



DIVISION OF
CORPORATION FINANCE
MAIL STOP 7010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-7010

October 16, 2008

Mr. Robert E. Corbin
Principal Financial Officer
Spindletop Oil & Gas Co.
12850 Spurling Rd., Suite 200
Dallas, TX 75230

Re: Spindletop Oil & Gas Co.
Form 10-K for Fiscal Year Ended December 31, 2007
Filed April 14, 2008
Form 10-Q for Quarter Ended March 31, 2008
Filed May 15, 2008
Form 10-Q for Quarter Ended June 30, 2008
Filed August 14, 2008
Response letter dated August 29, 2008
File No. 000-18774

Dear Mr. Corbin:

We have reviewed your response letter and have the following comments. Please provide a written response to our comments. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Form 10-K for the Fiscal Year Ended December 31, 2007

General

1. We note that in responding to prior comments, you express a preference for limiting compliance to future filings, beginning with your 2008 annual report. Unfortunately, the nature and extent of disclosures requiring revision necessitate an amendment to your 2007 annual report. Please ensure that your amendment encompasses all of the revisions outlined in your prior response, and further revisions necessary to resolve the remaining issues identified in this letter. We suggest that you contact us by telephone to make the necessary arrangements, in advance of filing your amendment.

2. We are continuing to review the information you provided in response to prior comments 9, 10, 11, 12 and 13, regarding your disclosures about oil and gas properties.

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3. We note your response to prior comment 1, regarding the missing disclosure about internal control over financial reporting. You have not addressed all of the concerns outlined in the comment. Therefore, we have the following observations.
 - (a) The revisions you propose include the statement "...management of the Company *believes* that as of December 31, 2007, the internal control *system* over financial reporting met [the COSO] criteria...." However, the disclosure required by Item 308 of Regulation S-K must include your conclusion about the *effectiveness* of your internal control over financial reporting as of the end of your fiscal year.
 - (b) With regard to your disclosure indicating your *disclosure controls and procedures* were effective as of the end of the fiscal year, given the omission of the disclosure required about internal control over financial reporting, it appears evident that your disclosure control and procedures were *not effective* as of December 31, 2007. Accordingly, we believe you should revise your conclusion about the effectiveness of disclosure controls and procedures to clarify.
 - (c) As previously advised, you will need to file revised certifications to include the introductory language of paragraph 4 of Item 601(b)(31) of Regulation S-K.

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4. We read your response to prior comment 7, regarding the discounting applied in valuing common shares issued to employees. Please contact us by telephone to discuss the implications of your approach in valuing share-based payments.

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Form 10-Q for the Fiscal Quarter Ended March 31, 2008

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5. We note your response to prior comment 8, concerning an apparent limitation on your views about the effectiveness of your disclosure controls and procedures. You explain that you would change the language as indicated by striking through words that will be deleted and underlining words that will be added. However, your response is not marked as you suggest. We reissue prior comment 8.

Closing Comments

Please respond to these comments within 10 business days or tell us when you will provide us with a response. Please furnish a letter that keys your responses to our comments and provides any requested information. Detailed letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your responses to our comments.

You may contact Joanna Lam at (202) 551- 3476 if you have questions regarding comments on the financial statements and related matters. Please contact me at (202) 551- 3686 with any other questions.

Sincerely,

Karl Hiller
Branch Chief