

FORM 10-Q/QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
 OF THE SECURITIES EXCHANGE ACT OF 1934
 UNITED STATES
 SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549
 FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the
 Securities Exchange Act of 1934
 For the period ended June 30, 2000

Transition Report Pursuant to Section 13 or 15(d) of the
 Securities Exchange Act of 1934
 For the transition period from _____ to _____

Commission File Number: 1-100

CROFF ENTERPRISES, INC.
 (Exact name of registrant as specified in its charter)
 Utah 87-0233535
 (State or other jurisdiction of (I.R.S. Employer
 incorporation or organization) Identification No.)
 621 17th Street, Suite 830, Denver, CO 80293
 (Address of principal executive offices) (Zip Code)
 (303) 383-1555
 (Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed
 since last report.)

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 Registrant has required to
 file such reports), and (2) has been subject to such filing
 requirements for the past 90 days.

X Yes _____ No
 APPLICABLE ONLY TO ISSUERS INVOLVED
 IN BANKRUPTCY PROCEEDINGS DURING
 THE PRECEDING 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:

Indicate the number of shares outstanding of each of the issuer's
 classes of common stock, as of the latest practicable date:
 516,265 shares, one class only, as of June 30, 2000.

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 TO THE SECURITIES AND EXCHANGE COMMISSION FOR THE THREE AND SIX
 MONTHS ENDED JUNE 30, 2000 (UNAUDITED).

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The condensed financial statements included herein are for the Registrant, Croff Enterprises, Inc. The financial statements for the six months ended June 30, 2000 and 1999 are unaudited; however, they reflect all adjustments which, in the opinion of management, are necessary to present fairly the results of the interim periods. All adjustments necessary to a fair representation of the financial statements are of a normal recurring nature.

PART I: FINANCIAL INFORMATION
CROFF ENTERPRISES, INC.
BALANCE SHEET
(Unaudited)

	December	31,
June 30,		1999
2000		
CURRENT ASSETS:		
Cash and Cash Equivalents:	\$	57,716
\$ 98,654		
Marketable equity securities		4,375
5,250		
Accounts receivable:		
Oil and gas purchasers		43,915
51,745		
Refundable income taxes		2,500
3,950		
Total current assets	\$	108,506
\$ 159,599		
PROPERTY AND EQUIPMENT, AT COST:		
Oil & gas properties, successful efforts method:		
Proved properties		628,560
628,560		
Unproved properties		97,102
97,102		
	\$	725,662
725,662		
Less accumulated depletion and depreciation		
(336,006) (357,006)		
Net property and equipment	\$	389,656
\$ 368,656		
Total Assets	\$	498,162
528,255		\$

PART I: FINANCIAL INFORMATION
CROFF ENTERPRISES, INC.
BALANCE SHEET
(Unaudited)

	December	31,
June 30,		1999
2000		
CURRENT LIABILITIES:		
Accounts payable	\$	14,451
\$ 18,125		
Accrued liabilities		3,358
3,814		

Total current liabilities	\$	17,809
\$ 21,939		

CONTINGENCIES (NOTE 2)

STOCKHOLDERS' EQUITY:

Class A Preferred stock, no par value; 5,000,000 shares authorized, none issue		
Class B Preferred stock, no par value; 520,000 shares authorized, (1999-2000) (500,659 shares for 1999 and 2000)		350,359
350,359 issued and outstanding		
Common stock, \$.10 par value 20,000,000 shares authorized 589,143 shares issued (1999 and 2000)		58,914
58,914		
Capital in excess of par value		540,797
540,797		
Accumulated deficit (360,858)		(386,821)
	\$ 563,249	\$
589,212		
Less treasury stock at cost, 62,628 shares (1999 and 2000)		(82,896)
(82,896)		
Total stockholders' equity	\$	480,353
\$ 506,316		

Total liabilities & equity	\$	498,162
\$ 528,255		

CROFF ENTERPRISES, INC.
Statement of Operations

For the Three And Six Months Ended June 30, 2000
(Unaudited)

	For Three Months Ended		For Six Months, Ended	
	6/30/99	6/30/00	6/30/00	6/30/99
6/30/00				
Revenue:				
Oil and gas sales	\$ 46,929	\$ 77,604	\$ 87,437	\$ 145,870
Other income (loss)		271		774
6 2,421				
Total revenue	\$ 47,200	\$ 78,378	\$ 87,443	\$ 148,291
Costs and expenses:				
Lease operating expense	\$ 8,465	\$ 25,812	\$ 18,602	\$ 45,630
Depreciation and depletion		9,800		10,500
19,600 21,000				
General and administrative		16,585		24,092
40,990 49,818				
Interest Expense	0	0		395
0				
Rent Expense - Related Party		2,940		2,940
5,880 5,880				
Total costs and expenses	\$ 37,790	\$ 63,344	\$ 85,467	\$ 122,328
Net income (loss)	\$ 9,410	\$ 15,034	\$ 1,976	\$ 25,963
Net Income(loss) applicable to Preferred stock	\$ 8,000	\$ 12,800		0
\$ 22,100				
Net Income (loss) applicable to common shareholder	\$ 1,410	\$ 2,234	\$1,976	\$ 3,863
Basic and diluted net loss per				

Common share

.01

* less than .01 per share

CROFF ENTERPRISES, INC.
Statement of Cash Flows

For the Six Months ending June 30, 1999 and 2000
(Unaudited)

	1999
2000	
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	\$ 1,976
25,963	\$
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and depletion	19,600
21,000	
Change in assets and liabilities:	
(Increase) decrease on accounts receivable	
(15,923) (7,830)	
(Increase) decrease in other assets	
(1,450)	
Increase (decrease) in accounts payable	
1,127 3,674	
Increase (decrease) in accrued liabilities	
9,768 456	
(Increase) decrease in marketable securities	
62 (875)	
Total adjustments	\$ 14,634
\$ 14,975	
Net cash provided by operating activities:	
\$ 16,610	\$ 40,938
CASH FLOWS FROM FINANCING ACTIVITIES:	
Repayment of note payable-Union Bank and Trust	
(23,369)	
Net cash used in financing	
(23,369)	
Increase (decrease) in cash	
(6,759) 40,938	
Cash and cash equivalents at beginning of period	
14,294 57,716	
Cash and cash equivalents at end of period:	\$
7,535	\$ 98,654

CROFF ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTH UNAUDITED
PERIODS ENDED JUNE 30, 2000

BASIS OF PREPARATION

Forward-looking statements in this report, including without limitation, statements relating to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties; including without limitation to, the following: (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company's plans and results of operations will be affected by the Company's ability to manage its growth and inventory (iii) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission. Neither the Securities and Exchange Commission nor any other regulatory body takes any position as to the accuracy of forward looking statements. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1999, which report has been filed with the

Securities and Exchange Commission, and is available from the Company.

MANAGEMENT'S' DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Three-Month Period Ended June 30, 2000,
as Compared to the Three-Month Period Ended June 30, 1999.

OIL AND GAS OPERATIONS

Oil and gas income, primarily from royalties, for the three months ended June 30, 2000 was \$77,604 compared to \$46,929 for the quarter ending June 30, 1999. This significant increase in revenue was caused by the increase in the price of crude oil, which increased by approximately 50%, and the increase in natural gas prices, which increased by around 35%. Prices for oil increased from approximately \$18 per barrel in this quarter in 1999, to around \$27 per barrel, average for sweet and sour oil this year. Natural gas prices increased by approximately one dollar per MCF. There was no material increase in production and no wells were purchased.

Production costs, which include lease operating expenses and all production related taxes, for the three months ended June 30, 2000, were significantly higher, increasing to \$25,812 compared to \$8,465 in the same quarter in 1999. The operating expenses increased due to much larger production taxes, based on the new higher prices, and increased workover expenses due to a larger amount of workovers on wells to improve production during a time of higher prices. Overall, operating expenses are low due to the large amount of royalty income. Depletion increased slightly.

OTHER INCOME

During the three month period ended June 30, 2000, the Company had other income of \$774 compared to \$271 for the quarter ending June 30, 1999. This was due to higher interest income this year as the Company accumulated cash to restore the cash used to purchase oil and gas assets in 1998.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the quarter ending June 30, 2000, were \$24,092 plus rent expense of \$2,940 for a total of \$27,032 compared to \$16,585, plus rent expense of \$2,940, for a total of \$19,525 in the same period in 1999. This increase was due to not holding an annual meeting in 1999 and higher printing costs, legal costs, and directors costs for the annual meeting in 2000. The Company expects general and administrative costs to remain stable the balance of this year.

Six Month Period Ended June 30, 2000,
as Compared to the Six Month Period Ended June 30, 1999.

OIL AND GAS OPERATIONS

Oil and gas income, primarily from royalties, for the six months ending June 30, 2000, was \$145,870 compared to \$87,437 for the six months ended June 30, 1999. This significant increase was caused by much higher prices for oil, the price increased by approximately ten dollars a barrel and an increase in natural gas prices of approximately one dollar per MCF. Production was stable, so the increase was due to higher commodity prices. The increase in oil and natural gas prices seems to have topped out in the third quarter of 2000, so we do not expect further increases in revenues, but do expect revenue for the remainder of the year to be in line with the first six months.

Production costs, which include lease operating expenses and all production related taxes, for the six months ended June 30, 2000, were \$45,630, an increase from \$18,602 during the six months ended June 30, 1999. The higher production costs were due primarily to higher production taxes which are in proportion to the higher revenue, and to higher workover costs, as wells are reworked to take advantage of the higher prices.

OTHER INCOME.

During the six month period ended June 30, 2000, the Company

had other income of \$2,421, primarily from interest and dividends. During the first six months of 1999, the Company had other income of \$6, from interest. The difference was due to the higher cash balances on which interest was earned in 2000, and the increase in value of securities.

GENERAL AND ADMINISTRATIVE.

General and administrative expenses for the period ending June 30, 2000, were \$49,818 plus rent expense of \$5,880, for a total of \$55,698, compared to \$40,990 plus rent expense of \$5,880 for a total of \$46,870 for the six month period ending June 30, 1999. This increase was due to the annual meeting not being held in 1999, and the printing, legal and director expenses being incurred in 2000 for the annual meeting.

FINANCIAL CONDITION

As of June 30, 2000, the Company's current assets were \$159,599 and current liabilities were \$21,939, giving the Company working capital of approximately \$137,000 and a current ratio of 7:1. As of December 31, 1999, the Company's current assets were \$108,506, and current liabilities were \$17,809, giving the Company a working capital position of about \$90,000, and a ratio of 6 to 1. The Company intends to accumulate cash and investments during the year 2000 to restore to the Companys' common share position the money that was utilized to buy oil and gas assets. The Companys' liquidity should continue to improve during the year 2000.

PART II. OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES

On June 20, 2000, the annual meeting of shareholders was held. The shareholders authorized the increase in the number of Preferred B shares authorized from 520,000 shares to 1,000,000 Preferred B shares. The Board authorized the issuance of 50,000 of these Preferred B shares to the Board of Directors to be issued upon the exercise and payment for the existing stock options on the common shares. These options had been issued originally before the Preferred B shares were authorized and while it had been intended that the options would include the Preferred B shares, the amount authorized was not sufficient to do this. Of 60,000 common and Preferred B shares available in options to the Board of Directors, 10,000 have been exercised and 50,000 remain unexercised.

ITEM 5. EXHIBITS AND REPORTS ON FORM 8-K.

The registrant has filed no reports on Form 8-K for the period ending June 30, 1998.

S I G N A T U R E S

Pursuant to the requirements of the Securities Exchange Act of 1934, Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENTERPRISES, INC.

REGISTRANT: CROFF

By: _____

Gerald L. Jensen
Chief Executive Officer and
Chief Financial Officer

By _____

Beverly Licholat
Chief Accounting Officer

Date: _____, 2000

