

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 March 31, 1996
 or

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 OIL COMPANY
 (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.)
 1433 Seventeenth Street, Suite 220, Denver, CO 80202
 (Address of principal executive offices) (Zip Code)
 (303) 297-3383
 (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.

X 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: 516,515 shares, one
 class only.

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INDEX TO INFORMATION INCLUDED IN THE QUARTERLY REPORT (FORM 10-Q)
 TO THE SECURITIES AND EXCHANGE COMMISSION FOR THE THREE MONTHS
 ENDED MARCH 31, 1996 (UNAUDITED).

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PART II. OTHER INFORMATION

The condensed financial statements included herein are for the Registrant, Croff Oil Company. The financial statements for the three months ended March 31, 1996 and 1995 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 OIL COMPANY
BALANCE SHEET

	Dec 31, 1995	March 31, 1996
CURRENT ASSETS:		
Cash and Cash Equivalents:	\$ 37,933	\$ 10,321
Marketable equity securities	15,500	8,125
Accounts receivable:		
Oil and gas purchasers	28,425	28,425
Refundable income taxes	4,290	5,289
Note receivable, secured by interests in oil and gas properties, including accrued interest	4,800	3,300
Total current assets	\$ 90,948	\$ 55,460
PROPERTY AND EQUIPMENT, AT COST:		
Oil & gas properties, successful efforts method:		
Proved properties	457,874	457,874
Unproved properties	110,051	110,051
	567,925	567,925
Less accumulated depletion and depreciation	(249,154)	(256,654)
Net Property Value	318,771	311,271
Furniture, fixtures & equipment	0	0
Less accumulated depreciation	0	0
	--	--
Net property and equipment	318,771	311,271
Coal investment	95,299	95,299
Total Assets	\$ 505,018	\$ 462,030
	=====	=====

PART I: FINANCIAL INFORMATION
CROFF OIL COMPANY
BALANCE SHEET

	Dec 31, 1995	March 31, 1996
Current Liabilities:		
Accounts payable	\$ 10,829	\$ 9,830
Accrued liabilities	3,662	3,644
Bank note to finance coal investment	50,000	0
Total current liabilities	64,491	13,474

Stockholders' equity :

Common stock, \$.10 par value 20,000,000 share authorized 579,143 shares issued	57,914	57,914
Capital in excess of par value	909,983	909,983
Accumulated deficit	(444,724)	(436,695)
	-----	-----
	523,173	531,202
Less treasury stock at cost, 52,788 shares in 1994 and 62,628 in 1995	(82,646)	(82,646)
Total stockholders' equity	440,527	448,556
Total Liabilities & Stockholder's Equity \$	\$ 505,018	\$ 462,030
	=====	=====

CROFF OIL COMPANY
Statement of Operations

For the Three Months Ended March 31

	1995	1996
Revenue:		
Oil and gas sales.....	\$ 45,077	\$ 47,485
Other income (loss).....	3,720	988
Total revenue	48,797	48,473
Costs and expenses:		
Lease operating expense.....	\$ 10,531	\$ 10,629
Depreciation and depletion.....	7,500	7,500
General and administrative.....	19,137	19,152
Rent Expense - Related Party...	2,940	2,940
	40,108	40,444
Net income (loss)	\$ 8,689	\$ 8,029
	=====	=====
Earnings (Loss) Per Share	\$.02	\$.02
	=====	=====

CROFF OIL COMPANY
Statement of Cash Flows

For the Three
Months Ended
March 31,
1995 1996

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income (loss)	\$ 8,689	\$ 8,029
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and depletion	7,500	7,500
Change in assets and liabilities:		
Decrease in accounts receivable	6,457	500
Decrease/(increase) in other assets	(2,000)	0
Increase/(decrease) in accounts payable	2,847	(605)
Increase/(decrease) in accrued liabilities	2,047	(17)
Gain-sale of Marketable Equity Securities	(660)	(637)
Total adjustments	16,191	6,741
Net cash provided by operating activities:	24,880	14,770
	-----	-----

CASH FLOWS FROM INVESTING ACTIVITIES:

Sale of marketable equity security	8,410	7,618
Coal investment	(100,000)	0
	(91,590)	7,618

CASH FLOWS FROM FINANCING ACTIVITIES:

Purchase of Treasury Stock	0	0
Note payable	50,000	(50,000)
	-----	-----
	50,000	(50,000)

Increase (decrease) in cash:	(16,710)	(27,613)
Cash at beginning of period:	\$ 19,385	37,933
	=====	=====
Cash at end of period:	\$ 2,675	\$ 10,321
	=====	=====

CROFF OIL COMPANY
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 1996

1. BASIS OF PREPARATION.

The condensed financial statements for the three month periods ended March 31, 1996 and 1995 in this report have been prepared by the Company without audit pursuant to the rules and regulations of the Securities and Exchange Commission and reflect, in the opinion of management, all adjustments necessary to present fairly the results of the operations of the interim periods presented herein. Certain reclassifications have been made to the prior years' financial statements to conform to the 1996 presentation. Certain information in footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to such rules and regulations, although the Company believes the disclosures presented herein are adequate to make the information presented not misleading. 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, 1995, which report has been filed with the Securities and Exchange Commission, and is available from the Company.

RESULTS OF OPERATIONS.

Three-Month Period Ended March 31, 1996,
as Compared to the Three-Month Period Ended March 31, 1995.

OIL AND GAS OPERATIONS

Oil and gas income, primarily from royalties, for the three months ended March 31, 1996 was \$47,485 compared to \$45,077 for the quarter ending March 31, 1995. This increase was due primarily to higher oil prices, and production nearly constant with 1995.

Production costs, which include lease operating expenses and all production related taxes, for the three months ended March 31, 1996, were constant when compared to the production costs incurred during the same time period of the prior year, \$10,706 during 1996 and \$10,531 during 1995. The constant level of cost was due to lack of significant workovers and the high amount of revenue from royalty interests, for which costs are taxes only.

OTHER INCOME

During the three month period ended March 31, 1996, the Company had other income of \$988 from interest, capital gains, dividends, and lease payments. This was a decrease from \$3,720 in the same period in 1995. The decrease was due to gains on investments and the receipt of a lease bonus in 1995.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the quarter ending March 31, 1996, were \$19,152 plus rent expense of \$2,940 for a total of \$22,092 compared to \$19,137 plus \$2,940 for a total of \$22,077 in the same period in 1995. The Company expects general and administrative costs to remain stable this year.

FINANCIAL CONDITION

As of March 31, 1996, the Company's current assets exceeded current liabilities by \$41,986. As of December 31, 1995, the Company's current assets exceeded current liabilities by \$26,457. This increase was due to the payoff of a \$50,000 note in February, 1996. The Company intends to accumulate cash during this calendar year.

The Company expects to continue to operate at a positive cash flow for the calendar year as oil prices have risen this year. The Company intends to resume purchasing oil and gas properties, out of current assets.

PART II. OTHER INFORMATION

ITEM 6(b). REPORTS ON FORM 8-K.

The registrant has filed no reports on Form 8-K for the period ending March 31, 1996.

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.

REGISTRANT: CROFF OIL COMPANY

By _____
Gerald L. Jensen
Chief Executive Officer and
Chief Financial Officer

By _____
M. Ward Smith
Chief Accounting Officer

Date: _____ MAY 15 ____, 1996

3-MOS

	DEC-31-1996	
	MAR-31-1996	
		10,321
		8,125
		37,014
		0
		0
	55,460	
		567,925
	(256,654)	
	462,030	
	13,474	
		0
		57,914
	0	
		0
		473,288
462,030		
		47,485
	48,473	
		0
		40,444
		0
		0
	223	
	8,029	
		0
8,029		
		0
		0
		0
		8,029
		.02
		.02