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

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the period ended March 31, 1998
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: 100

CROFF ENTERPRISES, INC.
(Exact name of registrant as specified in its charter)

Utah	87-0233535
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1675 BROADWAY, SUITE 1030, Denver, CO	80202
(Address of principal executive offices)	(Zip Code)

(303) 628-1963
(Registrant's telephone number, including area code)

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(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: 516,315 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, 1998 (UNAUDITED).

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The condensed financial statements included herein are for the Registrant, Croff Enterprises, Inc. The financial statements for the three months ended March 31, 1998 and 1997 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

	Dec 31, 1997	March 31, 1998
CURRENT ASSETS:		
Cash and Cash Equivalents:	$ 166,883	$ 264,438
Marketable equity securities	15,687	18,563
Accounts receivable:		
Oil and gas purchasers	26,552	22,654
Refundable income taxes	3,200	4,300
Total current assets	$ 212,322	$ 309,955
PROPERTY AND EQUIPMENT, AT COST:		
Oil & gas properties, successful efforts method:		
Proved properties	429,903	432,014
Unproved properties	97,102	97,102
	527,005	529,116
Less accumulated depletion and depreciation	(250,729)	(256,886)
Net Property Value	276,276	272,230
Coal investment	16,277	16,277
	$ 504,875	$ 598,462

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

	Dec 31, 1997	March 31, 1998
Current Liabilities:		
Accounts payable	$ 4,378	$ 2,094
Accrued Liabilities	2,605	3,736
Notes Payable (Union Bank and Trust)	0	90,000
Total current liabilities	6,983	95,830
Stockholders' equity:		
Class A Preferred, non issued		
Class B Preferred stock, no par value; 520,000 authorized, 516,506 shares issued	364,328	364,328

Common stock, $.10 par value 20,000,000 shares authorized 579,143 shares issued	57,914	57,914
Capital in excess of par value	542,215	542,215
Accumulated deficit	(383,669)	(378,929)
	580,788	585,528
Less treasury stock at cost, 62,628 shares in 1996 and 62,878 in 1997	(82,896)	(82,896)
Total stockholders' equity	497,892	502,632
	$ 504,875	$ 598,462
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CROFF ENTERPRISES, INC.
Statement of Operations

For the Three Months Ended March 31

	1997	1998
Revenue:		
Oil and gas sales..............	$ 58,002	$ 42,730
Other income (loss)............	1,222	4,723
Total revenue	59,224	47,453
Costs and expenses:		
Lease operating expense........	$ 9,274	$ 11,052
Depreciation and depletion.....	6,000	6,000
General and administrative.....	19,017	22,721
Rent Expense - Related Party...	2,940	2,940
Total cost and expenses	37,231	42,713
Net income (loss)	$ 21,993	$ 4,740
	========	========
Earnings (Loss) Per Share	$ .04	$ .01
	=========	=========

CROFF ENTERPRISES, INC.
Statement of Cash Flows

	For the Three Months Ended March 31, 1997	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 21,993	$ 4,740
Adjustments to reconcile net loss to net cash provided by operating activities:		

Depreciation and depletion	6,000	6,157
Change in assets and liabilities:	(1,100)	
Decrease in accounts receivable	6,155	3,899
Decrease in other assets	(368)	(2,111)
Decrease in accounts payable	(898)	(2,284)
Decrease in accrued liabilities	0	1,130
Gain on marketable securities	0	(2,876)
Total adjustments	10,889	2,815
Net cash provided by operating activities:	32,882	7,555
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sale/depreciation of marketable equity securities	500	0
Sale/purchase of producing properties	(16,575)	0
	(16,075)	0
CASH FLOWS FROM FINANCING ACTIVITIES:		
Purchase of Treasury Stock	(250)	0
Note Payable-Union Bank and Trust	0	90,000
	(250)	90,000
Increase (decrease) in cash:	16,557	97,555
Cash at beginning of period:	$184,565	$166,883
Cash at end of period:	$201,122	$264,438

CROFF ENTERPRISES, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MARCH 31, 1998

1. BASIS OF PREPARATION.

The condensed financial statements for the three month periods ended March 31, 1998 and 1997 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 1998 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, 1997, which report has been filed with the Securities and Exchange Commission, and is available from the Company.

MANAGEMENTS' DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS.

Three-Month Period Ended March 31, 1998,
as Compared to the Three-Month Period Ended March 31, 1997.

OIL AND GAS OPERATIONS

Oil and gas revenue, primarily from royalties, for the three months ended March 31, 1998, was $42,730 compared to $58,002 for the quarter ending March 31, 1997. The primary cause for this decrease was the drastic drop in oil prices, which declined over thirty percent, during the first quarter. In addition, natural gas sales were lower due to a warm winter. A more fundamental development was the completion of a pipeline from Canada, bringing cheaper Canadian oil south across Wyoming, which further decreased prices for oil in Northeast Utah and Wyoming.

Production costs, which includes lease operating expenses and all production related taxes, for the three months ended March 31, 1998, increased slightly to $11,052 when compared to the production costs of $9,274 incurred during the quarter ended March 31, 1997. This increase was due to more workovers and the addition of three new working interests in wells, which incur expenses, in Michigan and Texas.

OTHER INCOME

During the three month period ended March 31, 1998, the Company had other income of $4,723 from interest, capital gains, dividends, and lease payments. This was an increase from $1,222 in the same period in 1997. The increase was due to more interest and dividend income based on higher cash balances and a lease bonus payment.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the quarter ending March 31, 1998, were $22,721 plus rent expense of $2,940 for a total of $25,661 compared to $19,017 plus $2,940 for a total of $21,957 in the same period in 1997. This increase was due primarily to an increase in the President's salary which had not been raised for the previous ten years. The Company expects general and administrative costs to remain stable this year.

FINANCIAL CONDITION

As of March 31, 1998, the Company's current assets exceeded current liabilities by $214,125. As of December 31, 1997, the Company's current assets exceeded current liabilities by $205,339. The Company's current ratio is 3:1. On March 23, 1998, the Company borrowed $90,000 from its bank in order to provide sufficient cash to close on the purchase of working interests in six natural gas wells in Oklahoma. See Part II for a more complete description of this transaction.

The Company expects to continue to operate at a positive cash flow for the next calendar year, even with low oil prices. The Company intends to use its' cash flow to repay the bank loan.

PART II. OTHER INFORMATION

ITEM 5 OTHER INFORMATION

On April 8, 1998, Croff Oil Company purchased from Saint James Oil, Ltd., a working interest in six natural gas wells located in the state of Oklahoma. The purchase price for these six wells was $208,000. The Company purchased a 43.3% interest in the Mueggenborg and a 30.1% interest in the Dickerson well, both located in Kingfisher County, Oklahoma; a 32.9% interest in the Duncan well located in LeFlore County, Oklahoma; a 22.1% interest in the Fannie Brown well located in Caddo County, Oklahoma, and a 16.3% interest in the Miller well and a 13% interest in the Harper well both located in Woodward County, Oklahoma, plus some small royalties in the same wells. In order to extend the commercial operating life of the wells, Jenex Operating Company, the operator of the wells, agreed to credit a rebate against the operating charges of $150 per month for each well, as long as this interest in the wells is owned by Croff Oil Company. This will equal a credit of $900 per month on operating costs.

The effective date of the purchase was April 1, 1998. The purchase was financed by a $90,000 bank loan from Union Bank and Trust of Denver, Colorado, and the balance from the cash funds of the Company. Saint James Oil, Ltd. is owned by the brother of Gerald L. Jensen, the President of the Company. The President of the Company owns, through a private oil company, working interests of approximately the same percentage in all of these wells, which the President intends to retain. James Jensen, who owned a 50% interest in Jenex Operating Company sold this interest to Gerald L. Jensen, the President of Croff, whose interest in the operating company increased from 50% to 100%. Because there is a two month lag in payment of revenues, the first full quarter of revenues from this purchase will be included in the Company's financial statements beginning in the third quarter of 1998.

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

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

REGISTRANT: CROFF ENTERPRISES, INC.

By___________________________________
Gerald L. Jensen
Chief Executive Officer and
Chief Financial Officer

By___________________________________
Beverly Licholat
Chief Accounting Officer

Date:____________________, 1998