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

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(Mark One) FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1995

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: 0-7062

Noble Affiliates, Inc.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware	73-0785597
(STATE OF INCORPORATION)	(I.R.S. EMPLOYER IDENTIFICATION NUMBER)
110 West Broadway Ardmore, Oklahoma	73401
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

Registrant's telephone number, including area code:
(405) 223-4110

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $3.33-1/3 par value	New York Stock Exchange, Inc.

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

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 was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes /X/ No _____

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. /X/

Aggregate market value of Common Stock held by nonaffiliates as of March 11, 1996: $1,329,639,933.

Number of shares of Common Stock outstanding as of March 11, 1996: 50,314,692.

DOCUMENTS INCORPORATED BY REFERENCE

Listed below are documents parts of which are incorporated herein by reference and the part of this report into which the document is incorporated:

(1) 1995 annual report to the shareholders - Parts I and II.
(2) Proxy statement for the 1996 annual meeting of shareholders - Part III.

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PART I

ITEM 1. BUSINESS.

GENERAL

Noble Affiliates, Inc. is a Delaware corporation organized in 1969. The Registrant is principally engaged, through its subsidiaries, in the exploration, production and marketing of oil and gas. In this report, unless otherwise indicated or the context otherwise requires, the "Company" or the "Registrant" refers to Noble Affiliates, Inc. and its subsidiaries.

OIL AND GAS

The Registrant's wholly owned subsidiary, Samedan Oil Corporation ("Samedan"), has been engaged in the exploration for and production of oil and gas since 1932. Samedan conducts its exploration and production operations throughout the major basins in the United States, including the Gulf of Mexico, and in foreign jurisdictions, primarily in Canada and Africa. For information regarding Samedan's oil and gas properties, see "Item 2 - Properties - Oil and Gas" on pages 7 through 11 of this report. The Registrant's wholly owned subsidiary, Noble Gas Marketing, Inc. ("NGM"), markets the Company's natural gas as well as third-party gas. For more information regarding NGM's operations, see "Item 1 - Business - Oil and Gas - Marketing" on pages 4 and 5 of this report. The Registrant's wholly owned subsidiary, Noble Trading, Inc. ("NTI"), markets a portion of the Company's oil as well as third-party oil. For more information regarding NTI's operations, see "Item 1 - Business - Oil and Gas - Marketing" on pages 4 and 5 of this report.

In this report, unless the context otherwise requires, Samedan refers to Samedan Oil Corporation and its subsidiaries and NGM refers to Noble Gas Marketing, Inc. and its subsidiary. In this report, quantities of oil are expressed in barrels ("bbls"), and quantities of natural gas are expressed in thousands of cubic feet ("Mcf"), millions of cubic feet ("MMcf") or billions of cubic feet ("Bcf").

EXPLORATION ACTIVITIES

Samedan, by itself or through various arrangements with others, investigates potential oil and gas properties, seeks to acquire exploration rights in areas of interest and conducts exploratory activities, including geophysical and geological evaluation and exploratory drilling, where appropriate, on properties for which it acquired such exploration rights.

Samedan has been engaged in exploration and development of oil and gas reserves in federal and state waters offshore Texas and Louisiana since 1968 and has remained active in these areas of the Gulf of Mexico throughout the past 27 years during which it has drilled, or participated in the drilling of (through December 31, 1995), 702 gross wells. In 1995, Samedan drilled or participated in the drilling of 16 exploratory wells (7.0 net) and 37 development wells (17.4 net) in federal and state waters offshore Texas and Louisiana. Of the 53 gross wells drilled, 40 (18.4 net) were completed as productive wells and 13 (5.9 net) were abandoned as dry holes. The Registrant intends to remain active in these areas of the Gulf of Mexico. As of December 31, 1995, the Registrant had 82 undeveloped leases in the Gulf of Mexico, with expiration dates ranging from 1996 to 2001, in which the Registrant currently intends to conduct future exploration activities.

The following paragraphs in this "Exploration Activities" section describe significant domestic activities in 1995.

GULF OF MEXICO. Samedan drilled two wells on its Vermilion 362/363/371 prospect during 1995, bringing to nine the total number of gross wells drilled on the 44 percent owned field. The Vermilion 363 #2 well encountered 41 feet of gas/condensate pay in four zones. The Vermilion 371 #5 well was also drilled in 1995 and encountered 86 feet of gas/condensate pay in five zones.

A production platform was installed on Vermilion 371 in July 1995. Three of the wells on the platform are completed and were producing approximately 36 MMcf of gas and 2,000 bbls of oil/condensate per day at December 31, 1995. The remaining two wells on Vermilion 371 are expected to be completed and on line by March 1996.

A second production platform for Vermilion 362/363 is scheduled to be installed in May 1996. Four wells on the platform are expected to be completed and on line by August 1996.

Samedan acquired a 50 percent working interest in the Vermilion 314/315 prospect in August 1995 and drilled two wells from an existing platform. The Vermilion #A-8 well encountered 85 feet of pay in two zones. The Vermilion #A-9 well encountered 80 feet of pay in three zones. At year end the wells were producing an aggregate of 6 MMcf of gas per day.

Samedan also completed 3 wells in its 50 percent owned Vermilion

332/333 field in the fourth quarter of 1995. At year end the field was producing 2,000 bbls of oil and 2.5 MMcf of gas per day.

The Company participated in 1995 with a 25 percent working interest in drilling four wells on its Vermilion 279 prospect. Three successful wells were drilled and oil and gas pay was encountered in multiple zones. Production facilities are currently being constructed and are scheduled to be installed in the second quarter of 1996 with first production scheduled during the third quarter of 1996.

Two wells were drilled on Samedan's 100 percent owned High Island A-547 prospect in 1995. The #B-6 well encountered 378 feet of oil and gas pay in nine zones. The #B-7 well encountered 164 feet of oil and gas pay in six zones. Two gas/condensate wells were completed and producing at year end approximately 12.7 MMcf of gas and 40 bbls of condensate per day. Installation of oil production facilities on the platform is currently underway.

During 1995 Samedan completed two wells on its 100 percent owned High Island A-550 property. At year end this field was producing 22 MMcf of gas and 830 bbls of oil/condensate per day.

Production commenced in October 1995 on Samedan's 83.3 percent owned High Island A-281 field. At year end approximately 15.4 MMcf of gas per day was being produced from two wells.

Six additional wells were completed in 1995 on Samedan's 70.4 percent owned East Cameron 331/332 field. A total of 11 wells were producing from this field, which was producing approximately 64.5 MMcf of gas and 4,270 bbls of oil/condensate per day at year end 1995.

In 1995 Samedan drilled three wells on its 85 percent owned East Cameron 320 lease, which is immediately north of the East Cameron 331/332 field. The wells encountered oil and gas pay ranging in size from 64 to 125 feet. Production facilities have been installed and first production is scheduled for early 1996.

One additional well was drilled during 1995 on Samedan's 25 percent owned Green Canyon 136 field. Production from the field at year end was 60 MMcf of gas and 700 bbls of condensate per day.

Completion operations were underway at year end on Samedan's 66 percent owned Garden Banks 240 #3 well which should be capable of delivering approximately 25 MMcf of gas per day when operational.

During 1995 Samedan drilled and logged 68 feet of gas pay in its South Timbalier 172 #6 well, in which Samedan owns a 100 percent working interest. The well, along with the #5 well, should be tied into the pipeline during the first quarter of 1996. In addition, during 1995 Samedan drilled and logged 112 feet of gas pay in its South Timbalier 192 #2 well in which Samedan owns a 100 percent working interest. Production from this well is expected to commence in the third quarter of 1996.

In July 1995 Samedan purchased the full working interest in West Cameron 599/600 for $5.3 million. Development plans include installing production facilities and drilling two development wells. Samedan also intends to drill two exploratory wells on the property in 1996. The Company estimates proved reserves associated with the purchase to be 35 Bcf of gas.

In October 1995 Samedan also purchased the full working interest in Galveston 150L and High Island A-325 and a 55 percent working interest in Eugene Island 286 for $22.6 million. The properties are in various stages of development and will require additional development expenditures estimated at $13 million. The Company estimates proved reserves associated with this acquisition to be 40.5 Bcf of gas and 35,000 bbls of condensate. Eugene Island 286 and High Island A-325 each are expected to commence production in the second quarter of 1996, and Galveston 150L in third quarter of 1996.

During 1995, Samedan commenced oil and gas production from the following fields: Vermilion 362/363/371, Vermilion 332/333, High Island A-547/548, Vermilion 314/315, High Island A-550, High Island A-281 and Green Canyon 136.

DOMESTIC ONSHORE. Samedan participated in drilling 90 gross wells in the Niobrara formation on acreage located in northeastern Colorado. The Company's average working interest in the wells is 75 percent. Seventy of the wells drilled were completed as gas wells, resulting in a 78 percent success ratio.

In October, Noble Gas Pipeline, Inc. completed the installation of its 16.6 mile gathering system and compressor station. The system connects 71 of Samedan's gas wells to an interstate pipeline. At year end, the Company was producing approximately 5 MMcf of gas per day, net to the Company's interest, through the system. Installation of another gas gathering system in the area is being evaluated for 1996.

In Caddo County, Oklahoma, Samedan made a gas/condensate discovery in the Springer-Cunningham formation. The Zipse #2-12 well, in which the Company owns a 50 percent working interest, was completed at the rate of 4.1 MMcf of gas and 100 bbls of condensate per day. At year end, Samedan was completing an offset well, the Harper #1, in which it owns a 40.6 percent working interest. Another offset, the Samuel #1-2, in which Samedan owns a 25 percent working interest, commenced production in January 1996.

Samedan participated in drilling two oil wells in Wyoming during 1995. The Duvall Ranch #2-4 well, Campbell County, was completed at the rate of 348 bbls of oil per day. Samedan owns a 100 percent working interest in the well. Also in Campbell County, Samedan completed the Kuehne Ranch #9 well which flowed at the rate of 100 bbls per day. Installation of a pumping unit is expected to increase the production rate to 450 bbls of oil per day. Samedan owns an 86 percent working interest in the well.

In October 1995, Samedan received the necessary approvals to unitize the Angell Prospect, Meade County, Kansas and to proceed with installation of waterflood facilities. Construction was virtually complete at year end and water injection of 2,000 barrels per day is expected to commence in early 1996. Samedan owns a 100 percent working interest in the unit.

In south central Oklahoma, Samedan commenced the installation of waterflood facilities on the Hoover Unit. Necessary approvals were received in December 1995 and water injection is expected to commence in April 1996. Samedan owns a 100 percent working interest in the unit, and expects to remain active in seeking out opportunities to install and operate other oil waterflood units.

Four infill wells were drilled in the Company's 58.7 percent owned South Central Robertson Unit in Gaines County, Texas. The unit averaged approximately 3,200 bbls of oil per day during the year, which is an 11.6 percent increase over 1994. In southern Oklahoma, Samedan drilled nine infill wells in its Wildcat Jim Penn Unit. The unit, in which Samedan owns a 76.5 percent, increased production 14 percent to 1,030 bbls per day in 1995.

Offsetting and outside the Wildcat Jim Penn Unit, Samedan drilled five oil wells in the Hoxbar formation. The Company owns an average working interest of 96.6 percent in the wells, which were producing 175 bbls of oil per day at year end. A waterflood feasibility study for the wells is currently underway.

During 1995, the Company made a gas discovery in Iberville Parish, Louisiana. The SL 14720 well, in which the Company owns a 33 percent working interest, tested 4 MMcf of gas and 80 bbls of condensate per day. A pipeline connection is expected to be completed in March 1996.

CANADA. During 1995, Samedan Oil of Canada, Inc., a wholly owned subsidiary of Samedan ("Samedan-Canada") participated in 8 exploratory wells (4.5 net) and 11 development wells (5.6 net) with interests ranging from 14 to 100 percent. A total of 11 wells (6.3 net) were successfully completed in 1995.

EQUATORIAL GUINEA. Samedan purchased an additional 4.8 percent working interest in the Alba field, effective May 1995, for $3.8 million. The field, in which Samedan owns a total working interest of 34.8 percent, produced an average of 6,400 bbls of condensate per day for the year.

Construction of an LPG plant in the Alba field is underway to enhance recovery of liquids. The plant is estimated to cost $18.9 million, and is expected to be completed by the end of 1996. When fully operational, the plant is expected to recover 2,400 bbls of LPG and 500 additional bbls of condensate per day.

Samedan expects to drill two exploratory wells during 1996 on oil prospects delineated by 3-D seismic interpretation.

TUNISIA. Samedan drilled two non-commercial wells on its 50 percent owned Zelfa Prospect. As such, Samedan is unable to go forward with development. Accordingly, the Company charged off $7.5 million to exploration expense.

Oil and gas production has commenced from Samedan's 28.3 percent owned Zinnia Prospect, located onshore Tunisia. At year end, two wells were producing 6 MMcf of gas and 200 bbls of oil/condensate per day.

Samedan's 50 percent owned Tazerka oil field produced an average of 1,730 bbls of oil per day during 1995. It continues to generate positive cash flow even though it is in the last stages of its economic life.

Due to the Company's lack of success in exploratory drilling, the Company intends to dispose of its interests in Tunisia.

ACQUISITIONS

Also in 1995, Samedan spent $9.7 million on acquisitions of unproved properties. These properties were acquired primarily through domestic onshore lease acquisitions, various offshore lease sales and Canadian land sales.

PRODUCTION ACTIVITIES

As of December 31, 1995, Samedan owned approximately 1,895 net producing oil and gas wells in the United States and Canada and approximately 3.3 net producing oil and gas wells in other foreign jurisdictions. Net production of oil (including condensate and natural gas liquids), excluding royalty sales, totaled 9,136,312 bbls in 1995 compared to 8,081,047 bbls in 1994. Net production of natural gas, excluding royalty sales, totaled 96,984,816 Mcf in 1995 compared to 87,729,371 Mcf in 1994.

Samedan operates approximately 32 percent of the gross oil and gas wells in which it has an interest, with the remainder operated by others under operating agreements customarily used in the industry.

MARKETING

On January 13, 1994, the Company formed a wholly-owned subsidiary, Noble Gas Marketing, Inc., for the purpose of seeking out opportunities to enhance the value of the Company's gas by marketing directly to end users, as well as accumulating gas to be sold to gas marketers and pipelines. NGM is also actively involved in the purchase and sale of gas from other producers. Such third party gas may be purchased from non-operators who own working interests in the Company's wells, or from other producers' properties in which the Company may not own an interest. NGM, through its wholly-owned subsidiary, Noble Gas Pipelines, Inc., engages in the installation, purchase and operation of gas gathering systems.

Samedan has a gas sales contract with NGM, whereby Samedan is paid an index price for all gas sold to NGM. NGM records sales, including hedging transactions, as gathering, marketing and processing revenues. NGM records as cost of sales in gathering, marketing and processing costs, the amount paid to Samedan and third parties. All intercompany sales and costs have been eliminated.

Oil produced by the Company is sold to various purchasers in the United States, Canada and other foreign locations at various prices depending on the location and quality of the oil. The Company has no long-term contracts with purchasers of its oil production. Crude oil and condensate are distributed through pipelines and trucks to gatherers, transportation companies and end users. In order to manage its exposure to price risks, the Company from time to time enters into hedging transactions, including crude oil and natural gas futures swap contracts. In May 1995, NTI began marketing a portion of the Company's oil as well as certain third party oil. The Company records all of NTI's sales as gathering, marketing and processing revenues. All intercompany sales and expenses have been eliminated.

Oil prices are affected by a variety of factors that are beyond the control of the Company. The principal factors influencing the prices received by producers of domestic crude oil continue to be the pricing and production of the members of the Organization of Petroleum Exporting Countries. The Company's average per barrel oil price increased from $14.90 in 1994 to $16.78 in 1995. The Company's average oil prices for 1995 reflected an additional amount per barrel of $.16, from hedging oil production. The Company did not hedge any of its oil production during 1994.

Substantial competition in the natural gas marketplace continued in 1995. Gas prices, which were once determined largely by governmental regulations, are now being influenced to a greater extent by the marketplace. The Company's average gas price decreased from $1.97 per Mcf in 1994 to $1.72 per Mcf in 1995. The Company's average gas price in 1995 reflected a reduction of $.004 per Mcf, from hedging gas production. During 1994, all gas hedging activity related to sales by the Company's marketing subsidiary, NGM, which hedged an average of approximately 32,000 Million British Thermal Units (MMBTU's) of gas per day at prices ranging from $.01 per MMBTU above index to $.58 per MMBTU above index. Hedging gains and losses for 1994 are included in gathering, marketing and processing revenues.

The largest single customer for the Company's oil in 1995 purchased approximately 16 percent of its oil production, and the five largest purchasers accounted for approximately 49 percent of total oil production. The largest single customer for the Company's gas in 1995 purchased approximately 4 percent of its gas production, and the five largest purchasers accounted for approximately 17 percent of total gas production. The Company does not believe that the loss by the Company of a major oil or gas customer would have a material adverse effect on the Company.

REGULATION AND RISKS

GENERAL. Exploration for and production and sale of oil and gas are extensively regulated at the national, state and local levels. Oil and gas development and production activities are subject to various state laws and regulations (and orders of regulatory bodies pursuant thereto) governing a wide variety of matters, including allowable rates of production, marketing, pricing, prevention of waste and pollution, and protection of the environment. Laws affecting the oil and gas industry are under constant review for amendment or expansion and frequently increase the regulatory burden on companies. Numerous governmental departments and agencies are authorized by statute to issue rules and regulations binding on the oil and gas industry. Many of these governmental bodies have issued rules and regulations that are often difficult and costly to comply with, and that carry substantial penalties for failure to comply. These laws, regulations and orders may restrict the rate of oil and gas production below the rate that would otherwise exist in the absence of such laws, regulations and orders. The regulatory burden on the oil and gas industry increases its costs of doing business and consequently affects its profitability.

NATURAL GAS. The natural gas industry has been regulated under the Natural Gas Act and the Natural Gas Policy Act of 1978 (the "NGPA"). Under the Natural Gas Wellhead Decontrol Act of 1989, price ceilings have been eliminated over a transition period which ended on January 1, 1993.

CERTAIN RISKS. In Samedan's exploration operations, losses may occur before any accumulation of oil or gas is found. If oil or gas is discovered, no assurance can be given that sufficient reserves will be developed to enable Samedan to recover the costs incurred in obtaining the reserves or that reserves will be developed at a rate sufficient to replace reserves currently being produced and sold. Samedan's international operations are also subject to certain political, economic and other uncertainties including, among others, risks of war, expropriation, renegotiation or modification of existing contracts, taxation policies, foreign exchange restrictions, international monetary fluctuations and other hazards arising out of foreign governmental sovereignty over areas in which Samedan conducts operations.

ENVIRONMENTAL MATTERS. As a developer, owner and operator of oil and gas properties, Samedan is subject to various federal, state, local and foreign country laws and regulations relating to the discharge of materials into, and the protection of, the environment. The release or discharge of oil from Samedan's domestic onshore or offshore facilities could subject Samedan to liability under federal laws and regulations, including the Oil Pollution Act of 1990, the Outer Continental Shelf Lands Act and the Clean Water Act, for pollution cleanup costs, damage to the environment, civil or criminal penalties, and orders or injunctions requiring the suspension or cessation of operations in affected areas. The liability under these laws for a substantial release or discharge of oil, subject to certain specified limitations on liability, may be extraordinarily large. If any oil pollution was caused by willful misconduct, willful negligence or gross negligence, or was caused primarily by a violation of federal regulations, such limitations on liability may not apply. Certain of Samedan's facilities are subject to regulations of the United States Environmental Protection Agency, including regulations that require the preparation and implementation of spill prevention control and countermeasure plans relating to the possible discharge of oil into navigable water.

The Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as "Superfund", imposes liability on certain classes of persons that contributed to the release or threatened release of a hazardous substance into the environment or that own or operate facilities or vessels onto or into which hazardous substances are disposed. The Resource Conservation and Recovery Act ("RCRA") and regulations promulgated thereunder regulate hazardous waste, including its treatment, storage and disposal. CERCLA currently exempts crude oil, and RCRA currently exempts certain oil and gas exploration and production drilling materials, such as drilling fluids and produced waters, from the definitions of hazardous substances and hazardous wastes. Samedan's operations, however, may involve the use or handling of other materials that may be classified as hazardous substances or hazardous wastes, and therefore, these statutes and regulations promulgated under them would apply to Samedan's generation, handling and disposal of these materials. In addition, there can be no assurance that such exemptions will be preserved in future amendments of such acts, if any, or that more stringent laws and regulations protecting the environment will not be adopted.

Certain of Samedan's facilities may also be subject to other federal environmental laws and regulations, including the Clean Air Act with respect to emissions of air pollutants. Certain state or local laws or regulations may impose liabilities in addition to or restrictions more stringent than those described herein. The environmental laws, rules and regulations of foreign countries are generally less stringent than those of the United States, and therefore, the requirements of such jurisdictions do not generally impose an additional compliance burden on Samedan.

Samedan has made and will continue to make expenditures in its efforts to comply with environmental requirements. The Company does not believe that it has to date expended material amounts in connection with such activities or that compliance with such requirements will have a material adverse effect upon the capital expenditures, earnings or competitive position of the Company. Although such requirements do have a substantial impact upon the energy industry, generally they do not appear to affect the Company any differently or to any greater or lesser extent than other companies in the industry.

INSURANCE. Samedan believes that it has such insurance coverages as are customary in the industry and that it is adequately protected by public liability and physical damage insurance.

COMPETITION

The oil and gas industry is highly competitive. Since many companies and individuals are engaged in exploring for oil and gas and acquiring oil and gas properties, a high degree of competition for desirable exploratory

and producing properties exists. A number of the companies with which Samedan competes are larger and have greater financial resources than Samedan.

The availability of a ready market for Samedan's oil and gas production depends on numerous factors beyond its control, including the level of consumer demand, the extent of worldwide oil and gas production, the costs and availability of alternative fuels, the costs of and proximity of pipelines and other transportation facilities, regulation by state and federal authorities and the costs of complying with applicable environmental regulations.

EMPLOYEES

The total number of employees of the Company increased from 521 at December 31, 1994 to 550 at December 31, 1995.

ITEM 2. PROPERTIES.

OFFICES

The principal executive office of the Company is located at 110 West Broadway, Ardmore, Oklahoma 73401. The principal executive office of Samedan is in Ardmore, Oklahoma, and Samedan also maintains division offices in Oklahoma City, Houston, Denver and Calgary, Canada. Samedan maintains three separate offices in Houston for its international, offshore and onshore oil and gas operations. Samedan maintains an office in Tunis, Tunisia, from which it operates its various concessions and producing properties in Tunisia. The principal executive office of NGM is located in Houston.

OIL AND GAS

The estimated proved and proved developed oil and gas reserves of Samedan, as of December 31, 1995, 1994 and 1993 and the standardized measure of discounted future net cash flows attributable thereto at December 31, 1995, 1994 and 1993 are included in Note 10 of Notes to Consolidated Financial Statements appearing on pages 34 through 37 of the Registrant's 1995 annual report to shareholders, which Note is incorporated herein by reference ("Note 10").

Note 10 also includes Samedan's net production (including royalty and working interest production) of oil and natural gas for the three years ended December 31, 1995. Royalty production of both oil and gas (stated in oil barrel equivalents) is included in the "Crude Oil & Condensate" presentation in Note 10. Samedan has no oil or gas applicable to long-term supply or similar agreements with foreign governments or authorities in which Samedan acts as producer.

Since January 1, 1995, no oil or gas reserve information has been filed with, or included in any report to, any federal authority or agency other than the Securities and Exchange Commission and the Energy Information Administration (the "EIA"). Samedan files Form 23, including reserve and other information, with the EIA.

The following table sets forth for each of the last three years the average sales price (including transfers) per unit of oil produced and per unit of natural gas produced, and the average production (lifting) cost per unit of production.

	Year Ended December 31,		
	1995	1994	1993
Average sales price per bbl of oil (1):			
United States	$16.80	$14.76	$16.05
Canada.	$15.59	$13.72	$15.13
Other international	$17.22	$16.75	$15.32
Combined.	$16.78(2)	$14.90	$15.91(2)
Average sales price per Mcf of natural gas (1):			

United States	$ 1.75	$ 1.99	$ 2.15
Canada.	$ 1.02	$ 1.47	$ 1.22
Combined.	$ 1.72(3)	$ 1.97	$ 2.10(3)
Average production (lifting) cost per unit of oil and natural gas production, excluding depreciation (per bbl)(4):			
United States	$ 4.17	$ 3.64	$ 4.26
Canada.	$ 6.39	$ 5.17	$ 6.33
Other international	$ 3.60	$ 3.89	$ 6.40
Combined	$ 4.21	$ 3.71	$ 4.45

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(1) Net production amounts used in this calculation include royalties.

(2) Includes per barrel $.16 in 1995 and $0.02 in 1993, from hedging.

(3) Reflects a reduction per Mcf of $.004 in 1995 and $0.048 in 1993, from hedging.

(4) Gas production is converted to oil barrel equivalents based on the average sales prices per barrel of oil and per Mcf of gas. Net production amounts used in the calculation of average sales prices for purposes of computing the conversion ratio excludes royalties. Conversion ratios for 1995, 1994 and 1993 are set forth below:

	United States	Canada
1995	9.61 to 1	15.32 to 1
1994	7.44 to 1	9.42 to 1
1993	7.46 to 1	12.45 to 1

The number of productive oil and gas wells in which Samedan had interests and the developed acreage held as of December 31, 1995, were as follows:

	Productive Wells(1)(2)				Developed Acreage(3)(4)	
	Oil		Gas			
Location	Gross	Net	Gross	Net	Gross Acres	Net Acres
United States (onshore).	3,554.5	796.0	1,346.5	765.6	584,096	360,001
Canada	119.0	39.3	72.0	18.2	127,776	41,857
United States (offshore)	256.5	110.9	432.5	166.0	738,474	292,991
Other International. .	7.0	2.6	2.0	0.7	367,762	129,478
Total.	3,937.0	948.8	1,853.0	950.5	1,818,108	824,327

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(1) Productive wells are producing wells and wells capable of production. A gross well is a well in which a working interest is owned. The number of gross wells is the total number of wells in which a working interest is owned. A net well is deemed to exist when the sum of fractional ownership working interests in gross wells equals one. The number of net wells is the sum of the fractional working interests owned in gross wells expressed as whole numbers and fractions thereof.

(2) One or more completions in the same bore hole is counted as one well. Included in the table and counted as one gross well each are 28.0 oil wells (18.2 net) and 46.0 gas wells (19.4 net) that are multiple completions. Also included in the table are 824.0 gross oil wells (131.8 net) and 81.0 gross gas wells (42.7 net) that were not producing at December 31, 1995 because such wells were awaiting additional action or pipeline connections.

(3) Developed acreage is acreage spaced or assignable to productive wells.

(4) A gross acre is an acre in which a working interest is owned. A net acre is deemed to exist when the sum of fractional ownership working interests in gross acres equals one. The number of net acres is the sum of the fractional working interests owned in gross acres expressed as whole numbers and fractions thereof.

The undeveloped acreage (including both leases and concessions) that Samedan held as of December 31, 1995, is as follows:

Location	Undeveloped Acreage (1)(2) Gross Acres	Net Acres
United States Onshore		
California	25,622	12,556
Colorado	38,930	30,059
Mississippi	5,171	3,326
Montana	34,278	14,223
New Mexico	11,700	7,593
North Dakota	29,132	13,023
Oklahoma	22,751	11,359
Texas	60,408	23,949
Utah	2,507	1,841
Wyoming	43,879	10,634
Others	10,492	4,706
Total United States Onshore	284,870	133,269
United States Offshore (Federal Waters)		
Alabama	166,195	63,670
California	79,678	8,625
Louisiana	163,468	85,663
Mississippi	28,800	24,960
Texas	71,723	62,122
Total United States Offshore (Federal Waters)	509,864	245,040
International		
Canada	333,959	177,916
Tunisia	1,639,450	786,079
Total International	1,973,409	963,995
Total	2,768,143	1,342,304

(1) Undeveloped acreage is considered to be those lease acres on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and gas regardless of whether or not such acreage contains proved reserves. Included within undeveloped acreage are those lease acres (held by production under the terms of a lease) that are not within the spacing unit containing, or acreage

assigned to, the productive well so holding such lease.

(2) A gross acre is an acre in which a working interest is owned. A net acre is deemed to exist when the sum of fractional ownership working interests in gross acres equals one. The number of net acres is the sum of the fractional working interests owned in gross acres expressed as whole numbers and fractions thereof.

The following table sets forth for each of the last three years the number of net exploratory and development wells drilled by or on behalf of Samedan. An exploratory well is a well drilled to find and produce oil or gas in an unproved area, to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir, or to extend a known reservoir. A development well, for purposes of the following table and as defined in the rules and regulations of the Securities and Exchange Commission, is a well drilled within the proved area of an oil or gas reservoir to the depth of a stratigraphic horizon known to be productive. The number of wells drilled refers to the number of wells completed at any time during the respective year, regardless of when drilling was initiated; and "completion" refers to the installation of permanent equipment for the production of oil or gas, or, in the case of a dry hole, to the reporting of abandonment to the appropriate agency.

Net Exploratory Wells

Year Ended December 31,	Productive (1) U.S.	Productive (1) Canada	Productive (1) Other International	Dry (2) U.S.	Dry (2) Canada	Dry (2) Other International
1993	5.58	1.10	--	10.67	5.29	1.30
1994	8.06	3.75	--	16.45	6.59	.40
1995	12.44	.80	--	14.42	3.72	1.00

Net Development Wells

Year Ended December 31,	Productive (1) U.S.	Productive (1) Canada	Productive (1) Other International	Dry (2) U.S.	Dry (2) Canada	Dry (2) Other International
1993	33.07	2.62	--	3.06	1.37	--
1994	99.91	3.08	--	13.37	.14	--
1995	107.09	5.50	--	20.49	.14	--

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(1) A productive well is an exploratory or a development well that is not a dry hole.

(2) A dry hole is an exploratory or development well found to be incapable of producing either oil or gas in sufficient quantities to justify completion as an oil or gas well.

Samedan spent approximately $43.7 million in 1995 on the purchase of producing oil and gas properties. See Item 1. "Business -- Oil and Gas - --Acquisitions" hereof for a discussion of acquisitions in 1995. Approximately $6.1 million and $418.5 million, respectively, were spent on such purchases in 1994 and 1993.

At February 27, 1996, Samedan was drilling 5 gross (1.9 net) exploratory wells, and 14 gross (8.7 net) development wells. These wells are located onshore in the United States in Colorado, Louisiana, North Dakota, Oklahoma, Texas, Wyoming and offshore Gulf of Mexico. These wells have objectives ranging from approximately 2,500 to 15,500 feet. The estimated drilling cost to Samedan of these wells is approximately $9,064,000 if all are dry and approximately $20,975,000 if all are completed as producing wells.

ITEM 3. LEGAL PROCEEDINGS.

There are no material pending legal proceedings, other than ordinary routine litigation incidental to the business of the Registrant and its subsidiaries, to which the Registrant or any of its subsidiaries is a party or of which any of their property is the subject.

On December 20, 1995 the Registrant announced that Samedan had received $48.9 million from the settlement of its bankruptcy claim against Columbia Gas Transmission Corporation ("Columbia Transmission"), a unit of Columbia Gas Systems, Inc. ("Columbia Systems"). The payment was received pursuant to the terms of a comprehensive producer settlement agreement which was entered into with Columbia Transmission and Columbia Systems in connection with their plans of reorganization filed in the Bankruptcy Court on April 17, 1995. The settlement agreement also gives Samedan a contingent right to receive approximately $2.5 million upon the resolution of certain other contested producer claims.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following tabulation sets forth certain information, as of March 11, 1996, with respect to the executive officers of the Registrant.

Name	Age	Position
Robert Kelley (1)	50	Chairman of the Board, President, Chief Executive Officer, Director
George L. DeMare, Jr. (2)	50	Vice President and Operating Committee Member of Samedan
William D. Dickson (3)	47	Vice President-Finance and Treasurer of the Registrant and Operating Committee Member of Samedan
Dan O. Dinges (4)	42	Vice President and Operating Committee Member of Samedan
W. A. Poillion (5)	46	Vice President and Operating Committee Member of Samedan
Orville Walraven (6)	51	Corporate Secretary of the Registrant and Vice President and Operating Committee Member of Samedan
James C. Woodson (7)	53	Vice President and Operating Committee Member of Samedan

(1) Robert Kelley has served as President and Chief Executive Officer of the Registrant since August 1, 1986, and as Chairman of the Board since October 27, 1992. Prior to serving as President, he served as Executive Vice President of the Registrant from January 1986. Mr. Kelley became a director of the Registrant in July 1986. He currently also serves as President and Chief Executive Officer of Samedan. He became President of Samedan in 1984 after serving previously as Executive Vice President and Vice President-Finance.

(2) George L. DeMare, Jr. has served as Vice President and Onshore Division Manager of Samedan since January 1989. Mr. DeMare has been a member of the Operating Committee of Samedan since January 31, 1995.

(3) William D. Dickson was elected Vice President-Finance and Treasurer of the Registrant in October 1985. He has served as Vice President-Finance, Treasurer and Assistant Secretary of Samedan since 1984 and as a member of the Operating Committee of Samedan since February 9, 1994.

(4) Dan O. Dinges has served as Vice President and Division General Manager, Offshore Division of Samedan since January 1989. Mr. Dinges has been a member of the Operating Committee of Samedan since January 31, 1995.

(5) W. A. Poillion has served as Vice President - Production and Drilling and a member of the Operating Committee of Samedan since November 1, 1990. Prior thereto, he served as Manager of Offshore Production and Drilling for Samedan from March 1, 1985 to October 31, 1990.

(6) Orville Walraven has served as Corporate Secretary of the Registrant since January 1, 1989. He has also served as Vice President - Land of Samedan and as a member of the Operating Committee of Samedan since January 1, 1989.

(7) James C. Woodson has served as Vice President - Exploration of Samedan since September 1, 1983. Mr. Woodson has been a member of the Operating Committee of Samedan since August 1, 1986.

The terms of office for the officers of the Registrant continue until their successors are chosen and qualified. No officer or executive officer of the Registrant has an employment agreement with the Registrant or any of its subsidiaries. There are no family relationships between any of the Registrant's officers.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The Registrant's common stock is listed and traded on the New York Stock Exchange under the symbol "NBL". The table captioned "Dividends and Stock Prices by Quarters" appearing on page 40 of the Registrant's 1995 annual report to stockholders contains certain information with respect to sales prices of the common stock and cash dividends declared by the Registrant on the common stock, and such table is incorporated herein by reference.

At December 31, 1995, there were 1,790 stockholders of record of the Registrant.

ITEM 6. SELECTED FINANCIAL DATA.

Selected financial data of the Registrant is set forth on page 21 of the Registrant's 1995 annual report to stockholders and is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Management's discussion and analysis of financial condition and results of operations is set forth on pages 15 through 20 of the Registrant's 1995 annual report to stockholders and is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The consolidated financial statements, appearing on pages 22 through 32, together with the report thereon of Arthur Andersen LLP dated January 26, 1996 appearing on page 33, and the unaudited information, appearing on pages 34 through 37, of the Registrant's 1995 annual report to stockholders are incorporated herein by reference. With the exception of the aforementioned information and the information expressly incorporated into Items 2, 5, 6 and 7 hereof, the 1995 annual report to stockholders is not to be deemed to be filed as part of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The section entitled "Election of Directors" appearing on pages 3 and 4 of the Registrant's proxy statement for the 1996 annual meeting of stockholders sets forth certain information with respect to the directors of the Registrant and is incorporated herein by reference. Certain information with respect to the executive officers of the Registrant is set forth under the caption "Executive Officers of the Registrant" in Part I of this report.

The section entitled "Certain Transactions" appearing on page 23 of the Registrant's proxy statement for the 1996 annual meeting of stockholders sets forth certain information with respect to compliance with Section 16(a) of the Exchange Act and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION.

The section entitled "Executive Compensation" appearing on pages 7 through 14 of the Registrant's proxy statement for the 1996 annual meeting of stockholders sets forth certain information with respect to the compensation of management of the Registrant, and, except for the report of the compensation and benefits committee of the Board of Directors (pages 7 through 10) and the information therein under "Performance Graph" (page 14), is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The sections entitled "Security Ownership of Certain Beneficial Owners" and "Security Ownership of Directors and Executive Officers" appearing on pages 2 through 3 and 6, respectively, of the Registrant's proxy statement for the 1996 annual meeting of stockholders set forth certain information with respect to the ownership of the Registrant's common stock, and are incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Not applicable.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(a) The following documents are filed as a part of this report:

	Page In 1995 Annual Report to Stockholders (Incorporated by Reference)
(1) Financial Statements:	
Consolidated Balance Sheet at December 31, 1995 and 1994 . .	22
Consolidated Statement of Operations for the three years ended December 31, 1995	23

(2) Financial Statement Schedules:

All schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

Financial statements of two 50 percent or less owned entities accounted for by the equity method have been omitted because, in the aggregate, the proportionate share of their profit before income taxes and total assets are less than 20 percent of the respective consolidated amounts, and investments in such entities are less than 20 percent of consolidated total assets of the Registrant.

(3) Exhibits:

The exhibits required to be filed by this Item 14 are set forth in the Index to Exhibits accompanying this report.

(b) No report on Form 8-K was filed by the Registrant during the quarter ended December 31, 1995.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

NOBLE AFFILIATES, INC.

Date: March 25, 1996 By: /s/ WILLIAM D. DICKSON,
William D. Dickson,
Vice President-Finance and Treasurer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Capacity in which signed	Date
/s/ ROBERT KELLEY Robert Kelley	Chairman of the Board, President, Chief Executive Officer and Director (Principal Executive Officer)	March 25, 1996
/s/ WILLIAM D. DICKSON William D. Dickson	Vice President-Finance and Treasurer (Principal Financial and Accounting Officer)	March 25, 1996
/s/ ALAN A. BAKER Alan A. Baker	Director	March 25, 1996
/s/ ROY BUTLER Roy Butler	Director	March 25, 1996

/s/ MICHAEL A. CAWLEY - ------------------------ Michael A. Cawley	Director	March 25, 1996
/s/ EDWARD F. COX - ------------------------ Edward F. Cox	Director	March 25, 1996
/s/ JAMES C. DAY - ------------------------ James C. Day	Director	March 25, 1996
/s/ HAROLD F. KLEINMAN - ------------------------ Harold F. Kleinman	Director	March 25, 1996
/s/ GEORGE J. MCLEOD - ------------------------ George J. McLeod	Director	March 25, 1996
/s/ GUY W. NICHOLS - ------------------------ Guy W. Nichols	Director	March 25, 1996
/s/ JOHN F. SNODGRASS - ------------------------ John F. Snodgrass	Director	March 25, 1996

INDEX TO EXHIBITS

Exhibit Number	Exhibit
3.1	Certificate of Incorporation, as amended, of the Registrant as currently in effect (filed as Exhibit 3.2 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1987 and incorporated herein by reference).
3.2	Composite copy of Bylaws as currently in effect (filed as Exhibit 3.2 to the Registrant's annual report on Form 10-K for the year ended December 31, 1992 and incorporated herein by reference).
4.1	Indenture dated as of June 6, 1989, between the Registrant and First RepublicBank Dallas, National Association, Trustee, including form of the Registrant's 10 1/8% Notes Due June 1, 1997 (filed as Exhibit 4.1 to the Registrant's Registration Statement on Form S-3 (Registration No. 33-14111) and incorporated herein by reference).
4.2	Indenture dated as of October 14, 1993 between the Registrant and U.S. Trust Company of Texas, N.A., as Trustee, relating to the Registrant's 7 1/4% Notes Due 2023, including form of the Registrant's 7 1/4% Note Due 2023 (filed as Exhibit 4.1 to the Registrant's quarterly report on Form 10-Q for the quarter ended September 30, 1993 and incorporated herein by reference).
4.3	Indenture dated as of October 14, 1993 entered into between the Registrant and United States Trust Company of New York, as Trustee, relating to the Registrant's 4 1/4% Convertible Subordinated Notes Due 2003, including form of the Registrant's 4 1/4% Convertible Subordinated Note Due 2003 (filed as Exhibit 4.2 to the Registrant's quarterly report on

Form 10-Q for the quarter ended September 30, 1993 and incorporated herein by reference).

10.1* Samedan Oil Corporation Bonus Plan revised January 1, 1992 (filed as Exhibit 10.1 to the Registrant's annual report on Form 10-K for the year ended December 31, 1992 and incorporated herein by reference).

10.2* Noble Affiliates Thrift and Profit Sharing Plan, as amended and restated effective as of January 1, 1994 (filed as Exhibit 10.2 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1994 and incorporated herein by reference).

10.3* Noble Affiliates Thrift and Profit Sharing Trust, amended and restated effective as of January 1, 1988 (filed as Exhibit 10.3 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1987 and incorporated herein by reference).

10.4* Amendment No. 9 to the Noble Affiliates Thrift and Profit Sharing Plan, as amended and restated, effective as of September 1, 1988 (filed as Exhibit 10.4 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1994 and incorporated herein by reference).

10.5* Restoration of Retirement Income Plan for certain participants in the Noble Affiliates Retirement Plan dated September 21, 1994, effective as of May 19, 1994 (filed as Exhibit 10.5 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1994 and incorporated herein by reference).

10.6* Noble Affiliates Thrift Restoration Plan dated May 19, 1994 (filed as Exhibit 10.6 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1994 and incorporated herein by reference).

10.7* Noble Affiliates Restoration Trust dated September 21, 1994, effective as of October 1, 1994 (filed as Exhibit 10.7 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1994 and incorporated herein by reference).

10.8* Noble Affiliates, Inc. 1992 Stock Option and Restricted Stock Plan, as amended and restated, dated November 2, 1992 (filed as Exhibit 4.1 to registration statement on Form S-8 (Registration No. 33-54084) and incorporated herein by reference).

10.9* 1982 Stock Option Plan of the Registrant (filed as Exhibit 4.1 to registration statement on Form S-8 (Registration No. 2-81590) and incorporated herein by reference).

10.10* Amendment No. 1 to the 1982 Stock Option Plan of the Registrant (filed as Exhibit 4.2 to registration statement on Form S-8 (Registration No. 2-81590) and incorporated herein by reference).

10.11* Amendment No. 2 to the 1982 Stock Option Plan of the Registrant.

10.12* 1978 Non-Qualified Stock Option Plan of the Registrant (filed as Exhibit 1.1 to registration statement on Form S-8 (Registration No. 2-64600) and incorporated herein by reference).

10.13* 1978 Non-Qualified Stock Option Plan of the Registrant, as amended July 27, 1978 (filed as Exhibit 1.2 to registration statement on Form S-8 (Registration No. 2-64600) and incorporated herein by reference).

10.14* Amendment No. 2 to 1978 Non-Qualified Stock Option Plan of the

Registrant (filed as Exhibit 10.20 to the Registrant's annual report on Form 10-K for the year ended December 31, 1993 and incorporated herein by reference).

10.15*	Amendment No. 3 to 1978 Non-Qualified Stock Option Plan of the Registrant.
10.16*	1988 Nonqualified Stock Option Plan for Non-Employee Directors of the Registrant (filed as Exhibit 10.3 to the Registrant's annual report on Form 10-K for the fiscal year ended December 31, 1988 and incorporated herein by reference).
10.17*	Amendment No. 1 to 1988 Nonqualified Stock Option Plan for Non-Employee Directors of the Registrant dated as of July 28, 1992 (filed as Exhibit 10.13 to the Registrant's annual report on Form 10-K for the year ended December 31, 1992 and incorporated herein by reference).
10.18*	Form of Indemnity Agreement entered into between the Registrant and each of the Registrant's directors and bylaw officers.
10.19	Guaranty of the Registrant dated October 28, 1982, guaranteeing certain obligations of Samedan (filed as Exhibit 10.12 to the Registrant's annual report on Form 10-K for the year ended December 31, 1993 and incorporated herein by reference).
10.20	Credit Agreement dated as of March 2, 1988, among the Registrant, Bankers Trust Registrant, as Agent, and the banking institutions listed in Annex I thereto (filed as Exhibit 10.25 to the Registrant's annual report on Form 10-K for the year ended December 31, 1987 and incorporated herein by reference).
10.21	First Amendment to Credit Agreement dated as of December 22, 1989, among the Registrant, Bankers Trust Company, as Agent, and the banking institutions party to the Credit Agreement (filed as Exhibit 10.16 to the Registrant's annual report on Form 10-K for the year ended December 31, 1991 and incorporated herein by reference).

10.22	Second Amendment to Credit Agreement dated as of October 31, 1991, among the Registrant, Bankers Trust Company, as Agent, and the banking institutions party to the Credit Agreement (filed as Exhibit 10.17 to the Registrant's annual report on Form 10-K for the year ended December 31, 1991 and incorporated herein by reference).
10.23	Third Amendment to Credit Agreement, among the Registrant, Bankers Trust Company, as Agent, and the banking institutions party to the Credit Agreement dated as of October 30, 1992 (filed as Exhibit 10.24 to the Registrant's annual report on Form 10-K for the year ended December 31, 1992 and incorporated herein by reference).
10.24	Fourth Amendment to Credit Agreement dated as of September 30, 1993 among the Registrant, Bankers Trust Company, as Agent, and the financial institutions listed on the signature pages thereto (filed as Exhibit 2.6 to the Registrant's Registration Statement on Form S-3 (No. 33-69248) and incorporated herein by reference).
10.25	Agreement dated March 31, 1989, by and between Apache Corporation and the Registrant (filed as Exhibit 2(a) to the Registrant's current report on Form 8-K (Date of Report: May 16, 1989) and incorporated herein by reference).
10.26	Consent regarding agreement dated April 30, 1989, by and between Apache Corporation and the Registrant (filed as Exhibit 2(b) to the Registrant's current report on Form 8-K (Date of Report: May 16, 1989) and incorporated herein by reference).
10.27	Purchase and Sale Agreement dated as of June 24, 1993 by and

between Freeport-McMoRan Oil & Gas Company Division of Freeport-McMoRan Inc., individually and as Managing General Partner of FM Properties Operating Co., and Samedan Oil Corporation (filed as Exhibit 2 to the Registrant's Current Report on Form 8-K dated July 29, 1993 and incorporated herein by reference).

10.28 Purchase and Sale Agreement dated as of September 16, 1993 by and between FM Properties Operating Co. and Samedan Oil Corporation (filed as Exhibit 2.2 to the Registrant's Registration Statement on Form S-3 (No. 33-69248) and incorporated herein by reference).

10.29 Purchase and Sale Agreement (Installment Sale) dated as of September 16, 1993 by and between FM Properties Operating Co. and Samedan Oil Corporation (filed as Exhibit 2.3 to the Registrant's Registration Statement on Form S-3 (No. 33-69248) and incorporated herein by reference).

10.30 Promissory Note dated October 1, 1993 of Samedan Oil Corporation in the principal amount of $95.6 million payable to FM Properties Operating Co. in connection with the agreement filed as Exhibit 10.32 hereto (filed as Exhibit 2.4 to the Registrant's quarterly report on Form 10-Q for the quarter ended September 30, 1993 and incorporated herein by reference).

10.31 Letter agreement dated September 16, 1993 between FM Properties Operating Co. and Samedan Oil Corporation relating to the agreements filed as Exhibits 10.31 and 10.32 hereto (filed as Exhibit 2.5 to the Registrant's Registration Statement on Form S-3 (No. 33-69248) and incorporated herein by reference).

13 The following information appearing on the following pages of the Registrant's 1995 annual report to shareholders: (i) management's discussion and analysis of financial condition and results of operations, pages 15 through 20; (ii) selected financial data, page 21; (iii) the consolidated financial statements, together with the report thereon of Arthur Andersen LLP dated January 26, 1996, pages 22 through 33, and the unaudited information, pages 34 through 37; and (iv) the table captioned "Dividends and Stock Prices by Quarters," page 40.

21 Subsidiaries.

23 Consent of Arthur Andersen LLP.

27 Financial Data Schedule.

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* Management contract or compensatory plan or arrangement required to be filed as an exhibit hereto.

Exhibit 10.11

AMENDMENT No. 2
TO THE
1982 STOCK OPTION PLAN
OF NOBLE AFFILIATES, INC.

WHEREAS, Noble Affiliates, Inc. (the "Company") has proposed the distribution of the common stock of Noble Drilling Corporation ("Noble Drilling") on a pro rata basis to holders of the common stock of the Company (the "Distribution"), which proposal is described in detail in the Company's proxy statement dated March 25, 1985 (terms used and not otherwise defined herein are used herein with the meanings assigned to them in such proxy statement); and

WHEREAS, the proposed Distribution may require an adjustment in the terms of outstanding stock options granted under the 1982 Stock Option Plan of Noble Affiliates, Inc. (the "1982 Plan") to compensate the option holder for the loss of his right to indirectly purchase part of Noble Drilling and the possible loss of a portion of the market value of the Company's common stock as a result of the Distribution; and

WHEREAS, on March 22, 1985, the Board of Directors of the Company adopted a resolution providing for the amendment (the "Amendment") of the 1982 Plan in connection with the proposed Distribution, and on April 23, 1985, the shareholders of the Company approved the Amendment; and

WHEREAS, any increase in the number of authorized shares under the 1982 Plan as a result of the Amendment cannot be determined until after the Distribution Record Date and Company Adjustment Date;

NOW, THEREFORE, the 1982 Plan is hereby amended in the following respect only:

The first sentence of Section 3 of the 1982 Plan is hereby amended by restatement in its entirety to read as follows:

> "Options may be granted by the Company from time to time under the Plan to purchase an aggregate of 2,089,349 shares of the authorized but unissued Common Stock."

PROVIDED, upon determination that the Amendment effects an increase in the authorized shares under the 1982 Plan, the Secretary of the Company is authorized and directed to fill in the blank in the first sentence of Section 3 of the 1982 Plan with the aggregate number of shares then authorized by the 1982 Plan, it being intended that until such time (and thereafter if no increase is necessary), the authorized shares under the 1982 Plan shall be 2,000,000.

IN WITNESS WHEREOF, this Amendment has been executed as of the 30th day of July, 1985.

NOBLE AFFILIATES, INC.

By, GEORGE J. McLEOD
George J. McLeod,
President and Chief Executive Officer

Exhibit 10.15

AMENDMENT NO. 3
TO THE
1978 NON-QUALIFIED STOCK OPTION PLAN
OF NOBLE AFFILIATES, INC.

WHEREAS, Noble Affiliates, Inc. (the "Company") has proposed the distribution of the common stock of Noble Drilling Corporation ("Noble Drilling") on a pro rata basis to holders of the common stock of the Company (the "Distribution"), which proposal is described in detail in the Company's proxy statement dated March 25, 1985 (terms used and not otherwise defined herein are used herein with the meanings assigned to them in such proxy statement); and

WHEREAS, the proposed Distribution may require an adjustment in the terms of outstanding stock options granted under the Company's 1978 Non-Qualified Stock Option Plan (the "1978 Plan") to compensate the option holder for the loss of his right to indirectly purchase part of Noble Drilling and the possible loss of a portion of the market value of the Company's common stock as a result of the Distribution; and

WHEREAS, on March 22, 1985, the Board of Directors of the Company adopted a resolution providing for the amendment (the "Amendment") of the 1978 Plan in connection with the proposed Distribution, and on April 23, 1985, the shareholders of the Company approved the Amendment; and

WHEREAS, any increase in the number of authorized shares under the 1978 Plan as a result of the Amendment cannot be determined until after the Distribution Record Date and Company Adjustment Date;

NOW, THEREFORE, the 1978 Plan is hereby amended in the following respects only:

FIRST: The first sentence of Section 3 of the 1978 Plan is hereby amended by restatement in its entirety to read as follows:

> "Options may be granted by the Company from time to time under the Plan to purchase an aggregate of 2,186,397 shares of the authorized but unissued Common Stock. "

SECOND: The second paragraph of Section 8 of the 1978 Plan is hereby amended by restatement in its entirety to read as follows:

> "Each option granted under the Plan shall be exercisable from time to time over a period commencing one year from the date of grant of the option and ending upon the termination of the option, provided that the Committee may by the provisions of any option limit the number of shares purchasable thereunder in any period or periods of time during which the option is exercisable and, provided further, that the Committee, in its sole and absolute discretion, may accelerate the exercise date of any outstanding Option to any date subsequent to the date of grant."

PROVIDED, upon determination that the Amendment effects an increase in the authorized shares under the 1978 Plan, the Secretary of the Company is authorized and directed to fill in the blank in the first sentence of Section 3 of the 1978 Plan with the aggregate number of shares then authorized by the 1978 Plan, it being intended that until such time (and thereafter if no increase is necessary), the authorized shares under the 1978 Plan shall be 2,160,000.

IN WITNESS WHEREOF, this Amendment has been executed as of the 30th day of July, 1985.

NOBLE AFFILIATES, INC.

By, GEORG J. McLEOD
George J. McLeod,
President and Chief Executive
Officer

EXHIBIT 10.18

INDEMNITY AGREEMENT

This Agreement made and entered into as of this _____ day of _______________, _____, by and between NOBLE AFFILIATES, INC., a Delaware corporation (the "Company"), and ___________________ ("Indemnitee"), who is currently serving the Company in the capacity of a director and/or officer thereof;

W I T N E S S E T H:

WHEREAS, the Company and Indemnitee recognize that the interpretation of ambiguous statutes, regulations and court opinions and of the Certificate of Incorporation and Bylaws of the Company, and the vagaries of public policy, are too uncertain to provide the directors and officers of the Company with adequate or reliable advance knowledge or guidance with respect to the legal risks and potential liabilities to which they become personally exposed as a result of performing their duties in good faith for the Company; and

WHEREAS, the Company and the Indemnitee are aware that highly experienced and capable persons are often reluctant to serve as directors or officers of a corporation unless they are protected to the fullest extent permitted by law by comprehensive insurance or indemnification, especially since the legal risks and potential liabilities, and the very threat thereof, associated with lawsuits filed against the officers and directors of a corporation, and the resultant substantial time, expense, harassment, ridicule, abuse and anxiety spent and endured in defending against such lawsuits, whether or not meritorious, bear no reasonable or logical relationship to the amount of compensation received by the directors or officers from the corporation; and

WHEREAS, Section 145 of the General Corporation Law of the State of Delaware, which sets forth certain provisions relating to the mandatory and permissive indemnification of, and advancement of expenses to, officers and directors (among others) of a Delaware corporation by such corporation, is specifically not exclusive of other rights to which those indemnified thereunder may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, and, thus, does not by itself limit the extent to which the Company may indemnify persons serving as its officers and directors (among others); and

WHEREAS, after due consideration and investigation of the terms and provisions of this Agreement and the various other options available to the Company and the Indemnitee in lieu thereof, the board of directors of the Company has determined that the following Agreement is not only reasonable and prudent but necessary to promote and ensure the best interests of the Company and its stockholders; and

WHEREAS, the Company desires to have Indemnitee serve or continue to serve as an officer and/or director of the Company, free from undue concern for unpredictable, inappropriate or unreasonable legal risks and personal liabilities by reason of his acting in good faith in the performance of his duty to the Company; and Indemnitee desires to serve, or to continue to serve (provided that he is furnished the indemnity provided for hereinafter), in either or both of such capacities;

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Indemnitee, intending to be legally bound, do hereby agree as follows:

1. AGREEMENT TO SERVE. Indemnitee agrees to serve or continue to serve as director and/or officer of the Company, at the will of the Company or under separate contract, if such exists, for so long as he is duly elected or appointed and qualified in accordance with the provisions of the Bylaws of the Company or until such time as he tenders his resignation in writing.

2. DEFINITIONS. As used in this Agreement:

(a) The term "Proceeding" shall mean any action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding, except one initiated by Indemnitee to enforce his rights under this Agreement.

(b) The term "Expenses" includes, without limitation, all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, or being or preparing to be a witness in a Proceeding.

(c) References to "other enterprise" shall include employee benefit plans; references to "fines" shall include any (i) excise taxes assessed with respect to any employee benefit plan and (ii) penalties; references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acts in good faith and in a manner he reasonably believes to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

3. INDEMNITY IN THIRD PARTY PROCEEDINGS. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is a party to or is threatened to be made a party to or otherwise involved in any threatened, pending or completed Proceeding (other than a Proceeding by or in the right of the Company to procure a judgment in its favor) by reason of the fact that Indemnitee is or was a director and/or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee in connection with such Proceeding, provided it is determined pursuant to Section 7 of this Agreement or by the court having jurisdiction in the matter, that Indemnitee acted in good

faith and in a manner that he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any Proceeding by judgment, order, settlement or conviction, or upon a plea of NOLO CONTENDERE or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner that he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal Proceeding, had reasonable cause to believe that his conduct was unlawful.

4. INDEMNITY IN PROCEEDINGS BY OR IN THE RIGHT OF THE COMPANY. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is a party to or is threatened to be made a party to or otherwise involved in any threatened, pending or completed Proceeding by or in the right of the Company to procure a judgment in its favor by reason of the fact that Indemnitee is or was a director and/or officer of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against all Expenses actually and reasonably incurred by Indemnitee in connection with the defense, settlement or other disposition of such Proceeding, but only if he acted in good faith and in a manner that he reasonably believed to be in or not opposed to the best interests of the Company, except that no indemnification shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnitee shall have been adjudged to be liable to the Company unless and only to the extent that the Delaware Court of Chancery or the court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the

case, Indemnitee is fairly and reasonably entitled to indemnity for such Expenses as the Delaware Court of Chancery or such other court shall deem proper.

5. INDEMNIFICATION FOR EXPENSES OF SUCCESSFUL PARTY. Notwithstanding any other provision of this Agreement to the contrary, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any Proceeding referred to in Sections 3 and/or 4 of this Agreement, or in defense of any claim, issue or matter therein, including dismissal without prejudice, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee in connection therewith.

6. ADVANCES OF EXPENSES. The Expenses incurred by Indemnitee pursuant to Sections 3 and/or 4 of this Agreement in connection with any Proceeding shall, at the written request of the Indemnitee, be paid by the Company in advance of the final disposition of such Proceeding upon receipt by the Company of an undertaking by or on behalf of Indemnitee ("Indemnitee's Undertaking") to repay such amount to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company. The request for advancement of Expenses by Indemnitee and the undertaking to repay of Indemnitee, which need not be secured, shall be substantially in the form of Exhibit A to this Agreement.

7. RIGHT OF INDEMNITEE TO INDEMNIFICATION OR ADVANCEMENT OF EXPENSES UPON APPLICATION; PROCEDURE UPON APPLICATION.

(a) Any indemnification under Sections 3 and/or 4 of this Agreement shall be made no later than 45 days after receipt by the Company of the written request of

Indemnitee, unless a determination is made within said 45-day period by (i) a majority vote of the directors of the Company who are not parties to the involved Proceeding, even though less than a quorum, or (ii) independent legal counsel in a written opinion (which counsel shall be appointed if there are no such directors or if such directors so direct), that the Indemnitee has not met the applicable standards for indemnification set forth in Section 3 or 4, as the case may be.

(b) Any advancement of Expenses under Section 6 of this Agreement shall be made no later than 10 days after receipt by the Company of Indemnitee's Undertaking.

(c) In any action to establish or enforce the right of indemnification or to receive advancement of Expenses as provided in this Agreement, the burden of proving that indemnification or advancement of Expenses is not appropriate shall be on the Company. Neither the failure of the Company (including its board of directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification or advancement of Expenses is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including its board of directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct. Expenses incurred by Indemnitee in connection with successfully establishing or enforcing his right of indemnification or to receive advancement of Expenses, in whole or in part, under this Agreement shall also be indemnified by the Company.

8. INDEMNIFICATION AND ADVANCEMENT OF EXPENSES UNDER THIS AGREEMENT NOT EXCLUSIVE. The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may be entitled under the Certificate of Incorporation or Bylaws of the Company, any other agreement, any vote of stockholders or disinterested directors, the General Corporation Law of the State of Delaware, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

9. PARTIAL INDEMNIFICATION. If Indemnitee is entitled under any provision of this Agreement to indemnification or to receive advancement by

the Company for some or a portion of the Expenses, judgments, fines or amounts paid in settlement actually and reasonably incurred by Indemnitee in the investigation, defense, appeal, settlement or other disposition of any Proceeding but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

10. RIGHTS CONTINUED. The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall continue as to Indemnitee even though Indemnitee may have ceased to be a director or officer of the Company and shall inure to the benefit of Indemnitee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

11. NO CONSTRUCTION AS AN EMPLOYMENT AGREEMENT OR ANY OTHER COMMITMENT. Nothing contained in this Agreement shall be construed as giving Indemnitee any right to be retained in the employ of the Company or any of its subsidiaries, if Indemnitee currently serves as an officer of the Company, or to be renominated as a director of the Company, if Indemnitee currently serves as a director of the Company.

12. LIABILITY INSURANCE. To the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, Indemnitee shall be covered by such policy or policies in accordance with its or their terms, to the maximum extent of the coverage available for any director or officer of the Company under such policy or policies.

13. NO DUPLICATION OF PAYMENTS. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable under this Agreement if, and to the extent that, Indemnitee has otherwise actually received such payment under any contract, agreement or insurance policy, the Certificate of Incorporation or Bylaws of the Company, or otherwise.

14. SUBROGATION. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all the rights of recovery of Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including without limitation the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

15. EXCEPTIONS. Notwithstanding any other provision in this Agreement, the Company shall not be obligated pursuant to the terms of this Agreement, to indemnify or advance Expenses to the Indemnitee with respect to any Proceeding, or any claim therein, (i) brought or made by Indemnitee against the Company, or (ii) in which final judgment is rendered against the Indemnitee for an accounting of profits made from the purchase and sale or the sale and purchase by Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of any federal, state or local statute.

16. NOTICES. Any notice or other communication required or permitted to be given or made to the Company or Indemnitee pursuant to this Agreement shall be given or made in writing by depositing the same in the United States mail, with postage thereon prepaid, addressed to the person to whom such notice or communication is directed at the address of such person on the records of the Company, and such notice or communication shall be deemed given or made at the time when the same shall be so deposited in the United States mail. Any such notice or communication to the Company shall be addressed to the Secretary of the Company.

17. CONTRACTUAL RIGHTS. The right to be indemnified or to receive advancement of Expenses under this Agreement (i) is a contract right based upon good and valuable consideration, pursuant to which Indemnitee may sue, (ii) is and is intended to be retroactive and shall be available as to events occurring prior to the date of this Agreement and (iii) shall continue after any rescission or restrictive modification of this Agreement as to events occurring prior thereto.

18. SEVERABILITY. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby; and, to the fullest extent possible, the provisions of this Agreement shall be construed so as to give effect to the intent manifested by the provisions held invalid, illegal or unenforceable.

19. SUCCESSORS; BINDING AGREEMENT. The Company shall require any successor to all or substantially all of the business and/or assets of the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise), by agreement in form and substance reasonably satisfactory to Indemnitee, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Section 19 or which otherwise becomes bound by the terms and provisions of this Agreement by operation of law.

20. COUNTERPARTS, MODIFICATION, HEADINGS, GENDER.

(a) This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument, and either party hereto may execute this Agreement by signing any such counterpart.

(b) No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by Indemnitee and an appropriate officer of the Company. No waiver by any party at any time of any breach by any other party of, or compliance with, any condition or provision of this Agreement to be performed by any other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or at any prior or subsequent time.

(c) Section headings are not to be considered part of this Agreement, are solely for convenience of reference, and shall not affect the meaning or interpretation of this Agreement or any provision set forth herein.

(d) Pronouns in masculine, feminine and neuter genders shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires.

21. ASSIGNABILITY. This Agreement shall not be assignable by either party without the consent of the other.

22. EXCLUSIVE JURISDICTION; GOVERNING LAW. The Company and Indemnitee agree that all disputes in any way relating to or arising under this Agreement, including, without limitation, any action for advancement of Expenses or indemnification, shall be litigated, if at all, exclusively in the Delaware Court of Chancery, and, if necessary, the corresponding appellate courts. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in such state without giving effect to the principles of conflicts of laws. The Company and Indemnitee expressly submit themselves to the personal jurisdiction of the State of Delaware.

23. TERMINATION.

(a) This Agreement shall terminate upon the mutual agreement of the parties that this Agreement shall terminate or upon the death of Indemnitee or the resignation, retirement, removal or replacement of Indemnitee from all of his positions as a director and/or officer of the Company.

(b) The termination of this Agreement shall not terminate:

(i) the Company's liability for claims or actions against Indemnitee arising out of or related to acts, omissions, occurrences, facts or circumstances occurring or alleged to have occurred prior to such termination; or

(ii) the applicability of the terms and conditions of this Agreement to such claims or actions.

IN WITNESS WHEREOF, the Company and Indemnitee have executed this Agreement as of the date and year first above written.

NOBLE AFFILIATES, INC.

By:_________________________________
Name:_________________________
Title:________________________

INDEMNITEE

____
Name:_______________________________

EXHIBIT A

INDEMNITEE'S UNDERTAKING

___________, 19__

Noble Affiliates, Inc.
110 West Broadway
Ardmore, Oklahoma 73401

RE: INDEMNITY AGREEMENT

Gentlemen:

Reference is made to the Indemnity Agreement dated as of ___________, 19__ by and between Noble Affiliates, Inc. and the undersigned Indemnitee, and particularly to Section 6 thereof relating to advance payment by the Company of certain Expenses incurred by the undersigned Indemnitee. Capitalized terms used and not otherwise defined in this Indemnitee's Undertaking shall have the respective meanings ascribed to such terms in the Agreement.

The undersigned Indemnitee has incurred Expenses pursuant to Section 3 and/or 4 of the Agreement in connection with a Proceeding. The types and amounts of Expenses are itemized on Attachment I to this Indemnitee's Undertaking. The undersigned Indemnitee hereby requests that the total amount of these Expenses (the "Advanced Amount") be paid by the Company in advance of the final disposition of such Proceeding in accordance with the Agreement.

The undersigned Indemnitee hereby agrees to repay the Advanced Amount to the Company to the extent that it is ultimately determined that the undersigned Indemnitee is not entitled to be indemnified by the Company. This agreement of Indemnitee to repay shall be unsecured.

Very truly yours,

____
Signature

____
Name of Indemnitee (Type or Print)

ATTACHMENT I TO

INDEMNITEE'S UNDERTAKING

ITEMIZATION OF
TYPES AND AMOUNTS OF EXPENSES

Attached hereto are receipts, statements or invoices for the following qualifying Expenses which Indemnitee represents have been incurred by Indemnitee in connection with a Proceeding:

TYPE	AMOUNT
1.	

Total Advanced Amount	

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

SIGNIFICANT EVENTS IN 1995

- The Company had record levels of oil and gas production during 1995.
- The Company expended $266 million on exploration, development and acquisition costs during 1995.
- The Company replaced production of its reserves in 1995 by 183 percent on a barrel of oil equivalent (BOE) basis - gas converted at 6:1.
- The cost of finding of all reserves added in 1995 was $5.64 per BOE.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW FROM OPERATIONS

Net cash provided by operating activities was $238.9 million for 1995, a 27 percent and 71 percent increase from the $188.6 million and $139.4 million in 1994 and 1993, respectively. Cash and short-term cash investments decreased to $12.4 million at December 31, 1995, from $22.2 million at year-end 1994, primarily as a result of higher drilling activity.

During 1995, the Company utilized its beginning cash balance and cash flow from operations to fund its exploration, development and acquisition expenditures. The Company's current ratio (current assets divided by current liabilities) was 1.21:1 at December 31, 1995, compared with 1.64:1 at December 31, 1994.

RESERVES ADDED AND COST OF FINDING

During 1995, the Company spent $266 million on exploration, development and acquisitions of oil and gas properties. Total proved gas reserves increased from 778.9 billion cubic feet (BCF) at year-end 1994 to 850.3 BCF at year-end 1995 and total proved oil reserves increased from 75.5 million barrels (BBLS) at year-end 1994 to 84 million BBLS at year-end 1995.

An accepted method of calculating cost of finding is to divide the Company's expenditures for oil and gas exploration, development and acquisitions by the net BOE's added during the year. Using this method, the Company's cost of finding for 1995 was $5.64 per BOE. A three year summary of cost of finding follows:

(BOE'S AND DOLLARS STATED IN MILLIONS, EXCEPT FINDING COST)	1995	1994	1993	THREE YEAR TOTAL
Oil reserves added	18.2	11.5	33.3	63.0
Gas reserves added BOE (6:1)	29.0	29.4	66.9	125.3
Total reserves added BOE	47.2	40.9	100.2	188.3
Costs incurred in oil and gas acquisition, exploration and development activities	$266	$190	$515	$971
Average finding cost per BOE	$5.64	$4.64	$5.14	$5.16*

*Three year average

LONG-TERM FINANCING

Total long-term debt at December 31, 1995 was virtually unchanged from the prior year at $376,992,000. The ratio of long-term debt to book capital (defined as the Company's long-term debt plus its equity) remained the same for both 1995 and 1994 at 48 percent.

The Company has outstanding $230,000,000 4 1/4% Convertible Subordinated Notes Due 2003, which are convertible into common stock of the Company at any time prior to maturity at $36.65 per share.

Also outstanding are $100,000,000 7 1/4% Notes Due 2023. The Company may not redeem any portion of these notes prior to maturity.

The Company has a credit agreement with certain banks which provides for maximum unsecured borrowings of $100 million at variable rates. The Company borrowed $48 million on June 1, 1994, and used the proceeds, plus available cash balances, to redeem its $125,000,000 10 1/8% Notes Due June 1, 1997.

(This page contained two graphs in the body of the text: Costs Incurred for Acquisitions, Exploration and Development for three years and Average Finding Cost Per BOE for three years)

On September 29, 1995, the Company borrowed $25 million under its bank credit agreement and used the proceeds to acquire three Gulf of Mexico properties. On October 17, 1995 an additional $5 million was borrowed under the bank credit agreement and the proceeds were used to fund current operations. Both the $25 million and $5 million loans were repaid on December 1, 1995.

The interest rate on the credit agreement is a variable rate based on the lowest of three interest rate options. The weighted average interest rate on the borrowings during 1995 was 7 percent.

During the next five years no principal payments of long-term debt are required except for $48 million outstanding under the bank credit agreement, which is due May 31, 1997.

OTHER

The Company follows an entitlements method of accounting for its gas imbalances. The Company's estimated gas imbalance receivables were $12.3 million and $11.7 million at December 31, 1995 and 1994, respectively, and estimated gas imbalance liabilities were $11.4 million and $10.5 million at December 31, 1995 and 1994, respectively. These imbalances are valued at the amount which is expected to be received or paid to settle the imbalances. The settlement of the imbalances can occur either during, or at the end of the life of a well, on a volume basis or by cash settlement. The Company does not expect that a significant portion of the settlements will occur in any one year. Thus, the Company believes the periodic settlement of gas imbalances will have little impact on its liquidity.

The Company has sold a number of non-strategic oil and gas properties over the past three years, recognizing a gain of $3,620,000, $254,000 and $1,264,000 for 1995, 1994 and 1993, respectively. Total amounts of oil and gas reserves associated with these disposals during the last three years were 828,000 BBLS of oil and 13.9 BCF of gas. The Company believes the disposal of non-strategic properties furthers the goal of concentrating its efforts on its strategic properties.

The Company has paid quarterly cash dividends of $.04 per share since August 21, 1989, and currently anticipates it will continue to pay quarterly dividends of $.04 per share.

During 1995, the Company adopted Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" (SFAS No. 121). The effect of adopting SFAS No. 121 was to record a $59.5 million pretax write- down of certain long-lived assets. For additional information on SFAS No. 121, see Note 9 to the financial statements.

In October 1995, the Financial Accounting Standards Board issued SFAS No. 123 "Accounting for Stock-Based Compensation." The Company plans to adopt SFAS No. 123 during 1996 by electing to disclose the additional information required in the footnotes to its financial statements as opposed to recognition as compensation expense.

RESULTS OF OPERATIONS

NET INCOME AND REVENUES

1995 VERSUS 1994. Net income for 1995 was $4.1 million, or $.08 per share, compared with $3.2 million, or $.06 per share in 1994. Without the net effect of the two non-recurring events in 1995, the increase in net income was achieved primarily through record oil and gas production and increased oil prices. Total revenues were $487 million in 1995 and $358.4 million in 1994.

Oil and gas revenues were $328.1 million in 1995, an increase of $21.9 million or 7 percent, compared with 1994. Average oil price in 1995 was $16.78 per barrel, a 13 percent increase from the 1994 average of $14.90 per barrel. Average gas price declined 13 percent in 1995 to $1.72 per thousand cubic feet (MCF) from the 1994 average of $1.97 per MCF. Such decline was a reflection of weaker pricing as a result of milder weather and excess gas in storage.

Gathering, marketing and processing revenues increased 157 percent, or $68.8 million, to $112.7 million in 1995 as compared with 1994 levels. This increase reflects a full year

(This page contained three graphs in the body of the text: Gas Reserves Added for three years; Oil Reserves Added for three years and Net Income for three years.)

of operations for Noble Gas Marketing, Inc. (NGM), a wholly owned subsidiary of the Company, as well as operations for Noble Trading, Inc. (NTI), a wholly owned subsidiary of the Company, which began operations in May 1995. Other income in 1995 was $46.2 million, compared with $8.3 million in 1994. This increase resulted from the settlement of a Columbia Gas Transmission Corporation bankruptcy claim with Samedan Oil Corporation (Samedan), in which $39 million was recorded as other income.

1994 VERSUS 1993. Net income for 1994 was $3.2 million, or $.06 per share, compared with $12.6 million, or $.26 per share in 1993. Although oil and gas production increased for the year, higher exploration and depreciation, depletion and amortization (DD&A) expenses caused a decrease in 1994 net income. Total revenues were $358.4 million and $286.6 million in 1994 and 1993, respectively.

Oil and gas revenues were $306.2 million in 1994, an increase of $28.2 million, or 10 percent greater than 1993. The average oil price in 1994 was $14.90 per barrel, a 6 percent decrease from the 1993 average of $15.91 per barrel. The average gas price declined 6 percent in 1994 to $1.97 per MCF from the 1993 average of $2.10 per MCF.

Gathering, marketing and processing revenues were $43.9 million in 1994. This reflects sales from NGM, which began operations in June 1994. Other income of $8.3 million in 1994 was virtually flat with 1993 levels.

NATURAL GAS INFORMATION

1995 VERSUS 1994. Gas sales for 1995 decreased 4 percent to $167.4 million from $174.5 million in 1994. Average daily production in 1995 increased 10 percent to 272.2 million cubic feet (MMCF) from 247.6 MMCF in 1994.

The average gas price in 1995 decreased 13 percent to $1.72 per MCF, from $1.97 per MCF in 1994. In 1995, the Company's average gas prices ranged from a low of $1.50 in February and August, to a high of $2.33 in December.

1994 VERSUS 1993. Gas sales for 1994 increased 10 percent to $174.5 million from $159.2 million in 1993. Average daily production in 1994 increased 17 percent to 247.6 MMCF from 211.1 MMCF in 1993.

The average gas price in 1994 decreased 6 percent to $1.97 per MCF, from $2.10 per MCF in 1993. In 1994, the Company's average gas prices ranged from a low of $1.59 per MCF in October to a high of $2.34 per MCF in March.

A three-year summary of gas related information follows:

	1995	1994	1993
Proved reserves at year end (MMCF)	850,339	778,950	691,530
Gas revenues (millions)	$167.4	$174.5	$159.2
Average price per MCF*	$ 1.72	$ 1.97	$ 2.10
Average daily production (MMCF)	272.2	247.6	211.1
Gas sales as a % of oil and gas sales	52%	59%	59%

*The above amount reflects a reduction of $.004 per MCF in 1995 and $.048 per MCF in 1993 from hedging.

CRUDE OIL INFORMATION

1995 VERSUS 1994. Oil sales for 1995 increased 25 percent to $153.5 million from $122.9 million in 1994. Average daily production in 1995 increased 13 percent to 25,617 barrels from 22,751 barrels in 1994.

Average oil price for 1995 was $16.78 a barrel, a 13 percent increase from the 1994 average of $14.90 per barrel. The Company believes prices should improve moderately over time, but when conditions warrant, hedging may be used to minimize exposure to price volatility.

International sales accounted for 15 percent of 1995 oil sales compared with 16 percent of oil sales in 1994. Average daily oil production from properties outside the United States was 3,777 barrels in 1995 and 3,329 barrels in 1994.

1994 VERSUS 1993. Oil sales for 1994 increased 10 percent to $122.9 million from $111.3 million in 1993. Average daily production in 1994 increased 17 percent to 22,751 barrels from 19,496 barrels in 1993.

Average oil price for 1994 was $14.90 a barrel, a 6 percent decrease from the 1993 average of $15.91 per barrel.

International sales accounted for 16 percent of 1994 oil sales, compared with 19 percent of oil sales in 1993. Average daily oil production from properties outside the United States was 3,329 barrels in 1994 and 3,465 barrels in 1993.

A three-year summary of oil related information follows:

	1995	1994	1993
Proved reserves at year end (thousands of barrels)			
Working interest	80,910	73,147	70,245
Royalty interest (1)	3,098	2,380	2,710
Total	84,008	75,527	72,955
Oil revenues (millions)	$153.5	$122.9	$111.3
Average price per BBL (2)	$16.78	$14.90	$15.91
Average daily production (BBLS)	25,617	22,751	19,496
Oil sales as a % of oil and gas sales	48%	41%	41%

(1) Includes royalty oil, condensate and gas reserves stated in BOE's.
(2) Includes $.16 per barrel in 1995 and $.02 per barrel in 1993 from hedging income.

(This page contain two graphs in the body of the text: Gas Revenues for three years and Oil Revenues for three years.)

HEDGING ACTIVITY

1995 VERSUS 1994. The Company, through its two subsidiaries, NGM and Samedan, uses hedging arrangements in connection with the sale of oil and gas in order to obtain a fixed margin and/or minimize product price risk.

Most of the gas purchased by NGM, which includes substantially all of Samedan's gas as well as certain other third party gas, is purchased on an index basis; however, purchasers in the markets in which NGM sells may often require fixed or NYMEX related pricing. NGM can use a hedge to convert the fixed or NYMEX sale to an index basis thereby determining the margin and minimizing the risk of price volatility. During 1995, NGM had hedging transactions with large financial institutions that averaged approximately 126,000 MMBTU's of gas per day at prices linked to certain indices. Hedges for January through December 1996, which range from 10,000 to approximately 222,000 MMBTU's of gas per day at prices ranging from $.75 per MMBTU above index to $1.10 per MMBTU below index, were not closed at December 31, 1995. These hedges are in place to secure margins on future physical transactions. NGM records hedging gains or losses relating to fixed term sales as gathering, marketing and processing revenues in the periods in which the related contract is completed.

Samedan, from time to time, may enter into hedging arrangements to protect against oil and gas price volatility, and records hedging gains and losses relating to its own oil and gas production in oil and gas sales and royalties. Samedan had fixed price hedges for 30,000 MMBTU's of gas per day for November and 100,000 MMBTU's of gas per day for December 1995 at prices ranging from $1.82 to $1.95 per MMBTU. Samedan also had various collar transactions for November and December 1995 for 25,000 MMBTU's of gas per day which had a floor price of $1.60 and a ceiling price of $1.96 per MMBTU. Gas revenues for 1995 reflect reduced value of $435,000 relating to hedging production at prices below the ultimate spot price for gas. This lowered the average gas price received by $.004 per MCF. Hedges for January through December 1996, which range from 205,000 to 230,000 MMBTU's of gas per day at prices ranging from $1.60 to $2.03 per MMBTU, were not closed at December 31, 1995.

Samedan had oil hedges of 5,000 barrels per day for May through December 1995. These hedges ranged in price from $18.56 to $20.27 per barrel. Various collar transactions for January through December 1996 of 15,000 barrels per day, which have a floor price of $16.50 per barrel and ceiling prices ranging from $18.00 to $18.60 per barrel, were not closed at December 31, 1995. The Company's oil revenue in 1995 includes approximately $1.4 million of hedging income, which increased the average oil price by $.16 per barrel. For additional hedging disclosures, see Notes 1, 2 and 8 to the financial statements.

1994 VERSUS 1993. During 1994, all gas hedging activity related to NGM sales, which hedged an average of approximately 32,000 MMBTU's of gas per day at prices ranging from $.01 per MMBTU above index to $.58 per MMBTU above index. Hedging gains and losses for 1994 are included in gathering, marketing and processing revenues. The average gas price in 1993 reflected $3.7 million of reduced value relating to hedging, which lowered the average gas price by $.048 per MCF.

The Company did not hedge any of its oil production during 1994. Oil revenues for 1993 include approximately $100,000 of hedging income, which increased average oil price by $.02 per barrel.

COSTS AND EXPENSES

1995 VERSUS 1994. Oil and gas exploration expense in 1995 decreased $21.1 million from 1994 to $33.2 million. The decrease resulted from a $17.7 million decrease in dry hole expense in 1995, a $2.5 million decrease in abandoned assets, and a $1.3 million decrease in undeveloped lease amortization.

Oil and gas operations expense in 1995 increased $7 million over 1994 to $81.7 million. Lease operating expense increased $9.3 million in 1995 primarily due to higher oil and gas production from a greater number of properties. This increase was partially offset by a $2.5 million decrease in production taxes paid, resulting from a contractual tax reimbursement from a purchaser.

In 1995, DD&A expense increased $73.4 million over 1994 to $200.9 million. This increase resulted principally as a result of adoption of SFAS No. 121 in the fourth quarter of 1995, in which a pretax charge of $59.5 million was recorded to DD&A expense. The charge reduced 1995 net income by $38.7 million, or $.77 per share. The pretax charge includes $4.1 million and $3.2 million related to Samedan Oil of Canada, Inc. and Samedan of Tunisia, Inc., respectively, both wholly owned subsidiaries of the Company. The unit rate of DD&A expense per BOE, converting gas to oil on a 6:1 basis, was $7.75 for 1995, compared to $5.46 for 1994. The DD&A unit rate without the effect of SFAS No. 121 would have also been $5.46 in 1995. Higher oil and gas volumes also contributed to the higher DD&A expense in 1995.

(This page contained one graph in the body of the text: DD&A Expense Per BOE of Production for three years.)

The Company provides for the cost of future liabilities related to restoration and dismantlement costs for offshore facilities. This provision is based on the Company's best estimate of such costs to be incurred in future years based on information from the Company's engineers. These estimated costs are provided through charging DD&A expense using a ratio of production divided by reserves multiplied by the estimated costs to dismantle and restore. The Company has provided $40.6 million for such future costs which are classified in accumulated DD&A on the balance sheet. Total estimated future dismantlement and restoration costs of $84.3 million are included in future production and development costs for purposes of estimating the future net revenues relating to the Company's proved reserves.

1994 VERSUS 1993. Oil and gas exploration expense in 1994 increased $17.8 million over 1993 to $54.3 million. The increase resulted from a $21.3 million increase in dry hole expense, which was partially offset by a $4.3 million decrease in undeveloped lease amortization. Dry hole expense increased as a result of higher exploration activity during 1994.

In 1994, oil and gas operations expense decreased $449,000 from 1993 to $74.7 million. This decrease occurred in spite of increased oil and gas production and can be explained by several factors. First, international operations expense in 1994 decreased approximately $3 million due to the sale of the Company's Camar prospect in Indonesia, as well as lower operating costs incurred in the Company's remaining international operations. Second, in the fourth quarter of 1993, operations expense reflected expenses being charged to the Company on acquired properties. In 1994, the Company absorbed the operations for these acquired properties with little incremental costs, resulting in limited increases in operations expense notwithstanding increased production. Third, in 1994, the Company incurred fewer workover expenses, thereby reducing operations expense from 1993 levels.

DD&A expense in 1994 increased $20.3 million over 1993 to $127.5 million. This increase resulted primarily from higher oil and gas production volumes from properties acquired in late 1993, along with increases due to reserve writedowns of $6.8 million on three offshore Louisiana blocks and approximately $3 million on other properties. Total estimated future dismantlement and restoration costs of $75.6 million are included in future production and development costs for purposes of estimating the future net revenues relating to the Company's proved reserves.

In 1994, selling, general and administrative (SG&A) expense increased $4.6 million over 1993 to $36.4 million. This increase was due, in part, to the start-up operations of NGM, which sustained $1.2 million in SG&A expense, along with an additional $2.2 million incurred by the Company's various divisions which hired additional personnel to oversee increased operations.

INTEREST EXPENSE

1995 VERSUS 1994. In 1995, interest expense decreased $2.8 million from 1994 to $21.9 million. This decrease was due primarily to the redemption in June 1994 of the Company's $125,000,000 10 1/8% Notes Due June 1, 1997.

Capitalized interest in 1995 decreased $4.1 million from 1994 to $3.1 million. This decrease is primarily from a $4.9 million decrease in interest capitalized on East Cameron blocks 320, 331 and 332.

1994 VERSUS 1993. In 1994, interest expense increased $4.3 million over 1993 to $24.7 million. This increase was due, in part, to recognizing a full year's interest on the Company's $330 million of notes issued in late 1993, which caused an increase of $13.7 million. Offsetting the increase was a decrease of $7.4 million attributable to redemption in June 1994 of the Company's $125,000,000 10 1/8% Notes Due June 1, 1997 and an additional decrease of $2.5 million resulting from redemption in May 1993 of the Company's $100,000,000 7 1/4% Convertible Debentures Due 2012.

Capitalized interest in 1994 increased $2.1 million over 1993 to $7.2 million. This increase is primarily due to a $1.4 million increase in capitalized interest on East Cameron blocks 320, 331 and 332.

MARKETING SUBSIDIARIES

In June 1994, NGM began marketing the Company's natural gas as well as certain other third-party gas. NGM sells gas directly to end-users, gas marketers, industrial users, interstate and intrastate pipelines, and local distribution companies. The Company records all of NGM's sales as gathering, marketing and processing revenues. All intercompany sales and expenses have been eliminated.

During 1995, NGM recorded $104.6 million in gathering, marketing and processing revenues and $100.6 million in gathering, marketing and processing expenses, generating a gross margin of $4 million for the year. The gross margin was offset by administrative expenses of $1.6 million, resulting in pretax income of $2.4 million for its second year of operation.

(This page contained one graph in the body of the text: SG&A Expense Per BOE of Production for three years.)

In 1994, NGM recorded $43.9 million in gathering, marketing and processing revenues and $42.8 million in gathering, marketing and processing expenses, generating a gross margin of $1.1 million for the year. The gross margin was offset by administrative expenses of $1.2 million, resulting in a slight loss for NGM's initial year of operation.

In May 1995, NTI began marketing a portion of the Company's oil as well as certain third-party oil. The Company records all of NTI's sales as gathering, marketing and processing revenues. All intercompany sales and expenses have been eliminated.

During 1995, NTI recorded $8.1 million in gathering, marketing and processing revenues and $7.3 million in gathering, marketing and processing expenses, generating a gross margin of $791,000 for the year. The gross margin was offset by administrative expenses of $52,000, resulting in pretax income of $739,000 for NTI's initial year of operation.

FUTURE TRENDS

The Company expects higher revenues in 1996 compared with 1995 levels. The increases in revenues are expected primarily due to projected higher production levels and slightly higher average prices.

The Company's average production and lifting cost per BOE and SG&A expense per BOE of production have decreased each year for the past three years.

Lower DD&A unit rates are expected in 1996, in part due to the lower cost basis of certain oil and gas assets as a result of the SFAS No. 121 impairment of $59.5 million of long-lived assets during 1995.

The projected increases in revenues should have a positive affect on net income and cash flows in 1996 compared to 1995.

The Company recently set its 1996 capital budget at $240 million. Such capital budget, as well as exploration expenditures, are planned to be funded through internally generated cash flows. The Company plans an active exploration and development program in its domestic onshore and offshore divisions along with its Canadian and Equatorial Guinea operations.

Over the past several years, Samedan has settled various claims which it had against parties who had contracted to purchase gas at fixed prices which were greater than market, or who had take-or-pay contracts with Samedan in which such obligations to take-or-pay for quantities of gas were not fulfilled. It is the Company's policy, which is consistent with general industry practice, that such payments do not represent payment for gas produced and therefore, are not subject to royalty payments. The federal government, with respect to leases on both onshore and offshore federal lands, certain other governmental bodies, and some private landowners have begun to assert claims in recent years against oil and gas companies for royalties on some or all of such settlement amounts.

The Company recently participated in a joint effort with the Independent Petroleum Association of America wherein Samedan was a party to a test case involving such a claim made with respect to a lease on Indian lands. In the U.S. District Court for the District of Columbia, Samedan and other plaintiffs challenged the determination by the U.S. Minerals Management Service (MMS) that royalties were payable to the government on certain proceeds received by Samedan (and the other plaintiffs) with respect to a contract settlement. The district court recently ruled in favor of the MMS, and a judgment in the amount of $20,000 was awarded against Samedan. Samedan has appealed this judgment and intends to vigorously pursue its appeal. The Company intends to continue to follow its current policies in regard to these matters unless and until the issues have been settled by controlling precedent.

Although the amount in controversy applicable to Samedan in the above described lawsuit is not material, the decision in such case, if not reversed or otherwise limited on appeal, could have a negative impact with respect to other take-or-pay or contract settlements entered into by Samedan. There can be no assurance that Samedan will prevail on appeal in the above described lawsuit or that Samedan will prevail in the future on any similar claims asserted against it based on other take-or-pay or contract settlements. The Company is unable at this time to estimate the possible amount of the loss, if any, associated with this contingency.

Management believes that the Company is well positioned with its balanced reserves of oil and gas to take advantage of future price increases that may occur. However, the uncertainty of oil and gas prices continues to affect the domestic oil and gas industry. Due to the volatility of oil and gas prices, the Company, from time to time, has used hedging and plans to do so in the future as a means of controlling its exposure to price changes. The Company cannot predict the extent to which its revenues will be affected by inflation, government regulation or changing prices.

(This page contained one graph in the body of the text: Average Production and Lifting Cost Per BOE for three years.)

SELECTED FINANCIAL DATA NOBLE AFFILIATES, INC. AND SUBSIDIARIES

	YEAR ENDED DECEMBER 31,				
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS AND RATIOS)	1995	1994	1993	1992	1991
REVENUES AND INCOME					
Revenues	$487,018	$358,389	$ 286,583	$303,782	$250,417
Net cash provided by operating activities. . . .	238,920	188,621	139,381	125,107	89,179
Net income	4,086	3,166	12,625	41,240	19,308
PER SHARE DATA					
Net income	$ .08	$ .06	$ .26	$ .93	$ .44
Cash dividends	.16	.16	.16	.16	.16
Year end stock prices.	29.88	24.75	26.50	17.63	13.63
Average shares outstanding	50,046	49,970	48,098	44,341	44,135
FINANCIAL POSITION					
Property, pland and equipment, net:					
Oil and gas mineral interests,					
equipment and facilities	$831,827	$804,009	$ 784,235	$409,740	$458,892
Total assets	989,176	933,516	1,067,996	625,621	589,642
Long-term obligations:					
Long-term debt	376,992	376,956	453,760	224,793	224,746
Deferred income taxes.	69,445	61,802	45,108	33,378	35,227
Other.	33,650	19,455	7,158	7,010	8,488
Shareholders' equity	411,911	412,066	415,432	304,779	264,509
Ratio of long-term debt to					
book capital	.48	.48	.52	.42	.46
CAPITAL EXPENDITURES					
Oil and gas mineral interests,					
equipment and facilities	$252,977	$158,973	$ 508,506	$ 64,066	$121,378
Other.	6,265	2,371	1,607	1,744	3,970
Total capital expenditures	$259,242	$161,344	$ 510,113	$ 65,810	$125,348

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

OPERATING STATISTICS

	YEAR ENDED DECEMBER 31,				
	1995	1994	1993	1992	1991
GAS					
Sales (in millions).	$ 167.4	$ 174.5	$ 159.2	$ 134.2	$ 111.1
Production (MMCF per day).	272.2	247.6	211.1	204.6	178.4
Average price (per MCF).	$ 1.72	$ 1.97	$ 2.10	$ 1.81	$ 1.74
OIL					
Sales (in millions).	$ 153.5	$ 122.9	$ 111.3	$ 120.2	$ 109.2
Production (BBLS per day).	25,617	22,751	19,496	17,826	15,001
Average price (per BBL).	$ 16.78	$ 14.90	$ 15.91	$ 18.68	$ 20.39
Royalty sales (in millions).	$ 7.2	$ 8.8	$ 7.5	$ 5.4	$ 6.2

CONSOLIDATED BALANCE SHEET NOBLE AFFILIATES, INC. AND SUBSIDIARIES

	DECEMBER 31,	
(IN THOUSANDS OF DOLLARS)	1995	1994
ASSETS		
CURRENT ASSETS:		
Cash and short-term cash investments	$ 12,429	$ 22,192
Accounts receivable - trade	79,478	49,692
Materials and supplies inventories	2,855	3,591
Other current assets	22,750	28,412
Total current assets	117,512	103,887
PROPERTY, PLANT AND EQUIPMENT, AT COST:		
Oil and gas mineral interests, equipment and facilities (successful efforts method of accounting)	1,658,157	1,560,392
Other	33,328	28,067
	1,691,485	1,588,459
Accumulated depreciation, depletion and amortization	(847,540)	(775,079)
Total property, plant and equipment, net	843,945	813,380
OTHER ASSETS	27,719	16,249
	$ 989,176	$ 933,516
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable - trade	$ 73,536	$ 46,473
Other current liabilities	20,206	12,996
Income taxes - current	3,436	3,768
Total current liabilities	97,178	63,237
DEFERRED INCOME TAXES	69,445	61,802
OTHER DEFERRED CREDITS AND NONCURRENT LIABILITIES	33,650	19,455
LONG-TERM DEBT	376,992	376,956
SHAREHOLDERS' EQUITY:		
Preferred stock - par value $1; 4,000,000 shares authorized, none issued		
Common stock - par value $3.33 1/3; 100,000,000 shares authorized; 51,722,647 and 51,537,455 shares issued in 1995 and 1994, respectively	172,407	171,790
Capital in excess of par value	145,059	141,911
Retained earnings	109,863	113,783
	427,329	427,484

Less common stock in treasury, at cost (1995 and 1994, 1,524,900 shares)	(15,418)	(15,418)
Total shareholders' equity	411,911	412,066
	$ 989,176	$ 933,516

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENT OF OPERATIONS   NOBLE AFFILIATES, INC. AND SUBSIDIARIES

	YEAR ENDED DECEMBER 31,		
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	1995	1994	1993
REVENUES:			
Oil and gas sales and royalties	$328,134	$306,169	$278,004
Gathering, marketing and processing	112,702	43,921	
Other income	46,182	8,299	8,579
	487,018	358,389	286,583
COSTS AND EXPENSES:			
Oil and gas exploration	33,246	54,321	36,473
Oil and gas operations	81,735	74,661	75,110
Gathering, marketing and processing	107,867	42,758	
Depreciation, depletion and amortization	200,914	127,470	107,215
Selling, general and administrative	36,514	36,408	31,784
Interest	21,871	24,729	20,402
Interest capitalized	(3,127)	(7,183)	(5,060)
	479,020	353,164	265,924
INCOME BEFORE TAXES	7,998	5,225	20,659
INCOME TAX PROVISIONS:			
Current	(9,123)	(10,462)	558
Deferred	13,035	12,521	7,476
	3,912	2,059	8,034
NET INCOME	$ 4,086	$ 3,166	$ 12,625
NET INCOME PER SHARE	$ .08	$ .06	$ .26
AVERAGE NUMBER SHARES OUTSTANDING	50,046	49,970	48,098

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENT OF CASH FLOWS   NOBLE AFFILIATES, INC. AND SUBSIDIARIES

	YEAR ENDED DECEMBER 31,		
(IN THOUSANDS OF DOLLARS)	1995	1994	1993
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 4,086	$ 3,166	$ 12,625
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, depletion and amortization	200,914	127,470	107,215
Amortization of undeveloped lease costs, net	6,465	7,813	12,063
(Gain) loss on disposal of assets	(3,289)	2,213	4,821
Noncurrent deferred income taxes	7,642	16,694	11,730
Increase in other deferred credits	14,194	12,297	148
(Increase) decrease in other	(399)	8,232	3,744
Changes in working capital, not including cash:			

(Increase) decrease in accounts receivable	(29,786)	16,622	(4,445)
(Increase) decrease in other current assets	5,151	(18,185)	(5,789)
Increase (decrease) in accounts payable	27,063	17,119	(194)
Increase (decrease) in other current liabilities	6,879	(4,820)	(2,537)
NET CASH PROVIDED BY OPERATING ACTIVITIES	238,920	188,621	139,381
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(255,188)	(166,121)	(508,506)
Proceeds from sale of property, plant and equipment	10,745	2,392	10,606
NET CASH USED IN INVESTING ACTIVITIES	(244,443)	(163,729)	(497,900)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Exercise of stock options	3,766	1,463	5,647
Cash dividends paid	(8,006)	(7,995)	(7,766)
Proceeds from bank borrowings	30,000	48,000	
Repayment of bank debt	(30,000)		
(Retirement of) proceeds from issuance of long-term debt		(125,000)	324,589
(Retirement of) proceeds from short-term debt for property acquisition		(95,600)	95,600
Cash redemption of convertible debt			(1,845)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(4,240)	(179,132)	416,225
INCREASE (DECREASE) IN CASH AND SHORT-TERM CASH INVESTMENTS	(9,763)	(154,240)	57,706
CASH AND SHORT-TERM CASH INVESTMENTS AT BEGINNING OF YEAR	22,192	176,432	118,726
CASH AND SHORT-TERM CASH INVESTMENTS AT END OF YEAR	$ 12,429	$ 22,192	$ 176,432
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest (net of amount capitalized)	$ 17,659	$ 18,603	$ 13,335
Income taxes		$ 660	$ 5,300

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY NOBLE AFFILIATES, INC. AND SUBSIDIARIES

(IN THOUSANDS OF DOLLARS)	COMMON STOCK SHARES ISSUED	COMMON STOCK AMOUNT	CAPITAL IN EXCESS OF PAR VALUE	TREASURY STOCK AT COST	RETAINED EARNINGS
JANUARY 1, 1993	46,132,342	$153,772	$ 52,672	$(15,418)	$113,753
Net Income					12,625
Exercise of stock options	327,407	1,092	4,555		
Redemption of convertible debentures	5,001,373	16,671	83,476		
Cash dividends ($ .16 per share)					(7,766)
DECEMBER 31, 1993	51,461,122	$171,535	$140,703	$(15,418)	$118,612
Net Income					3,166
Exercise of stock options	76,333	255	1,208		
Cash dividends ($ .16 per share)					(7,995)
DECEMBER 31, 1994	51,537,455	$171,790	$141,911	$(15,418)	$113,783
Net Income					4,086
Exercise of stock options	185,192	617	3,148		
Cash dividends ($ .16 per share)					(8,006)
DECEMBER 31, 1995	51,722,647	$172,407	$145,059	$(15,418)	$109,863

SEE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLAR AMOUNTS IN TABLES, UNLESS OTHERWISE INDICATED, ARE IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CONSOLIDATION

The consolidated accounts include Noble Affiliates, Inc. (the Company) and the consolidated accounts of its wholly owned subsidiaries: Noble Gas Marketing, Inc. (NGM); Noble Trading, Inc. (NTI); NPM, Inc.; and Samedan Oil Corporation (Samedan). Listed below are consolidated entities at December 31, 1995.

- NOBLE AFFILIATES, INC.
  - Noble Gas Marketing, Inc.
    - Noble Gas Pipeline, Inc.
  - Noble Trading, Inc.
  - NPM, Inc.
  - Samedan Oil Corporation
    - Samedan Oil of Canada, Inc.
    - Samedan Oil of Indonesia, Inc.
    - Samedan of North Africa, Inc.
      - Samedan LPG
    - Samedan Pipe Line Corporation
    - Samedan Royalty Corporation
    - Samedan of Tunisia, Inc.

NATURE OF OPERATIONS

The Company is principally engaged, through its subsidiaries, in the exploration, development, production and marketing of oil and gas. Samedan operates throughout the major basins in the United States, including the Gulf of Mexico, as well as Canada, Tunisia and Equatorial Guinea. The Company markets its oil and gas production through NGM, NTI and Samedan.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Such estimates and assumptions also affect the disclosure of contingent assets and liabilities at the date of the financial statements as well as amounts of revenues and expenses recognized during the reporting period. Of the estimates and assumptions that affect reported results, the estimate of the Company's oil and gas reserves is the most significant.

FOREIGN CURRENCY TRANSLATION

The U.S. dollar is considered the functional currency for each of the Company's international operations with the exception of Canada. The functional currency for the Canadian subsidiary is the Canadian dollar which has been translated into the U.S. dollar for the financial statements. Translation gains or losses were not material in any of the periods presented.

INVENTORIES

Materials and supplies inventories consisting principally of tubular goods and production equipment are stated at the lower of cost or market, with cost being determined by the first-in, first-out method.

PROPERTY, PLANT AND EQUIPMENT

The Company accounts for its oil and gas properties under the successful efforts method of accounting. Under this method, costs to acquire mineral interests in oil and gas properties, to drill and equip exploratory wells that find proved reserves and to drill and equip development wells are capitalized. Capitalized costs of producing oil and gas properties are amortized to operations by the unit-of-production method based on proved developed oil and gas reserves on a property by property basis as estimated by Company engineers. Estimated future restoration and abandonment costs are recorded by charges to depreciation, depletion and amortization expense over the productive lives of the related properties. The Company has provided $40.6 million for such future costs classified with accumulated DD&A in the balance sheet. The total estimated future dismantlement and restoration costs of $84.3 million are included in future production and development costs for purposes of estimating the future net revenues relating to the Company's proved reserves. Upon sale or retirement of depreciable or depletable property, the cost and related accumulated DD&A are eliminated from the accounts and the resulting gain or loss is recognized.

Undeveloped oil and gas properties, which are individually significant, are periodically assessed for impairment of value and a loss is recognized at the time of impairment by providing an impairment allowance. Other undeveloped properties are amortized on a composite method based on the Company's experience of successful drilling and average holding period. Geological and geophysical costs, delay rentals and costs to drill exploratory wells which do not find proved reserves are expensed.

Developed oil and gas properties and other long-lived assets are periodically assessed to determine if circumstances indicate that the carrying amount of an asset may not be recoverable. The Company performs this review of recoverability by estimating future cash flows. If the sum of the expected future cash flows is less than the carrying amount of the asset, an impairment is recognized based on the discounted amount of such cash flows.

Repairs and maintenance are charged to expense as incurred. Renewals and betterments are capitalized.

INCOME TAXES

The Company files a consolidated federal income tax return. Deferred income taxes are provided for temporary differences between the financial reporting and tax bases of the Company's assets and liabilities.

NET INCOME PER SHARE

Net income per share of common stock has been computed on the basis of the weighted average number of shares outstanding during each period. The effect of shares issuable upon the exercise of stock options is immaterial. The convertible subordinated notes, which are not common stock equivalents, have not been included in computing fully diluted earnings per share since their inclusion would be antidilutive.

CAPITALIZATION OF INTEREST

The Company capitalizes interest costs associated with the acquisition or construction of significant oil and gas properties.

STATEMENT OF CASH FLOWS

For purposes of reporting cash flows, cash and short-term cash investments include cash on hand and investments purchased with original maturities of three months or less.

REVENUE RECOGNITION AND GAS IMBALANCES

Samedan has a gas sales contract with NGM, whereby Samedan is paid an index price for all gas sold to NGM. NGM records sales, including hedging transactions, as gathering, marketing and processing revenues. NGM records as cost of sales in gathering, marketing and processing costs, the amount paid to Samedan and third parties. All intercompany sales and costs have been eliminated.

The Company follows an entitlements method of accounting for its gas imbalances. Gas imbalances occur when the Company sells more or less gas than its entitled ownership percentage of total gas production. Any excess amount received above the Company's share is treated as a liability. If less than the Company's entitlement is received, the underproduction is recorded as a receivable. The Company records the noncurrent liability in Other Deferred Credits and Noncurrent Liabilities, and the current liability in Other Current Liabilities. The Company's gas imbalance liabilities were $11.4 million and $10.5 million for 1995 and 1994, respectively. The Company records the noncurrent receivable in Other Assets, and the current receivable in Other Current Assets. The Company's gas imbalance receivables were $12.3 million and $11.7 million for 1995 and 1994, respectively, and are valued at the amount which is expected to be received.

TAKE-OR-PAY SETTLEMENTS

The Company records gas contract settlements which are not subject to recoupment in Other Income when the settlement is received.

TRADING AND HEDGING ACTIVITIES

The Company through its two subsidiaries, NGM and Samedan, uses hedging arrangements in connection with the sale of oil and gas in order to obtain a fixed margin and/or minimize product price risk. NGM markets substantially all the natural gas produced by Samedan as well as certain gas produced by third parties.

Most of the gas purchased by NGM is on an index basis; however, purchasers in the markets in which NGM sells may require fixed or NYMEX related pricing. NGM can use a hedge to convert the fixed or NYMEX sale to an index basis thereby determining the margin and minimizing the risk of price volatility. During 1995, NGM had hedging transactions with large financial institutions that averaged approximately 126,000 MMBTU's of gas per day at prices linked to certain indices. These hedges were in place to secure margins on future physical transactions. NGM records hedging gains or losses relating to fixed term sales as gathering, marketing and processing revenues in the periods in which the related contract is completed. Hedges for January through December 1996, which range from 10,000 to approximately 222,000 MMBTU's of gas per day at prices ranging from $.75 per MMBTU above index to $1.10 per MMBTU below index, were not closed at December 31, 1995.

Samedan, from time to time, enters into hedging arrangements primarily to protect against oil and gas price volatility and records hedging gains and losses relating to its own oil and gas production in oil and gas sales and royalties. Samedan had hedges of 5,000 barrels of oil per day for May through December 1995. The hedged prices for this time period ranged from $18.56 per barrel to $20.27 per barrel. Samedan also had in place, as of December 31, 1995, various collar transactions which have a floor price of $16.50 per barrel and ceiling prices ranging from $18.00 to $18.60 for volumes of 15,000 barrels per day for January through December 1996.

Samedan had fixed price hedges for 30,000 MMBTU's of gas per day for November and 100,000 MMBTU's of gas per day for December 1995 at prices ranging from $1.82 to $1.95 per MMBTU. Samedan also had various collar transactions for November and December 1995 for 25,000 MMBTU's of gas per day which had a floor price of $1.60 and a ceiling price of $1.96 per MMBTU. Samedan has entered into fixed price and collar hedges for gas as follows during 1996:

PERIODS	VOLUMES MMBTU'S PER DAY	FIXED PRICE RANGE
January - December 1996	100,000	$1.78 - $1.80
		COLLAR RANGES
January - October 1996	130,000	$1.60 - $2.03
November - December 1996	105,000	$1.60 - $2.03

SELF-INSURANCE

The Company self-insures the medical and dental coverage provided to certain of its employees, certain workers compensation and the first $250,000 of its general liability coverage.

A provision for self-insured claims is recorded when sufficient information is available to reasonably estimate the amount of the loss.

RECLASSIFICATION

Certain reclassifications have been made to the 1994 Consolidated Financial Statements to conform to the 1995 presentation.

NOTE 2 - DISCLOSURES ABOUT FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments pursuant to the requirements of SFAS No. 107, "Disclosures about Fair Value of Financial Instruments."

CASH AND SHORT-TERM CASH INVESTMENTS

The carrying amount approximates fair value due to the short maturity of the instruments.

OIL AND GAS PRICE HEDGE AGREEMENTS

The fair value of oil and gas price hedges is the estimated amount the Company would receive or pay to terminate the hedge agreements at the reporting date taking into account the creditworthiness of the hedging parties.

LONG-TERM DEBT

The fair value of the Company's long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Company for debt of the same remaining maturities.

The carrying amounts and estimated fair values of the Company's financial instruments are as follows:

	1995		1994	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Cash and short-term cash investments	$ 12,429	$ 12,429	$ 22,192	$ 22,192
Oil and gas hedge agreements		$ (7,867)		$ 56
Long-term debt	$376,992	$379,812	$376,956	$321,325

NOTE 3 - DEBT

A summary of debt at December 31 follows:

	1995	1994
4 1/4% Convertible Subordinated Notes Due 2003	$230,000	$230,000
7 1/4% Notes Due 2023	100,000	100,000
Bank Credit Agreement	48,000	48,000
	378,000	378,000
Less: unamortized discount	1,008	1,044
Total long-term debt	$376,992	$376,956

The Company has outstanding $230,000,000 4 1/4% Convertible Subordinated Notes Due 2003 which are convertible into common stock of the Company, at any time prior to maturity, at $36.65 per share. The securities are subordinated to all present and future senior indebtedness. The Company, at its election on or after November 1, 1996, amy redeem these Notes in whole or in part at 102.975 percent of the principal amount. The call premium percentage decreases, beginning November 1, 1997, and each year thereafter until 2003 when these Notes are redeemable at par value plus accrued interest.

The Company also has outstanding $100,000,000 7 1/4% Notes Due 2023. The Company may not redeem any portion of these Notes prior to maturity. The indenture governing these Notes contains certain restrictions as to the sale of assets and incurrence of additional debt.

The Company has a credit agreement with certain banks which provides for maximum unsecured borrowings of $100 million at variable rates. At December 31, 1994, the Company had outstanding $48 million against its line of credit. On September 29, 1995, the Company borrowed $25 million under its credit agreement and used the proceeds to acquire three Gulf of Mexico properties. On October 17, 1995 an additional $5 million was borrowed under the credit agreement and the proceeds used to fund operations. Both the $25 million and $5 million loans were repaid on December 1, 1995. The interest rate is a variable rate based on the lowest of three interest rate options. The weighted average interest rate on the borrowings during 1995 was 7 percent. There is a facility fee of $187,500 per year. The agreement contains covenants including maintenance of certain financial ratios, net worth requirements and restrictions of additional borrowings. The credit agreement terminates on May 31, 1997.

During the next five years, no principal payments on long-term debt are required except for the $48 million outstanding against the bank debt, which is due May 31, 1997.

NOTE 4 - INCOME TAXES

The components of income from operations before income taxes for each year are as follows:

	1995	1994	1993
Domestic	$ 18,368	$12,148	$ 39,564
Foreign	(10,370)	(6,923)	(18,905)
	$ 7,998	$ 5,225	$ 20,659

The income tax provisions relating to operations for each year consist of the following:

	1995	1994	1993
U.S. current	$(9,309)	$(10,462)	$ 327
U.S. deferred	11,327	13,140	7,701
State current	65		231
State deferred	258	(31)	85
Foreign current	121		
Foreign deferred	1,450	(588)	(310)
	$ 3,912	$ 2,059	$8,034

The net current deferred tax asset in the following table is classified as Other Current Assets (Liability) in the Consolidated Balance Sheet at December 31, 1995 and 1994. The tax effects of temporary differences which gave rise to deferred tax assets and liabilities as of December 31 were:

	1995	1994
U.S. and State Current Deferred Tax Assets:		
Accrued expenses	$ (513)	$ 743
Deferred income	525	(49)
Deferred hedge	(2,281)	
Minimum tax	1,460	3,655
Other	516	751
Net current deferred tax asset (liability)	(293)	5,100
U.S. and State Non-current Deferred Tax Liabilities:		
Property, plant and equipment, principally due to differences in depreciation, amortization, lease impairment and abandonments	(71,789)	(62,050)
Accrued expenses	2,824	
Income tax accruals	1,287	690
Other	(317)	(442)
Net non-current deferred liability	(67,995)	(61,802)
U.S. and state net deferred tax liability	(68,288)	(56,702)
Foreign Deferred Tax Liabilities:		
Property, plant and equipment of foreign operations	12,836	7,532
Valuation allowance	(14,286)	(7,532)
Deferred tax liability	(1,450)	

Total deferred taxes	$(69,738)	$(56,702)

A valuation allowance of $14.3 million and $7.5 million for 1995 and 1994, respectively, related to the Company's foreign operations, was established for the portion of the deferred tax assets which management believes is unlikely to have a tax benefit realized.

The following table details the difference between the federal statutory tax rate and the effective tax rate for the years ended December 31:

(AMOUNTS EXPRESSED IN PERCENTAGES)	1995	1994	1993
Statutory rate	35.0	35.0	35.0
Effect of:			
One percent rate increase on prior year temporary differences			5.0
Percentage depletion	(1.4)	(2.2)	.6
State taxes	2.6	.1	1.1
Foreign taxes	12.8		
Net operating loss carryback		7.9	
Other, net	(.1)	(1.4)	(2.8)
Effective rate	48.9	39.4	38.9

NOTE 5 - COMMON STOCK AND STOCK OPTIONS

At December 31, 1995, there were 871,189 shares available for grant under the Company's 1992 Stock Option and Restricted Stock Plan and its 1988 Non-Employee Director Stock Option Plan.

Under the Company's 1992 Stock Option and Restricted Stock Plan, adopted in January 1992, the Board of Directors may grant stock options and award restricted stock. The Plan allows stock options to be issued at the market price on the date of grant. The earliest the options may be exercised is over a three year period at the rate of 33 1/3% each year commencing on the first anniversary of the grant date. The options expire ten years from the grant date. The plan covers a maximum of 2,000,000 shares of the Company's authorized but unissued common stock. At December 31, 1995, the Company had reserved 1,887,174 shares of its common stock for issuance under its 1992 stock option plan.

The Company's 1988 Non-Employee Director Stock Option Plan, adopted in July 1988, allows stock options to be issued at the market price on the date of grant. The options may be exercised one year after issue and expire ten years from the grant date. The Plan provides for the grant of options to purchase a maximum of 250,000 shares of the Company's authorized but unissued common stock. At December 31, 1995, the Company had reserved 151,500 shares of its common stock for issuance under its 1988 stock option plan.

Stock options outstanding under the Plans mentioned above and two previously terminated plans are presented for the periods indicated.

	NUMBER OF SHARES	OPTION PRICE RANGE
Outstanding December 31, 1992	1,284,948	$10.63-$17.47
Granted	271,224	$24.63-$24.88
Exercised	(337,407)	$10.63-$17.47
Cancelled	(14,817)	$10.88-$17.47
Outstanding December 31, 1993	1,203,948	$10.63-$24.88

Granted	303,243	$27.25-$30.00
Exercised	(76,333)	$10.63-$24.88
Cancelled	(1,476)	$13.75-$16.88
Outstanding December 31, 1994	1,429,382	$10.63-$30.00
Granted	357,663	$24.25-$25.50
Exercised	(185,192)	$10.63-$27.25
Cancelled	(18,144)	$16.88-$27.25
Outstanding December 31, 1995	1,583,709	$10.63-$30.00
Exercisable at December 31, 1995	981,620	$10.63-$30.00

In October 1995, The Financial Accounting Standards Board issued SFAS No. 123 "Accounting for Stock-Based Compensation." The Company plans to adopt SFAS NO. 123 during 1996 by electing the additional disclosure in the footnotes to its financial statements as opposed to recognition as compensation expense.

NOTE 6 - EMPLOYEE BENEFIT PLANS

PENSION PLAN

The Company has a non-contributory defined benefit pension plan covering substantially all of its domestic employees. The benefits are based on an employee's years of service and average earnings for the 60 consecutive calendar months of highest compensation. The Company also has an unfunded restoration plan to ensure payments of amounts for which employees are entitled under the provisions of the pension plan, but which are subject to limitations imposed by federal tax laws. The Company's funding policy has been to make annual contributions equal to the actuarially computed liability to the extent such amounts are deductible for income tax purposes. Plan assets consist principally of equity securities and fixed income investments.

The periodic pension expense included the following components for the years ended December 31:

	1995	1994	1993
Service cost-benefits earned in the period	$1,781	$1,814	$1,388
Interest cost on projected benefit obligation	3,298	2,876	2,611
Actual return on plan assets	(8,611)	1,346	(4,411)
Net amortization and deferral	5,461	(4,200)	1,428
Net pension expense	$1,929	$1,836	$1,016

The funded status of the plans at December 31 was as follows:

	1995		1994	
	FUNDED	UNFUNDED	FUNDED	UNFUNDED
Actuarial present value of:				
Vested benefit obligation	$27,445	$ 2,934	$25,037	$ 2,447
Accumulated benefit obligation	31,009	3,069	27,307	2,620

Projected benefit obligation	42,946	5,055	35,468	3,890
Plan assets at fair value	42,070		35,810	
Plan assets in excess of (less than) projected benefit obligation	(876)	(5,055)	342	(3,890)
Unrecognized net (gain) loss	(4,711)	536	(4,527)	(176)
Unrecognized net (asset) liability at transition	(2,152)	3,488	(2,367)	3,727
Unrecognized prior service cost	2,325	155	2,242	
Accrued pension cost	$(5,414)	$ (876)	$(4,310)	$ (339)

The Company's assumptions as of December 31 in determining the pension cost and liability for the three years were as follows:

(AMOUNTS EXPRESSED IN PERCENTAGES)	1995	1994	1993
Discount rate	7.25	8.5	7.0
Rates of increase in compensation	4.50	6.0	5.0
Long-term rate of return on plan assets	8.50	8.5	8.5

EMPLOYEE SAVINGS PLAN

The Company has an employee savings plan (ESP) which is a defined contribution plan. Participation in the ESP is voluntary and all regular employees of the Company are eligible to participate after one year of employment. Subject to certain limitations, the Company may contribute up to 100 percent of the participant's contribution. Plan contributions of $895,000, $775,000 and $755,000 for 1995, 1994 and 1993, respectively, were charged to expense.

OTHER EMPLOYEE PLANS

The Company sponsors other plans for the benefit of its employees and retirees. These plans include health care and life insurance benefits. The accumulated postretirement benefit obligation of these plans was computed using an assumed discount rate of 7.25, 8.5 and 7 percent in 1995, 1994 and 1993, respectively. The health care cost trend rate was assumed to be 11 percent for 1995, declining by one percent for six successive years to 6 percent in 2000 and 2001, decreasing to 5.5 percent for 2002 and remaining at that rate thereafter.

If the health care cost trend rate was increased one percent for all future years, the accumulated postretirement benefit obligation as of December 31, 1995, would have increased approximately $270,000. The effect of this change on the aggregate of service and interest cost for 1995 would have been an increase of approximately $42,000.

Net postretirement benefit cost for the years ended December 31 includes the following components:

	1995	1994	1993
Service cost-benefits earned in the period	$140	$136	$ 91
Interest cost-accumulated benefit obligation	123	93	82
Net loss amortization	12	24	
Cumulative catch up			1,003
Net postretirement benefit cost	$275	$253	$1,176

The plan's postretirement benefit obligation at December 31 was as follows:

	1995	1994
Accumulated postretirement benefit obligation:		
Retirees	$ (173)	$ (152)
Fully eligible active employees	(363)	(170)
Active employees, not fully eligible	(1,471)	(854)
Total participants	(2,007)	(1,176)
Plan assets		
Funded status	(2,007)	(1,176)
Unrecognized net loss	656	35
Accrued postretirement benefit obligation	$(1,351)	$(1,141)

NOTE 7 - MARKETING SUBSIDIARIES

In June 1994, NGM began marketing the Company's natural gas as well as third-party gas. NGM sells gas directly to end-users, gas marketers, industrial users, interstate and intrastate gas pipelines, and local distribution companies. The Company records all of NGM's sales as gathering, marketing and processing revenues. All intercompany sales and expenses have been eliminated.

During 1995, NGM recorded $104.6 million in gathering, marketing and processing revenues and $100.6 million in gathering, marketing and processing expenses, generating a gross margin of $4 million for the year. The gross margin was offset by administrative expenses of $1.6 million, resulting in pretax income of $2.4 million for its second year of operation.

In 1994, NGM recorded $43.9 million in gathering, marketing and processing revenues and $42.8 million in gathering, marketing and processing expenses, generating a gross margin of $1.1 million for the year. The gross margin was offset by administrative expenses of $1.2 million, resulting in a slight loss for NGM's initial year of operation.

In May 1995, NTI began marketing a portion of the Company's oil as well as third-party oil. The Company records all of NTI's sales as gathering, marketing and processing revenues. All intercompany sales and expenses have been eliminated.

During 1995, NTI recorded $8.1 million in gathering, marketing and processing revenues and $7.3 million in gathering, marketing and processing expenses, generating a gross margin of $791,000 for the year. The gross margin was offset by administrative expenses of $52,000, resulting in pretax income of $739,000 for NTI's initial year of operation.

NOTE 8 - ADDITIONAL BALANCE SHEET AND STATEMENT OF OPERATIONS INFORMATION

Other current assets at December 31 include the following:

	1995	1994
Income tax receivable	$9,329	$17,545
Deferred hedges (January 1996 hedges closed in December 1995)	7,632	

Other current liabilities at December 31 include the following:

	1995	1994

Gas imbalance liabilities	$5,173	$2,101

Oil and gas exploration expense included the following for the years ended December 31:

	1995	1994	1993
Dry hole expense	$17,608	$35,275	$13,968
Undeveloped lease amortization	6,465	7,813	12,063
Abandoned assets	483	2,945	6,068
Seismic	8,358	8,254	5,199

Listed below is the only purchaser who accounted for more than ten percent of total oil and gas sales and royalties in the past three years.

	1995	1994	1993
Natural Gas Clearinghouse	*	16%	16%

*Less than ten percent

NOTE 9 - IMPAIRMENT OF LONG-LIVED ASSETS

In March 1995, the Financial Accounting Standards Board issued SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." The Company adopted SFAS No. 121 during the fourth quarter of 1995.

The assets impaired under SFAS No. 121 are oil and gas properties maintained under the successful efforts method of accounting. The excess of the net book value over the projected discounted future net revenue of the impaired properties was charged to DD&A expense. The Company recognized a $59.5 million SFAS No. 121 impairment for 1995. The Company impaired $3.2 million in Tunisia, $4.1 million in Canada, $18.4 million onshore U.S., and $33.8 million in offshore Gulf of Mexico properties.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Shareholders and Board of Directors of Noble Affiliates, Inc.:

We have audited the accompanying consolidated balance sheet of Noble Affiliates, Inc. (a Delaware corporation) and subsidiaries as of December 31, 1995 and 1994, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the three years in the period ended December 31, 1995. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Noble Affiliates, Inc. and subsidiaries as of December 31, 1995 and 1994, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1995, in conformity with generally accepted accounting principles.

As explained in Note 9 to the financial statements, in 1995 the Company adopted Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of."

Oklahoma City, Oklahoma — ARTHUR ANDERSEN LLP
January 26, 1996

NOTE 10 - SUPPLEMENTAL OIL AND GAS INFORMATION
(Unaudited)

The following reserve schedules were developed by the Company's reserve engineers and set forth the changes in estimated quantities of proved oil and gas reserves of the Company during each of the three years presented, and the proved developed oil and gas reserves as of the beginning of each year.

	NATURAL GAS & CASINGHEAD GAS (MMCF)				CRUDE OIL & CONDENSATE (BARRELS IN THOUSANDS)			
Proved developed and undeveloped reserves:	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
PROVED RESERVES AS OF DECEMBER 31, 1992	344,366	25,449	2,408	372,223	39,958	2,342	5,080	47,380
Revisions of previous estimates	(5,811)	809		(5,002)	(2,374)	168	(277)	(2,483)
Extensions, discoveries and other additions	62,479	2,131		64,610	7,285	1,410		8,695
Production	(71,310)	(3,829)		(75,139)	(6,064)	(347)	(950)	(7,361)
Sale of minerals in place	(6,903)	(20)		(6,923)	(389)	(23)		(412)
Purchase of minerals in place	341,578	183		341,761	27,107	29		27,136
PROVED RESERVES AS OF DECEMBER 31, 1993	664,399	24,723	2,408	691,530	65,523	3,579	3,853	72,955
Revisions of previous estimates	15,409	2,418		17,827	(1,052)	161	1,550	659
Extensions, discoveries and other additions	148,008	6,773		154,781	8,160	712	1,139	10,011
Production	(84,504)	(3,225)		(87,729)	(7,434)	(446)	(791)	(8,671)
Sale of minerals in place	(854)	(167)		(1,021)	(276)	(19)		(295)
Purchase of minerals in place	1,787	1,775		3,562	615	253		868
PROVED RESERVES AS OF DECEMBER 31, 1994	744,245	32,297	2,408	778,950	65,536	4,240	5,751	75,527
Revisions of previous estimates	(35,728)	(4,776)		(40,504)	247	(818)	301	(270)
Extensions, discoveries and other additions	143,589	6,558		150,147	12,270	311	3,347	15,928
Production	(94,038)	(2,946)		(96,984)	(8,175)	(421)	(984)	(9,580)
Sale of minerals in place	(2,424)	(3,489)		(5,913)	(115)	(6)		(121)
Purchase of minerals in place	62,657	1,986		64,643	1,144	570	810	2,524
PROVED RESERVES AS OF DECEMBER 31, 1995	818,301	29,630	2,408	850,339	70,907	3,876	9,225	84,008
PROVED DEVELOPED RESERVES:								
January 1, 1993	344,366	24,504	2,408	371,278	36,938	1,884	5,080	43,902
January 1, 1994	570,462	24,723	2,408	597,593	64,284	3,032	3,853	71,169
January 1, 1995	658,228	32,297	2,408	692,933	63,013	3,693	4,612	71,318
January 1, 1996	750,753	29,628	2,408	782,789	67,368	3,763	7,904	79,035

PROVED RESERVES

Proved reserves are estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions.

PROVED DEVELOPED RESERVES

Proved developed reserves are proved reserves which are expected to be recovered through existing wells with existing equipment and operating methods.

COSTS INCURRED IN OIL AND GAS ACTIVITIES

Costs incurred in connection with the Company's oil and gas acquisition, exploration and development activities during the year are shown below. Amounts are presented in accordance with SFAS No. 19, and may not agree with amounts determined using traditional industry definitions.

1995	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Property acquisition costs:				
Proved	$ 36,728	$ 3,182	$ 3,750	$ 43,660
Unproved	8,209	1,096		9,305
Total	$ 44,937	$ 4,278	$ 3,750	$ 52,965
Exploration costs	$ 39,008	$ 2,811	$ 8,775	$ 50,594
Development costs	$159,405	$ 3,096	$ (115)	$162,386

1994	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Property acquisition costs:				
Proved	$ 3,742	$ 2,375	$	$ 6,117
Unproved	8,695	1,773		10,468
Total	$ 12,437	$ 4,148	$	$ 16,585
Exploration costs	$ 48,151	$ 7,293	$ 7,363	$ 62,807
Development costs	$105,993	$ 2,871	$ 1,474	$110,338

1993	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Property acquisitions costs:				
Proved	$418,087	$ 364	$	$418,451
Unproved	2,537	1,902		4,439
Total	$420,624	$ 2,266	$	$422,890
Exploration costs	$ 23,392	$ 4,708	$ 5,449	$ 33,549
Development costs	$ 53,650	$ 4,192	$ 730	$ 58,572

AGGREGATE CAPITALIZED COSTS

Aggregate capitalized costs relating to the Company's oil and gas producing activities, and related accumulated DD&A as of the end of the year are shown below.

	1995				1994			
	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL

Unproved oil and gas properties	$ 31,124	$ 5,784	$	$ 36,908	$ 34,254	$ 7,842	$ 3,274	$ 45,370
Proved oil and gas properties	1,558,009	32,823	30,416	1,621,248	1,448,412	42,315	24,295	1,515,022
	1,589,133	38,607	30,416	1,658,156	1,482,666	50,157	27,569	1,560,392
Accumulated DD&A	(794,622)	(18,649)	(13,058)	(826,329)	(722,701)	(23,017)	(10,665)	(756,383)
Net capitalized costs	$ 794,511	$ 19,958	$ 17,358	$ 831,827	$ 759,965	$ 27,140	$ 16,904	$ 804,009

OIL AND GAS OPERATIONS

Aggregate results of operations in connection with the Company's oil and gas producing activities are shown below.

1995	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Revenues	$301,710	$ 9,461	$ 16,963	$328,134
Production costs	74,911	3,863	3,610	82,384
Exploration expenses	40,971	2,793	9,469	53,233
DD&A and valuation provision	191,227	7,414	5,701	204,342*
Income (loss)	(5,399)	(4,609)	(1,817)	(11,825)
Income tax expense (benefit)	(2,046)	(2,901)	605	(4,342)
Results of operations From producing Activities (excluding corporate overhead and interest costs)	$ (3,353)	$ (1,708)	$ (2,422)	$ (7,483)

1994	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Revenues	$277,467	$ 15,448	$ 13,254	$306,169
Production costs	68,340	4,072	3,128	75,540
Exploration expenses	49,991	8,874	9,373	68,238
DD&A and valuation provision	125,880	4,153	2,373	132,406
Income (loss)	33,256	(1,651)	(1,620)	29,985
Income tax expense (benefit)	11,503	(1,039)	1,006	11,470
Results of operations From producing Activities (excluding corporate overhead and interest costs)	$ 21,753	$ (612)	$ (2,626)	$ 18,515

1993	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Revenues	$250,636	$ 12,812	$ 14,556	$278,004
Production costs	66,507	4,150	6,084	76,741
Exploration expenses	28,927	5,662	8,333	42,922
DD&A and valuation provision	101,609	3,549	11,396	116,554

Income (loss)	53,593	(549)	(11,257)	41,787
Income tax expense (benefit)	19,345	(776)	(3,559)	15,010
Results of operations From producing Activities (excluding corporate overhead and interest costs)	$ 34,248	$ 227	$ (7,698)	$ 26,777

*Includes $59.5 million of additional DD&A as a result of adoption of SFAS No. 121.

STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS RELATING TO PROVED OIL AND GAS RESERVES

The following information is based on the Company's best estimate of the required data for the Standardized Measure of Discounted Future Net Cash Flows required by Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 69. The Standard requires the use of a 10 percent discount rate. This information is not the fair market value nor does it represent the expected present value of future cash flows of the Company's proved oil and gas reserves.

1995				
	STATES	UNITED CANADA	OTHER FOREIGN	TOTAL
Future cash inflows	$3,610	$91	$186	$3,887
Future production and development costs	1,055	37	21	1,113
Future income tax expenses	709	15	46	770
Future net cash flows	1,846	39	119	2,004
10% annual discount for estimated timing of cash flows	673	14	43	730
Standardized measure of discounted future net cash flows	$1,173	$25	$76	$1,274

1994				
	STATES	UNITED CANADA	OTHER FOREIGN	TOTAL
Future cash inflows	$2,439	$120	$104	$2,663
Future production and development costs	870	44	18	932
Future income tax expenses	423	21	23	467
Future net cash flows	1,146	55	63	1,264
10% annual discount for estimated timing of cash flows	479	23	26	528
Standardized measure of discounted future net cash flows	$ 667	$ 32	$37	$ 736

1993	UNITED STATES	CANADA	OTHER FOREIGN	TOTAL
Future cash inflows	$2,635	$102	$55	$2,792
Future production and development costs	869	47	17	933
Future income tax expenses	481	15	10	506
Future net cash flows	1,285	40	28	1,353
10% annual discount for estimated timing of cash flows	656	13	9	678
Standardized measure of discounted future net cash flows	$ 629	$ 27	$19	$ 675

Future cash inflows are computed by applying year-end prices of oil and gas relating to the Company's proved reserves to the year-end quantities of those reserves, with consideration given to the effect of existing trading and hedging contracts if any. The year-end weighted average oil price utilized in the computation of future cash inflows was approximately $17.64 per barrel.

West Texas intermediate crude oil price in February 1996 was flat with the price at year-end 1995. The Company estimates that a $1.00 per barrel change in the average oil price from the year-end price would change discounted future net cash flows before income taxes by approximately $49 million.

The year-end weighted average gas price utilized in the computation of future cash inflows was approximately $3.06 per MCF. Natural gas index prices at Henry Hub have decreased approximately $1.00 per MCF during February 1996 compared with the year-end index. The Company estimates that a $.10 per MCF change in the average gas price from the year-end price would change discounted future net cash flows before income taxes by approximately $52 million.

Future production and development costs, which include dismantlement and restoration expense, are computed by estimating the expenditures to be incurred in developing and producing the Company's proved oil and gas reserves at the end of the year, based on year-end costs, and assuming continuation of existing economic conditions.

Future income tax expenses are computed by applying the appropriate year-end statutory tax rates to the future pretax net cash flows relating to the Company's proved oil and gas reserves, less the tax bases of the properties involved. The future income tax expenses give effect to tax credits and allowances, but do not reflect the impact of general and administrative cost and exploration expenses of ongoing operations relating to the Company's proved oil and gas reserves.

At December 31, 1995, the Company had estimated gas imbalance receivables of $12.3 million and estimated liabilities of $11.4 million; at year-end 1994, $11.7 million in receivables and $10.5 million in liabilities; and at year-end 1993, $12.9 million in receivables and $7.6 million in liabilities. Neither the gas imbalance receivables nor liabilities have been included in the standardized measure of discounted future net cash flows for the three years ended December 31, 1995.

Principal changes in the aggregate standardized measure of discounted future net cash flows attributable to the Company's proved oil and gas reserves at year end are shown below.

(IN MILLIONS OF DOLLARS)	1995	1994	1993
Standardized measure of discounted future net cash flows at the beginning of the year	$ 736	$675	$488
Extensions, discoveries and improved recovery, less related costs	378	160	89

Revisions of previous quantity estimates	(53)	18	(19)
Changes in estimated future development costs	(29)	(31)	(23)
Purchases/sales of minerals in place	116	3	397
Net changes in prices and production costs	378	(90)	(40)
Accretion of discount	103	95	66
Sales of oil and gas produced, net of Production costs	(241)	(228)	(200)
Development costs incurred during The period	67	44	8
Net change in income taxes	(216)	(17)	(102)
Change in timing of estimated future production, and other	35	107	11
Standardized measure of discounted future net cash flows at the end of the year	$1,274	$736	$675

NOTE 11 - INTERIM FINANCIAL INFORMATION (UNAUDITED)

Interim financial information for the years ended December 31, 1995 and 1994 are as follows:

	Quarter Ended			
	Mar. 31,	June 30,	Sept. 30,	Dec. 31,
1995				
Revenues	$91,854	$107,130	$110,290	$177,744
Gross profit from operations	$ 5,266	$ 10,186	$ 9,013	$ 2,277
Net income (loss)	$ 440	$ 3,357	$ 2,729	$ (2,440)
Net income (loss) per share	$ .01	$ .07	$ .05	$ (.05)
1994				
Revenues	$83,541	$ 92,032	$ 97,441	$ 85,375
Gross profit (loss) from operations	$16,351	$ 10,494	$ 3,877	$(13,451)
Net income (loss)	$ 8,417	$ 4,377	$ 2,051	$(11,679)
Net income (loss) per share	$ .17	$ .09	$ .04	$ (.23)

During the fourth quarter of 1995, the Company recognized two non-recurring items. In November, $39 million was recorded as income from the settlement of a bankruptcy claim against Columbia Gas Transmission Corporation. In December, the Company recorded a pretax charge of $59.5 million relating to the adoption of SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long Lived Assets to Be Disposed Of."

During the fourth quarter of 1995 and 1994, DD&A expense decreased $3.1 million and increased $3.1 million, respectively, relating to the cumulative effect of oil and gas reserve revisions on the DD&A provision for the preceding three quarters.

CORPORATE INFORMATION

TRANSFER AGENT AND REGISTRAR
LIBERTY BANK AND TRUST COMPANY OF OKLAHOMA CITY, N. A.
P. O. BOX 25848
OKLAHOMA CITY, OKLAHOMA 73125

INDEPENDENT ACCOUNTANTS
ARTHUR ANDERSEN LLP

OKLAHOMA CITY, OKLAHOMA

COMMON STOCK LISTED
NEW YORK STOCK EXCHANGE
SYMBOL - NBL

SHAREHOLDERS' PROFILE
December 31, 1995

	SHARES OUTSTANDING	SHAREHOLDERS OF RECORD
Individuals	750,848	1,145
Joint accounts	104,073	252
Fiduciaries	223,585	321
Institutions	6,942,285	48
Brokers	101,500	3
Nominees	42,061,895	4
Foreign	13,561	17
Total	50,197,747	1,790

ANNUAL MEETING
The Annual Meeting of Shareholders of Noble Affiliates, Inc. will be held on Tuesday, April 23, 1996, at 10:00 a.m. at the Charles B. Goddard Center located at "D" Street and First Avenue S.W. in Ardmore, Oklahoma. All shareholders are cordially invited to attend.

FORM 10-K
A copy of Form 10-K, as filed with the Securities and Exchange Commission, is available upon request by writing to Vice President - Finance and Treasurer, Noble Affiliates, Inc., P.O. Box 1967, Ardmore, Oklahoma 73402.

DIVIDENDS AND STOCK PRICES BY QUARTERS

	QUARTER ENDED				YEAR END
(DOLLARS)	3/31	6/30	9/30	12/31	TOTAL
Dividends					
1995	.04	.04	.04	.04	.16
1994	.04	.04	.04	.04	.16
Low-High					
1995	21 1/4-27 1/2	25 1/2-29	23 5/8-29 1/8	22 5/8-30 1/2	
1994	23 3/8-28 3/4	22 1/2-32 1/4	25 1/4-30 7/8	22 1/2-30 3/8	

GLOSSARY

BBL	Barrel
BCF	Billion Cubic Feet
BOE	Barrel of Oil Equivalent
LPG	Liquid Petroleum Gas
MCF	Thousand Cubic Feet
MMBBL	Million Barrels

MMBTU	Million British Thermal Units
MMCF	Million Cubic Feet

APPENDIX I

The following describes graphs which were listed in the body of the Management's Discussion and Analysis on pages 15 through 20 of the Registrants 1995 annual report.

Page 15 - Costs Incurred For Acquisitions, Exploration and Development for three years
1993: $515 million
1994: $190 million
1995: $266 million

Average Finding Cost Per BOE for three years
1993: $5.14
1994: $4.64
1995: $5.64
3 Year Average: $5.16

Page 16 - Gas Reserves Added for three years
1993: 401.4 BCF'S
1994: 176.2 BCF'S
1995: 174.3 BCF'S

Oil Reserves Added for three years
1993: 33.3 million barrels
1994: 11.5 million barrels
1995: 18.2 million barrels

Net Income for three years
1993: $12.6 million
1994: $3.2 million
1995: $4.1 million

Page 17 - Gas Revenues for three years
1993: $159.2 million - $2.10 Average price per mcf
1994: $174.5 million - $1.97 Average price per mcf
1995: $167.4 million - $1.72 Average price per mcf

Oil Revenues for three years
1993: $111.3 million - $15.91 Average price per barrel
1994: $122.9 million - $14.90 Average price per barrel
1995: $153.5 million - $16.78 Average price per barrel

Page 18 - DD&A Expense Per BOE of Production for three years
1993: $5.37 per barrel
1994: $5.46 per barrel
1995: $7.75 per barrel ($5.46 without effect of FASB No. 121)

Page 19 - SG&A Expense Per BOE of Production for three years
1993: $1.59 per barrel
1994: $1.56 per barrel
1995: $1.41 per barrel

Page 20 - Average Production and Lifting Cost Per BOE
1993: $3.76
1994: $3.20
1995: $3.15

EXHIBIT 21

SUBSIDIARIES OF NOBLE AFFILIATES, INC.

The following table sets forth the subsidiaries of Noble Affiliates, Inc. as of March 15, 1996.

Subsidiary	State of Jurisdiction or Organization
Samedan Oil Corporation 1/	Delaware
Noble Gas Marketing, Inc. 1/	Delaware
Noble Trading, Inc. 1/	Delaware
NPM, Inc. 1/	Delaware
Noble Gas Pipeline, Inc. 2/	Delaware
Samedan Oil of Canada, Inc. 3/	Delaware
Samedan of North Africa, Inc. 3/	Delaware
Samedan Oil of Indonesia, Inc. 3/	Delaware
Samedan Pipe Line Corporation 3/	Delaware
Samedan Royalty Corporation 3/	Delaware
Samedan of Tunisia, Inc. 3/	Delaware
Samedan - NEEI Exploration Company 4/	Oklahoma
Samedan LPG 5/	Cayman Islands, British West Indies

- -------------

1/ 100% owned by Noble Affiliates, Inc.

2/ 100% owned by Noble Gas Marketing, Inc.

3/ 100% owned by Samedan Oil Corporation.

4/ 50% general partnership interest owned by Samedan Oil Corporation.

5/ 100% owned by Samedan of North Africa, Inc.

EXHIBIT 23

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report dated January 26, 1996, included on page 33 of the 1995 Annual Report to Shareholders and incorporated by reference in this Form 10-K, into the previously filed Registration Statements on Form S-8 (File Nos. 2-64600, 2-81590, 33-32692, 2-66654 and 33-54084).

ARTHUR ANDERSEN LLP

Oklahoma City, Oklahoma
March 25, 1996

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