to predict all such matters; nor can we assess the impact of all such matters on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Investors should also refer to our quarterly reports on Form 10-Q for future periods and current reports on Form 8-K as we file them with the SEC, and to other materials we may furnish to the public from time to time through Forms 8-K or otherwise.

Results of Operations

Six months ended June 30, 2006 compared to six months ended June 30, 2005

Total oil and gas revenues reported for the first six months ended June 30, 2006 were \$2,586,000 while total oil and gas revenues reported for the same period in 2005 were \$2,450,000.

Oil sales for the first six months of 2006 were \$721,000 compared to \$517,000 for the same period in 2005, an increase of approximately \$204,000 or 39%. The increase is due primarily to production from East Texas oil wells that were not on line and producing in the first half of 2005. Average oil prices for production sold in the first six months of 2006 was \$62.51 per barrel compared to \$47.57 per bbl for the first six months of 2005.

Gas sales in the first six months of 2006 were \$1,865,000; however, this amount includes approximately \$92,000 of gas sales from two East Texas gas wells covering periods prior to 2006 as discussed in Note 5 to the consolidated financial statements. After taking this into consideration, gas sales in the first six months of 2006 were \$1,773,000 compared to \$1,933,000 for the same period in 2005, a decrease of approximately \$160,000. The decrease is due to a decrease in production due primarily to several gas wells being shut down for a period of time which required workovers or special maintenance to get them back on line. Most of the workovers occurred during the second quarter of 2006. Average gas prices for production sold in the first six months of 2006 was \$6.90 per Mcf compared to \$5.44 per Mcf in 2005.

In 2006, the cost of lease operations for the six months ended June 30, 2006 increased by \$328,000 over the same period in 2005. The increase was due to a substantial number of workovers during 2006. The Company was able to focus on re-working old wells and wells with problems as it increased its production staff during 2006. In addition, cost of drilling and oil field services has increased substantially as oil and gas product prices have increased.

Depreciation and amortization increased during the six months ended June 30, 2006 over that of the same period in 2005. This increase is due to the increase in the full cost pot from capitalized exploration and development costs.

General and administrative costs for the first half of 2006 increased over the same period in 2005 due the addition of some full-time employees, primarily in the technical side of operations. Cost of the new employees and associated benefits were included in the first six months of 2006, but not in the first six months of 2005.

Interest expense decreased as the note payable for the purchase of the office building was decreased.

Three months ended June 30, 2006 compared to three months ended June 30, 2005

Total oil and gas revenues reported for the three months ended June 30, 2006 were \$1,205,000 while total oil and gas revenues reported for the same period in 2005 were \$1,318,000.

Oil and condensate sales for the second quarter of 2006 were \$345,000; however, this amount includes approximately \$4,000 of condensate sales from two East Texas gas wells covering periods prior to the second quarter of 2006 as discussed in Note 5 to the consolidated financial statements. After taking this into consideration, oil and condensate sales for the second quarter of 2006 were \$341,000 compared to \$271,000 for the same period in 2005, an increase of approximately \$70,000 or 26%. The increase is due primarily to production from East Texas oil wells that were not on line and producing in the second quarter of 2005. Average oil/condensate prices for production sold in the second quarter of 2006 was \$66.62 per barrel compared to \$49.78 per bbl for the three months ended June 30, 2005.

Gas sales for the second quarter of 2006 were \$860,000; however, this amount includes approximately \$126,000 of gas sales from two East Texas gas wells covering periods prior to the second quarter of 2006 as discussed in Note 5 to the consolidated financial statements. After taking this into consideration, gas sales for the second quarter of 2006 were approximately \$734,000 compared to \$1,047,000 for the same period in 2005, a decrease of approximately \$313,000. The decrease is due to a decrease in production due primarily to several gas wells being shut down for a period of time which required workovers or special maintenance to get them back on line. Most of the workovers occurred during the second quarter of 2006. Average gas prices for production sold in the second quarter of 2006 was \$6.76 per Mcf compared to \$5.45 per Mcf in 2005.

In 2006, the cost of lease operations for the three months ended June 30, 2006 increased by \$243,000 over the same period in 2005. The increase was due to a substantial number of workovers during 2006. The Company was able to focus on re-working old wells and wells with problems as it increased its production staff during 2006. In addition, cost of drilling and oil field services has increased substantially as oil and gas product prices have increased.

Depreciation and amortization decreased during the second quarter of 2006 over that of the same period in 2005. This decrease is due primarily to the decrease in production between the two periods.

General and administrative costs for second quarter of 2006 increased over the same period in 2005 due the addition of some full-time employees, primarily in the technical side of operations. Cost of the new employees and associated benefits were included in the second quarter of 2006, but not in the second quarter of 2005.

Interest expense decreased as the note payable for the purchase of the office building was decreased.

Financial Condition and Liquidity

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.

Item 4. - Controls and Procedures

(a) Within the 90 days prior to the date of this report, Spindletop Oil & Gas Co. carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Principal Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon the evaluation, the Company's Principal Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures are effective in timely alerting them to material information relating to the Company (including its consolidated subsidiaries) which is required to be included in the Company's periodic SEC filings.

(b) There have been no changes in the Company's internal controls over financial reporting during the quarter ended June 30, 2006 that have materially affected, or are reasonably likely to materially affect the Company's internal controls over financial reporting.

Part II - Other Information

Item 5. - Other Information

None

Item 6. - Exhibits

The following exhibits are filed herewith or incorporated by reference as indicated.

<u>Exhibit Designation</u>	<u>Exhibit Description</u>
3.1 (a)	Amended Articles of Incorporation of Spindletop Oil & Gas Co. (Incorporated by reference to Exhibit 3.1 to the General Form for Registration of Securities on Form 10, filed with the Commission on August 14, 1990)
3.2	Bylaws of Spindletop Oil & Gas Co. (Incorporated by reference to Exhibit 3.2 to the General Form for Registration of Securities on Form 10, filed with the Commission on August 14, 1990)
31.1 *	Certification pursuant to Rules 13a-14 and 15d under the Securities Exchange Act of 1934.
31.2 *	Certification pursuant to Rules 13a-14 and 15d under the Securities Exchange Act of 1934.
32.1 *	Certification pursuant to 18 U.S.C. Section 1350

* filed herewith

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 thereunto duly authorized.

SPINDLETOP OIL & GAS CO.
(Registrant)

Date: August 18, 2006

By: /s/ Chris G. Mazzini
Chris G. Mazzini
President, Chief Executive Officer

Date: August 18, 2006

By: /s/ Michelle H. Mazzini
Michelle H. Mazzini
Vice President, Secretary

Date: August 18, 2006

By: /s/ Robert E. Corbin
Robert E. Corbin
Controller, Principal Financial Officer

CERTIFICATION

I, Chris G. Mazzini, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spindletop Oil & Gas Co.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13-15(e) and 15d-15e) and have internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals; and
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Dated: August 18, 2006

/s/ Chris G. Mazzini
CHRIS G. MAZZINI
President, Chief Executive Officer

CERTIFICATION

I, Robert E. Corbin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spindletop Oil & Gas Co.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13-15(e) and 15d-15e) and have internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals; and
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Dated: August 18, 2006.

/s/ Robert E. Corbin
ROBERT E. CORBIN
Controller, Principal Financial Officer

Officers' Section 1350 Certifications

The undersigned officer of Spindletop Oil & Gas Co., a Texas corporation (the "Company"), hereby certifies that (i) the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, and (ii) the information contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006 fairly presents, in all material respects, the financial condition and results of operations of the Company, at and for the periods indicated.

Dated: August 18, 2006

/s/ Chris G. Mazzini
CHRIS G. MAZZINI
President, Chief Executive Officer

/s/ Robert E. Corbin
ROBERT E. CORBIN
Controller, Principal Financial Officer