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SPINDLETOP OIL & GAS CO  
Form 10-Q  
May 18, 2007

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 MARCH 31, 2007

or

TRANSITION REPORT PURSUANT OT 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 75-2063001  
(State or other jurisdiction (IRS Employer Identification No.)  
of incorporation or organization)

12850 Spurling Rd., Suite 200, Dallas, TX 75230  
(Address of principal executive offices) (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

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confirmed by a court. Yes [ ] No [ ]

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of May 18, 2007, there were 7,600,803 shares of the Company's common stock outstanding.

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SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES

FORM 10-Q

For the quarter ended March 31, 2007

Index to Consolidated Financial Statements and Schedules

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Part I - Financial Information

Item 1. - Financial Statements

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

As of  
-----

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|   | March 31<br>2007<br>(Unaudited) | December 31<br>2006 |
|---|---------------------------------|---------------------|
|   | -----                           | -----               |
| ASSETS                                    |                                 |                     |
| Current Assets                            |                                 |                     |
| Cash                                      | \$ 6,550,000                    | \$ 5,759,000        |
| Accounts receivable, trade                | 946,000                         | 1,173,000           |
| Prepaid expenses, related party           | -                               | 60,000              |
| Prepaid income tax                        | 315,000                         | 426,000             |
|   | -----                           | -----               |
| Total Current Assets                      | 7,811,000                       | 7,418,000           |
|   | -----                           | -----               |
| Property and Equipment, at cost           |                                 |                     |
| Oil and gas properties (full cost method) | 8,509,000                       | 8,102,000           |
| Rental equipment                          | 399,000                         | 399,000             |
| Gas gathering systems                     | 145,000                         | 145,000             |
| Other property and equipment              | 141,000                         | 141,000             |
|   | -----                           | -----               |
|   | 9,194,000                       | 8,787,000           |
| Accumulated depreciation and amortization | (5,371,000)                     | (5,257,000)         |
|   | -----                           | -----               |
| Total Property and Equipment, net         | 3,823,000                       | 3,530,000           |
|   | -----                           | -----               |
| Real Estate Property, at cost             |                                 |                     |
| Land                                      | 688,000                         | 688,000             |
| Commercial office building                | 1,509,000                       | 1,508,000           |
| Accumulated depreciation                  | (143,000)                       | (120,000)           |
|   | -----                           | -----               |
| Total Real Estate Property, net           | 2,054,000                       | 2,076,000           |
|   | -----                           | -----               |
| Other Assets                              | 1,000                           | -                   |
|   | -----                           | -----               |
| Total Assets                              | \$13,689,000                    | \$13,024,000        |
|   | =====                           | =====               |

The accompanying notes are an integral part of these statements.

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

|  | As of                           |                     |
|--|---------------------------------|---------------------|
|  | March 31<br>2007<br>(Unaudited) | December 31<br>2006 |
|  | -----                           | -----               |
| LIABILITIES AND SHAREHOLDERS' EQUITY     |                                 |                     |
| Current Liabilities                      |                                 |                     |
| Notes payable, current portion           | \$ 120,000                      | \$ 120,000          |
| Accounts payable and accrued liabilities | 2,606,000                       | 2,237,000           |
| Tax savings benefit payable              | 97,000                          | 97,000              |

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|  |              |              |
|--|--------------|--------------|
| Total current liabilities  | 2,823,000    | 2,454,000    |
| Noncurrent Liabilities   |              |              |
| Notes payable, long-term portion   | 1,290,000    | 1,320,000    |
| Asset retirement obligation  | 259,000      | 251,000      |
|  | 1,549,000    | 1,571,000    |
| Deferred income tax payable  | 1,415,000    | 1,324,000    |
| Shareholders' Equity   |              |              |
| Common stock, \$.01 par value; 100,000,000<br>Shares authorized; 7,677,471 shares issued<br>at March 31, 2007 and December 31, 2006.<br>7,600,803 shares outstanding at March 31, 2007<br>and 7,595,803 shares outstanding at<br>December 31, 2006 | 77,000       | 77,000       |
| Additional paid-in capital   | 860,000      | 850,000      |
| Treasury Stock   | (39,000)     | (40,000)     |
| Retained earnings  | 7,004,000    | 6,788,000    |
| Total Shareholders' Equity   | 7,902,000    | 7,675,000    |
| Total Liabilities and Shareholders' Equity   | \$13,689,000 | \$13,024,000 |

The accompanying notes are an integral part of these statements.

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

|  | Three Months Ended |                  |
|--|--------------------|------------------|
|  | March 31<br>2007   | March 31<br>2006 |
| Revenues   |                    |                  |
| Oil and gas revenue                                | \$ 1,125,000       | \$ 1,381,000     |
| Revenue from lease operations                      | 36,000             | 35,000           |
| Gas gathering, compression and<br>Equipment rental | 25,000             | 19,000           |
| Real estate rental income                          | 125,000            | 76,000           |
| Interest income                                    | 85,000             | 49,000           |
| Other  | 21,000             | 1,000            |
| Total revenue                                      | 1,417,000          | 1,561,000        |

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|  |            |            |
|--|------------|------------|
| Expenses                                 |            |            |
| Lease operations                         | 295,000    | 318,000    |
| Pipeline and rental operations           | 12,000     | 26,000     |
| Real estate operations                   | 66,000     | 68,000     |
| Depreciation, depletion and amortization | 136,000    | 216,000    |
| Asset retirement obligation accretion    | 9,000      | -          |
| General and administrative               | 448,000    | 275,000    |
| Interest expense                         | 33,000     | 24,000     |
|  | -----      | -----      |
| Total Expenses                           | 999,000    | 927,000    |
|  | -----      | -----      |
| Income Before Income Tax                 | 418,000    | 634,000    |
|  | -----      | -----      |
| Current tax provision                    | 111,000    | 2,000      |
| Deferred tax provision                   | 91,000     | 161,000    |
|  | -----      | -----      |
|  | 202,000    | 163,000    |
|  | -----      | -----      |
| Net Income                               | \$ 216,000 | \$ 471,000 |
|  | =====      | =====      |
| Earnings per Share of Common Stock       |            |            |
| Basic and diluted                        | \$ 0.03    | \$ 0.06    |
|  | =====      | =====      |
| Weighted Average Shares Outstanding      |            |            |
| Basic and diluted                        | 7,595,803  | 7,585,803  |
|  | =====      | =====      |

The accompanying notes are an integral part of these statements.

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

|   | Three Months Ended |            |
|---|--------------------|------------|
|   | March 31           | March 31   |
|   | 2007               | 2006       |
|   | -----              | -----      |
| Cash Flows from Operating Activities  |                    |            |
| Net Income  | \$ 216,000         | \$ 471,000 |
| Reconciliation of net income<br>to net cash provided by<br>Operating Activities |                    |            |
| Depreciation, depletion and amortization  | 136,000            | 216,000    |
| Employee compensation paid with<br>treasury stock                               | 11,000             | -          |
| Changes in prepaid expense  | 60,000             | -          |
| Changes in accounts receivable, trade   | 227,000            | 369,000    |
| Changes in prepaid income taxes   | 111,000            | -          |
| Changes in accounts payable   | 369,000            | 138,000    |
| Changes in current taxes payable  | -                  | 2,000      |
| Changes in deferred tax payable   | 91,000             | 162,000    |
| Changes in asset retirement obligation  | 8,000              | -          |
| Other   | (1,000)            | 1,000      |
|   | -----              | -----      |

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|  |              |              |
|--|--------------|--------------|
| Net cash provided by operating activities                  | 1,228,000    | 1,359,000    |
|  | -----        | -----        |
| Cash flows from Investing Activities                       |              |              |
| Capitalized acquisition, exploration and development costs | (407,000)    | (278,000)    |
| Proceeds from sale of other property and equipment         | -            | 10,000       |
| Purchase of other property and equipment                   | -            | -            |
| Proceeds from sale of oil & gas property                   | -            | 23,000       |
|  | -----        | -----        |
| Net cash used for investing activities                     | (407,000)    | (245,000)    |
|  | -----        | -----        |
| Cash Flows from Financing Activities                       |              |              |
| Decrease in notes payable                                  | (30,000)     | (30,000)     |
|  | -----        | -----        |
| Net cash used for financing activities                     | (30,000)     | (30,000)     |
|  | -----        | -----        |
| Increase in cash   | 791,000      | 1,084,000    |
| Cash at beginning of period                                | 5,759,000    | 5,508,000    |
|  | -----        | -----        |
| Cash at end of period                                      | \$ 6,550,000 | \$ 6,592,000 |
|  | =====        | =====        |

The accompanying notes are an integral part of these statements.

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### 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, 2006 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,

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have been condensed or omitted pursuant to such rules and regulations.

### 2. COMMON STOCK

Effective March 22, 2007, the Company issued 5,000 shares of restricted common stock to a key employee pursuant to an employment package. The shares were valued at \$2.12 per share, a 60% discount from the believed market value for free trading shares at the time of issue of \$5.30 per share. The discount was determined based in part on the fact that the shares were restricted and could not be sold or traded for at least one year from the date of issue. The amount was expensed as general and administrative expense. The shares of common stock were issued out of Treasury Stock and reduced the amount of the Company's common stock held in Treasury from 81,669 to 76,668 shares. This transaction was recorded in accordance with FAS 123-R that became effective on January 1, 2006.

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### 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



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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.

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### Results of Operations

#### 2007 Compared to 2006

Oil and gas revenues for the first quarter of 2007 were \$1,125,000, a decrease of approximately \$256,000 over revenues from the same period in 2006.

Natural gas revenues for the first three months of 2007 were \$825,000 compared to \$1,007,000 for the same period in 2006. Natural gas volumes for the first quarter of 2007 was approximately 132,500 mcf, a decrease of approximately 5,500 mcf (4.0 %) from that produced during the first quarter of 2006. The Company realized an increase in gas production of approximately 15,700 mcf between the two periods in its Olex U.S. lease in Denton County, Texas. The Company's horizontal well completed in February, 2007 produced approximately 22,000 mcf for the first quarter of 2007. Offsetting these increases, are two Louisiana wells have been shut-in due to salt water disposal problems that have resulted in an approximate decrease of over 5,600 mcf between the two periods. The remaining net decrease in production was a combination of wells with increased production and wells with decreased production for both operated and non-operated wells. Average natural gas prices received were \$6.23 per mcf in the first quarter of 2007 compared to \$7.29 per mcf in the first three months of 2006, a decrease of approximately 14.5%.

Oil sales for the first three months of 2007 were \$300,000 compared to \$374,000 for the same period in 2006. Oil volumes for the first quarter of 2007 was approximately 5,614 bbls, a decrease of approximately 786 bbls (12.3 %) from that produced during the first quarter of 2006. Approximately 1,600 bbls of the decrease between the two periods came from two operated wells in South Texas, two operated wells in West Texas and one Well in Louisiana that were temporarily shut-in due to re-works for parted pipes, and other operational problems. The remaining net decrease in production was a combination of increased and decreased production in both operated and non-operated wells. Average oil prices received were \$53.40 per bbl in the first quarter of 2007 compared to \$58.46 per bbl in the first three months of 2006, a decrease of approximately 8.7%.

Real estate rental income for the first quarter of 2007 was \$49,000 greater than for the same quarter in 2006. This is due to the leasing of approximately 14,000 square feet of office space at the beginning of the third quarter of 2006. Rental income from this new tenant is included in revenue for the current quarter.

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Interest income increased by approximately \$36,000 as the amount of cash invested in certificates of deposit increased over the previous year, and interest rates earned were higher than in 2006.

Lease operations in the first quarter of 2007 were \$295,000, approximately \$23,000 less than incurred during the first three months of 2006.

The depletion calculation for the first quarter of 2007 is lower than that calculated in 2006. The company has re-evaluated its proved oil and gas reserve quantities, and at the same time significantly decreased the amount of estimated future development costs. This reduction of estimated future costs

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reduced the full cost pool which is being amortized. This resulted in a reduction of depletion expense of approximately \$79,000 during the first quarter of 2007 as compared with the first quarter of 2006.

General and administrative costs for the first quarter of 2007 were up due to the addition of several full-time employees and consultants during 2006 and the first quarter of 2007 as the Company expanded its operations into drilling wells and identification and acquisition of projects to develop.

### 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) As of the end of the period covered by 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-15 and 15d-15. 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 March 31, 2007 that have materially affected, or are reasonably likely to materially affect the Company's internal controls over financial reporting.

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Part II - Other Information

Item 2. - Unregistered Sales of Equity Securities and Use of Proceeds

During the period, the following securities of the Registrant, which were not registered under the Securities Act, were sold or otherwise issued:

Effective March 22, 2007, the Company issued 5,000 shares of restricted common stock to a key employee pursuant to an employment package. The shares were valued at \$2.10 per share, a 60% discount from the believed market value for free trading shares at the time of issue of \$5.25 per share. The discount was determined based in part on the fact that the shares were restricted and could not be sold or traded for at least one year from date of issue. The amount was expensed as general and administrative expense. The shares of common stock were issued out of Treasury Stock in reliance upon the exemption afforded by Section 4(2) under the Securities Act of 1933 and reduced the amount of the Company's common stock held in Treasury from 81,668 to 76,668 shares.

The Company does not have any Board of Directors approved repurchase program and has not purchased any securities issued by the Company during the period covered by this report.

Item 5 - Other Information

The Company drilled two vertical Barnett Shale wells in Denton County, Texas during the last quarter of 2006. The Olex US # 7 well reached its total depth of 8,803 ft. on December 6, 2006 and production casing was set to the bottom. The Olex US # 6 well reached its total depth of 8,870 ft. on December 30, 2006 and production casing was also set to the bottom.

The Olex US # 7 well was completed during the first quarter of 2007 and was placed into production at a rate of 1,253 MCFG/D and 15 barrels of oil per day (BO/D) from the Upper and Lower Barnett Shale. The Olex US # 6 well was also completed in the Upper and Lower Barnett Shale during the first quarter of 2007 and tested at a rate of 1,769 MCFG/D and 35 BO/D. The well was placed into production on April 22, 2007.

The company owns a 53% and 52.5% working interest in the Olex U.S. #6 and #7 wells, respectively. The Olex U.S. lease is surrounded by productive Barnett Shale gas wells and with existing spacing rules, an additional 27 vertical wells could be drilled on this lease

Joint Drilling Development of North Texas Barnett Shale Leasehold.

The Company entered into a joint Barnett Shale horizontal drilling development program with an unrelated company during the third quarter of 2006. Under the terms of the Agreement, two Barnett Shale horizontal wells were drilled on the Company's acreage of during the fourth quarter of 2006. The Hutcheson # 2H

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and # 3H wells, located in the northeast quarter of Parker County, Texas were completed during the first quarter of 2007. The Hutcheson # 2H well was placed

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in production on February 2, 2007 at a rate of 1,174 MCFG/D. The Hutcheson # 3H well was placed in production on March 15, 2007 at a rate of 1,057 MCFG/D. The Company holds a 50% working interest in the wells.

During the first quarter of 2007, the third Barnett Shale horizontal well was drilled on the Company's acreage under the terms of the Agreement. The Harms # 4H well, located in the northeast quarter of Parker County, Texas was drilled to a measured depth of 9,526 ft. and cased. This well is currently awaiting completion. The Company holds a 50% working interest in the well. It is anticipated that seven additional Barnett Shale horizontal wells will be drilled during 2007 under the Agreement.

### Item 6. - Exhibits

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

| Exhibit Designation | Exhibit Description  |
|---------------------|--|
| 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.  |

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\* filed herewith

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### 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: May 18, 2007

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

Date: May 18, 2007

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

Date: May 18, 2007

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

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Exhibit 31.1

CERTIFICATION

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I, Chris G. Mazzini, certify that:

1. I have reviewed this report on Form 10-Q of Spindletop Oil & Gas Co.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial information included in this 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 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 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 principles; 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

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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

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- (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: May 18, 2007

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

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Exhibit 31.2

CERTIFICATION

I, Robert E. Corbin, certify that:

1. I have reviewed this report on Form 10-Q of Spindletop Oil & Gas Co.;
2. Based on my knowledge, this 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 report;
3. Based on my knowledge, the financial statements, and other financial

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information included in this 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 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 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 principles; 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

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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: May 18, 2007



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

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Exhibit 32.1

Officers' Section 1350 Certifications

The undersigned officers of Spindletop Oil & Gas Co., a Texas corporation (the "Company"), hereby certifies that (i) the Company's Report on Form 10-Q for the quarter ended March 31, 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 March 31, 2007 fairly presents, in all material respects, the financial condition and results of operations of the Company, at and for the periods indicated.

Dated: May 18, 2007

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

/s/ Robert E. Corbin  
ROBERT E. CORBIN

