

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549
-----FORM 8-K/A
(AMENDMENT NO. 1)

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES AND EXCHANGE ACT OF 1934Date of Report (date of earliest event reported) November 8, 1995
(September 27, 1995)
-----LOMAK PETROLEUM, INC.
(Exact name of registrant as specified in its charter)
COMMISSION FILE NUMBER 0-9592DELAWARE
(State or other jurisdiction
of incorporation or organization) 34-1312571
(IRS Employer
Identification Number)500 THROCKMORTON STREET
FORT WORTH, TEXAS 76102
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (817) 870-2601

The purpose of this filing is to make the following amendments pursuant to Item
7(a) and 7(b) Financial Statements and Exhibits:ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.
-----(a) Financial Statements of Assets Acquired
-----Report of Independent Public Accountants
Statements of assets (other than productive oil and gas
properties) and liabilities as of December 31, 1993 and
1994 and June 30, 1995
Statements of revenues and direct operating expenses for the
years ended December 31, 1993 and 1994 and the six months
ended June 30, 1995
Notes to statements of assets (other than productive oil and
gas properties) and liabilities and statements of revenues
and direct operating expenses(b) Pro Forma Financial Information
-----Pro forma combined statement of income for the year ended
December 31, 1994
Pro forma combined statement of income for the six months
ended June 30, 1995
Pro forma combined balance sheet at June 30, 1995
Notes to pro forma combined financial statements

SIGNATURE

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

LOMAK PETROLEUM, INC.

By /s/ Thomas W. Stoelk

Thomas W. Stoelk
Chief Financial Officer

November 8, 1995

THE STOCKHOLDERS OF TRANSFUEL, INC.

We have audited the accompanying statements of assets (other than productive oil and gas properties) and liabilities of Transfuel Interests, as of December 31, 1993 and 1994 acquired pursuant to the purchase by Lomak Petroleum, Inc. ("Lomak"), effective October 1, 1995, as described in Note 1 and the related statements of revenues and direct operating expenses for each of the two years in the period ended December 31, 1994. The statements of assets (other than productive oil and gas properties) and liabilities and statements of revenues and direct operating expenses are the responsibility of Lomak's management. Our responsibility is to express an opinion on the statements of assets (other than productive oil and gas properties) and liabilities and statements of revenues and direct operating expenses 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 statements of assets (other than productive oil and gas properties) and liabilities and statements of revenues and direct operating expenses are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statements of assets (other than productive oil and gas properties) and liabilities and statements of revenues and direct operating expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the statements of assets (other than productive oil and gas properties) and liabilities and statements of revenues and direct operating expenses referred to above present fairly, in all material respects, the assets (other than productive oil and gas properties) and liabilities of the Transfuel Interests as of December 31, 1993 and 1994 acquired pursuant to the purchase by Lomak Petroleum, Inc., effective October 1, 1995, as described in Note 1, and the related revenues and direct operating expenses for each of the two years in the period ended December 31, 1994 in conformity with generally accepted accounting principles.

DELOITTE & TOUCHE LLP

Houston, Texas
October 13, 1995

TRANSFUEL INTERESTS

STATEMENTS OF ASSETS (OTHER THAN PRODUCTIVE
OIL AND GAS PROPERTIES) AND LIABILITIES (NOTE 1)

	December 31, 1993 -----	December 31, 1994 -----	June 30, 1995 ----- (unaudited)
Assets (other than productive oil and gas properties)			
Accounts receivable	\$ 1,718,889	\$ 1,154,960	\$ 880,196
Accounts payable and accrued liabilities	(244,041) -----	(179,553) -----	(138,407) -----
 Excess of assets (other than productive oil and gas properties) acquired over liabilities assumed	 \$ 1,474,848 =====	 \$ 975,407 =====	 \$ 741,789 =====

See accompanying notes.

TRANSFUEL INTERESTS

STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES (NOTE 1)

	Year ended December 31, 1993	Year ended December 31, 1994	Six months ended June 30, 1995 (unaudited)
	-----	-----	-----
Revenues, net	\$ 12,249,285	\$ 10,597,532	\$ 4,617,448
Direct operating expenses	(4,191,890)	(3,821,024)	(1,797,885)
	-----	-----	-----
Excess of revenues over direct operating expenses	\$ 8,057,395	\$ 6,776,508	\$ 2,819,563
	=====	=====	=====

See accompanying notes.

TRANSFUEL INTERESTS

NOTES TO STATEMENTS OF ASSETS
(OTHER THAN PRODUCTIVE OIL AND GAS PROPERTIES)
AND LIABILITIES AND STATEMENTS OF REVENUES
AND DIRECT OPERATING EXPENSES

(1) GENERAL:

ORGANIZATION

The accompanying statements present the assets (other than productive oil and gas properties) and liabilities and revenues and direct operating expenses of certain working and other interests in oil and gas properties (the "Transfuel Interests") purchased by Lomak Petroleum, Inc. ("Lomak") in September 1995. Such financial statements were derived from the historical records of the predecessor owner and represent Lomak's interest.

The Transfuel Interests consist of ownership in approximately 1,800 gross producing oil and gas wells, 1,100 miles of gas gathering lines and 175,000 net acres of undeveloped leases and associated real estate and equipment. Over 90% of the Transfuel Interests are located in Appalachia.

BASIS OF PRESENTATION

Full historical statements, including general and administrative expenses and interest expense, have not been presented as such a presentation would not be meaningful. The Transfuel Interests acquired represent developed producing properties.

Transfuel Interests is not a taxpaying entity. Accordingly, no provision for income taxes has been reflected in the statements of revenues and direct operating expenses.

REVENUE RECOGNITION

Revenues are recognized when oil and gas production is sold. Direct operating expenses are accrued when services are provided.

(2) SALES TO MAJOR CUSTOMERS:

For the years ended December 31, 1993 and 1994, three purchasers accounted for 44.7%, 9.5% and 6.9% and 32.8%, 15.7% and 11.5%, respectively, of oil and gas sales. For the six months ended June 30, 1995, three purchasers accounted for 38.8%, 12.4% and 10.2% of oil and gas sales.

(3) OIL AND GAS RESERVES INFORMATION (UNAUDITED):

The estimates of the Transfuel Interests in proved oil and gas reserves, which are located entirely in the United States, are based on evaluations by an independent petroleum engineer. Reserves at December 31, 1993 and 1994, were estimated in accordance with guidelines established by the Securities and Exchange Commission which require that reserve reports be prepared under existing economic and operating conditions with no provision for price escalations except by contractual arrangements.

Lomak's management emphasizes that reserve estimates are inherently imprecise. Accordingly, the estimates are expected to change as future information becomes available.

TRANSFUEL INTERESTS

NOTES TO STATEMENTS OF ASSETS
 (OTHER THAN PRODUCTIVE OIL AND GAS PROPERTIES)
 AND LIABILITIES AND STATEMENTS OF REVENUES
 AND DIRECT OPERATING EXPENSES

The following unaudited table sets forth the estimated proved oil and gas reserve quantities of the Transfuel Interests at December 31, 1993 and 1994:

	Crude Oil (bbls)	Natural Gas (mcfs)
PROVED RESERVES	-----	-----
Balance, December 31, 1992	690,577	45,165,675
Production	(80,644)	(4,542,237)
	-----	-----
Balance, December 31, 1993	609,933	40,623,438
Production	(81,729)	(4,019,366)
	-----	-----
Balance, December 31, 1994	528,204	36,604,072
	=====	=====
PROVED DEVELOPED RESERVES		
Balance, December 31, 1993	609,933	38,464,235
	=====	=====
Balance, December 31, 1994	528,204	34,444,869
	=====	=====

The "Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserves" (Standardized Measure) is a disclosure requirement under Statement of Financial Accounting Standards No. 69. The Standardized Measure does not purport to present the fair market value of proved oil and gas reserves. This would require consideration of expected future economic and operating conditions, which are not taken into account in calculating the Standardized Measure.

Future cash inflows were estimated by applying year end prices, adjusted for fixed and determinable escalations to the estimated future production less estimated future production costs based on year end costs and future development costs. Future net cash inflows were discounted using a 10% annual discount rate to arrive at the Standardized Measure.

TRANSFUEL INTERESTS

STATEMENTS OF ASSETS
 (OTHER THAN PRODUCTIVE OIL AND GAS PROPERTIES)
 AND LIABILITIES AND STATEMENTS OF REVENUES
 AND DIRECT OPERATING EXPENSES

The standardized measure of discounted future net cash flows relating to proved oil and gas properties is as follows:

	As of December 31, 1993	As of December 31, 1994
	-----	-----
Future cash inflows	\$ 100,812,232	\$ 90,214,700
Future costs:		
Production	(45,230,916)	(41,409,892)
Development	(2,011,820)	(2,011,820)
	-----	-----
Future net cash flows	53,569,496	46,792,988
Income taxes	-	-
	-----	-----
Undiscounted future net cash flows	53,569,496	46,792,988
10% discount factor	(21,274,497)	(18,044,997)
	-----	-----
Standardized measure	\$ 32,294,999	\$ 28,747,991
	=====	=====

Changes in standardized measure of discounted future net cash flows from proved reserve quantities are as follows:

	Year ended December 31, 1993	Year ended December 31, 1994
	-----	-----
Standardized measure, beginning of year	\$ 36,683,995	\$ 32,294,999
Production	(8,057,395)	(6,776,508)
Accretion of discount	3,668,399	3,229,500
	-----	-----
Standardized measure, end of year	\$ 32,294,999	\$ 28,747,991
	=====	=====

PRO FORMA COMBINED FINANCIAL STATEMENTS
WITH RESPECT TO THE TRANSACTIONS

The accompanying unaudited pro forma combined statement of income gives effect to (i) the purchase by the Company of 100% of the equity of Gillring Oil Company ("Gillring"), accounted for as a purchase, (ii) the purchase by the Company of 100% of the equity of Red Eagle Resources Corporation ("Red Eagle"), accounted for as a purchase, (iii) the purchase by the Company of certain oil and gas properties from a subsidiary of Parker & Parsley Petroleum Co. and (iv) the purchase by the Company of certain oil and gas properties from Transfuel, Inc. ("Transfuel"). The unaudited pro forma combined financial statements also give effect to the private offering of \$25 million of convertible exchangeable preferred stock (the "Offering") and the application of the estimated net proceeds therefrom. The unaudited pro forma combined statement of income for the year ended December 31, 1994 was prepared as if all transactions had occurred on January 1, 1994. The unaudited pro forma combined statement of income for the six months ended June 30, 1995 was prepared as if all transactions had occurred on January 1, 1995. The accompanying unaudited pro forma combined balance sheet of the Company as of June 30, 1995 has been prepared as if the Parker & Parsley and Transfuel acquisitions, the Offering and the application of the net proceeds therefrom had occurred as of that date. The historical information provided in the statements of income for the year ended December 31, 1994 and for the six months ended June 30, 1995, represents the following periods for the various acquisitions: (i) Gillring represents the period from January 1, 1994 through January 31, 1994, (ii) Red Eagle represents the period from January 1, 1994 through December 31, 1994, (iii) Parker & Parsley represents the periods from January 1, 1994 through December 31, 1994 and from January 1, 1995 through June 30, 1995 and (iv) Transfuel represents the periods from January 1, 1994 through December 31, 1994 and from January 1, 1995 through June 30, 1995.

This information is not necessarily indicative of future combined operations and it should be read in conjunction with the separate historical statements and related notes of the respective entities appearing elsewhere in this filing or incorporated by reference herein.

LOMAK PETROLEUM, INC.
PRO FORMA COMBINED STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 1994
(UNAUDITED)

	Lomak ----- Historical Year Ended December 31, 1994 -----	Gillring ----- Historical Month Ended January 31, 1994 -----	Red Eagle ----- Historical Year Ended December 31, 1994 -----	Parker & Parsley ----- Historical Year Ended December 31, 1994 -----	Transfuel ----- Historical Year Ended December 31, 1994 -----	Pro Forma Adjustments for the Gillring acquisition, Red Eagle merger, Parker & Parsley and Transfuel acquisitions and the Offering (Note 1)	Pro Forma Combined -----
Revenues							
Oil and gas production	\$24,460,945	\$540,019	\$4,236,396	\$5,975,137	\$10,597,532	\$ -	\$45,810,029
Field services	7,667,135	-	6,634,668	-	-	-	14,301,803
Gas marketing and transportation	2,194,892	-	993,902	-	-	-	3,188,794
Interest and other	470,562	28,484	693,624	-	-	(28,484) (e)	1,164,186
	-----	-----	-----	-----	-----	-----	-----
	34,793,534	568,503	12,558,590	5,975,137	10,597,532	(28,484)	64,464,812
Expenses							
Oil and gas production	10,018,941	222,198	2,481,906	2,928,350	3,821,024	(1,474,500) (c)	17,997,919
Field services	5,777,690	-	2,503,305	-	-	-	8,280,995
Gas marketing and transportation	490,097	-	-	-	-	-	490,097
Exploration	359,315	8,975	473,916	-	-	-	842,206
General and administrative	2,477,680	67,780	3,786,925	-	-	(3,064,400) (c)	3,267,985
Interest	2,807,216	21,488	144,900	-	-	1,529,976 (a)	4,503,580
Depletion, depreciation and amortization	10,104,987	-	2,106,549	-	-	5,909,294 (b)	18,120,830
Lease impairments	-	-	1,097,000	-	-	(1,097,000) (g)	-
Commodity trading losses	-	-	2,136,122	-	-	(2,136,122) (f)	-
	-----	-----	-----	-----	-----	-----	-----
	32,035,926	320,441	14,730,623	2,928,350	3,821,024	(332,752)	53,503,612
Income (loss) before income taxes	2,757,608	248,062	(2,172,033)	3,046,787	6,776,508	304,268	10,961,200
Income taxes							
Current	(20,531)	-	(86,976)	-	-	(369,493) (d)	(477,000)
Deferred	(118,523)	-	475,180	-	-	(2,992,657) (d)	(2,636,000)
	-----	-----	-----	-----	-----	-----	-----
Income (loss) from continuing operations	\$2,618,554	\$248,062	(\$1,783,829)	\$3,046,787	\$6,776,508	(\$3,057,882)	\$7,848,200
Income from continuing operations applicable to common shares	\$2,243,554						\$5,598,200
Net income per common share	\$0.25						\$0.46
Weighted average shares outstanding	9,050,558		2,861,374			3,032,920	12,083,478

See notes to pro forma combined financial statements.

LOMAK PETROLEUM, INC.
 PRO FORMA COMBINED STATEMENT OF INCOME
 SIX MONTHS ENDED JUNE 30, 1995
 (UNAUDITED)

	Lomak	Parker & Parsley	Transfuel	Pro Forma Adjustments for the Parker & Parsley and Transfuel acquisitions and the Offering (Note 2)	Pro Forma Combined
	Historical Six Months Ended June 30, 1995	Historical Six Months Ended June 30, 1995	Historical Six Months Ended June 30, 1995		
Revenues					
Oil and gas production	\$15,333,138	\$2,894,682	\$4,617,448	-	\$22,845,268
Field services	4,893,388	-	-	-	4,893,388
Gas marketing and transportation	1,514,513	-	-	-	1,514,513
Interest and other	751,004	-	-	-	751,004
	----- 22,492,043	----- 2,894,682	----- 4,617,448	----- -	----- 30,004,173
Expenses					
Oil and gas production	6,438,378	1,269,707	1,797,883	(866,600)(k)	8,639,368
Field services	2,876,328	-	-	-	2,876,328
Gas marketing and transportation	389,754	-	-	-	389,754
Exploration	275,448	-	-	-	275,448
General and administrative	1,518,844	-	-	(12,181)(j)	1,506,663
Interest	2,398,489	-	-	627,961(h)	3,026,450
Depletion, depreciation and amortization	6,104,474	-	-	2,509,659(i)	8,614,133
	----- 20,001,715	----- 1,269,707	----- 1,797,883	----- 2,258,839	----- 25,328,144
Income (loss) before income taxes	2,490,328	1,624,975	2,819,565	(2,258,839)	4,676,029
Income taxes					
Current	(47,513)	-	-	(247,487)(l)	(295,000)
Deferred	(622,028)	-	-	(714,972)(l)	(1,337,000)
	-----	-----	-----	-----	-----
Income (loss) from continuing operations	\$1,820,787	\$1,624,975	\$2,819,565	(\$3,221,298)	\$3,044,029
	=====	=====	=====	=====	=====
Income from continuing operations applicable to common shares	\$1,633,287				\$1,919,029
	=====				=====
Net income per common share	\$0.14				\$0.16
	=====				=====
Weighted average shares outstanding	11,314,495			821,575	12,136,070
	=====				=====

See notes to pro forma combined financial statements.

LOMAK PETROLEUM, INC.
PRO FORMA COMBINED BALANCE SHEET
JUNE 30, 1995
(UNAUDITED)

	Lomak -----	Parker & Parsley -----	Transfuel -----	Pro Forma Adjustments for the Parker & Parsley and Transfuel acquisitions and the Offering (Note 2) -----	Pro Forma Combined -----
	Historical as of June 30, 1995	Historical as of June 30, 1995	Historical as of June 30, 1995		
ASSETS					
Current assets					
Cash and equivalents	\$5,307,307	\$ -	\$ -	\$ -	\$5,307,307
Accounts receivable	8,215,895	823,379	880,196	-	9,919,470
Inventory and other	1,417,251	-	-	-	1,417,251
	-----	-----	-----	-----	-----
Total current assets	14,940,453	823,379	880,196	-	16,644,028
Oil and gas properties					
Accumulated depletion and amortization	155,109,796 (25,866,264)	(577,278) -	(744,789) -	36,227,549 (m, n, o) -	190,015,278 (25,866,264)
	-----	-----	-----	-----	-----
	129,243,532	(577,278)	(744,789)	36,227,549	164,149,014
Gas transportation and field service assets					
Accumulated depreciation	16,294,400 (3,256,841)	- -	- -	7,096,700 (m, n) -	23,391,100 (3,256,841)
	-----	-----	-----	-----	-----
	13,037,559	-	-	7,096,700	20,134,259
	-----	-----	-----	-----	-----
	\$157,221,544	\$246,101	\$135,407	\$43,324,249	\$200,927,301
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities					
Accounts payable	\$5,940,545	\$ -	\$ -	\$ -	\$5,940,545
Accrued liabilities	3,750,285	246,101	135,407	2,029,914 (o)	6,161,707
Current portion of debt	502,519	-	-	-	502,519
	-----	-----	-----	-----	-----
Total current liabilities	10,193,349	246,101	135,407	2,029,914	12,604,771
Long-term debt					
Deferred income taxes	71,131,900	-	-	16,528,335 (m, n, p)	87,660,235
	-----	-----	-----	-----	-----
	17,012,420	-	-	-	17,012,420
Stockholders' equity					
Preferred stock	200,000	-	-	1,000,000 (p)	1,200,000
Common stock	119,241	-	-	944 (n, p)	120,185
Capital in excess of par value	64,475,994	-	-	23,765,056 (n, p)	88,241,050
Retained earnings (deficit)	(5,911,360)	-	-	-	(5,911,360)
	-----	-----	-----	-----	-----
Total stockholders' equity	58,883,875	-	-	24,766,000	83,649,875
	-----	-----	-----	-----	-----
	\$157,221,544	\$246,101	\$135,407	\$43,324,249	\$200,927,301
	=====	=====	=====	=====	=====

See notes to pro forma combined financial statements.

LOMAK PETROLEUM, INC.
NOTES TO PRO FORMA COMBINED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE (1) PRO FORMA ADJUSTMENTS FOR THE ACQUISITION OF GILLRING, THE ACQUISITIONS OF PARKER & PARSLEY'S AND TRANSFUEL'S APPALACHIAN ASSETS, THE MERGER WITH RED EAGLE AND THE CONVERTIBLE PREFERRED STOCK OFFERING -- THE TWELVE MONTHS ENDED DECEMBER 31, 1994

In March 1994, the Company completed the acquisition of Gillring Oil Company ("Gillring") for approximately \$11.5 million. Gillring's assets included approximately \$5.4 million of working capital. As a result of the acquisition, the Company acquired 100% of Gillring's assets including its oil and natural gas producing properties and its 67% interest in a Texas limited partnership, Gillring Oil L.P. The transaction was accounted for using the purchase method of accounting.

In December 1994, Lomak acquired effective control of Red Eagle Resources Corporation ("Red Eagle") principally through the purchase of two common stockholders' holdings. On February 15, 1995, the remaining stockholders of Red Eagle common stock voted to approve the merger of Red Eagle with a wholly owned subsidiary of the Company. The consideration paid for the acquisition totaled \$11 million in cash and 2,862,000 shares of Lomak common stock.

In June 1995, the Company purchased properties in Pennsylvania and West Virginia from a subsidiary of Parker & Parsley Petroleum Company for approximately \$20.2 million in cash.

In October 1995, the Company purchased properties in Pennsylvania, New York and Ohio from Transfuel, Inc. for approximately \$20.2 million in cash and \$755,000 of the Company's common stock.

In October 1995, the Company sold in a private offering \$25 million of \$2.03 convertible exchangeable preferred stock. The preferred stock is convertible into the Company's common stock at a conversion price of \$9.50 per share, subject to adjustment in certain events. The preferred stock will be redeemable, at the option of the Company, at any time on or after November 1, 1998, at redemption prices beginning at 105%. At the option of the Company, the preferred stock is exchangeable for the Company's 8 1/8% convertible subordinated notes due 2005. The notes will be subject to the same redemption and conversion terms as the preferred stock.

The accompanying unaudited pro forma combined statement of income for the year ended December 31, 1994 has been prepared as if the acquisitions had occurred on January 1, 1994 and also gives effect as of January 1, 1994 to the Convertible Preferred Stock Offering and the application of the net proceeds therefrom. These transactions are reflected as follows:

- (a) To increase interest expense for the estimated amounts that would have been incurred on the incremental borrowings to acquire Gillring, Red Eagle and Parker & Parsley's and Transfuel's Appalachian assets and reduce interest expense for the net proceeds from the sale of the convertible preferred stock.
- (b) To record depletion expense for the Gillring, Parker & Parsley's and Transfuel acquisitions at \$4.37 and to adjust the historical depletion rate for Lomak and Red Eagle from \$4.41 and \$3.08, respectively to \$4.37.
- (c) To adjust oil and gas production expense and general and administrative expenses for the reduction in costs after the acquisitions of Gillring, Red Eagle, Parker & Parsley's and Transfuel's assets.
- (d) To adjust the provision for income taxes for the change in taxable income resulting from the Gillring, Red Eagle, Parker & Parsley and Transfuel acquisitions and the effect on deferred taxes recorded at January 1, 1994 had the acquisitions taken place at that time.
- (e) To reduce interest income on Gillring for cash balances used to reduce incremental borrowings.

LOMAK PETROLEUM, INC.
NOTES TO PRO FORMA COMBINED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE (1) PRO FORMA ADJUSTMENTS FOR THE ACQUISITION OF GILLRING, THE ACQUISITIONS OF PARKER & PARSLEY'S AND TRANSFUEL'S APPALACHIAN ASSETS, THE MERGER WITH RED EAGLE AND THE CONVERTIBLE PREFERRED STOCK OFFERING -- THE TWELVE MONTHS ENDED DECEMBER 31, 1994-(CONTINUED)

(f) To eliminate 1994 losses realized by Red Eagle on speculative commodity trade. Lomak has never and does not anticipate in the future participating in speculative commodity trading.

(g) To eliminate impairment losses on Red Eagle oil & gas properties.

NOTE (2) PRO FORMA ADJUSTMENTS FOR THE ACQUISITIONS OF PARKER & PARSLEY'S AND TRANSFUEL'S APPALACHIAN ASSETS AND THE CONVERTIBLE PREFERRED STOCK OFFERING -- AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 1995

The accompanying unaudited pro forma combined balance sheet has been prepared as if the Parker & Parsley and Transfuel acquisitions and the Offering had occurred on June 30, 1995. The accompanying unaudited pro forma combined statement of income for the six months ended June 30, 1995 has been prepared as if the acquisitions and the Offering had occurred on January 1, 1995 and reflects the following adjustments:

(h) To adjust interest expense for the estimated amounts that would have been incurred on the incremental borrowings to acquire the Parker & Parsley and Transfuel Appalachian assets.

(i) To record depletion expense for the Parker & Parsley and Transfuel asset acquisitions at \$4.37 and to adjust the historical depletion rate for Lomak from \$4.38 to \$4.37.

(j) To remove minority interest from January 1995 Red Eagle income statement.

(k) To reduce oil and gas production and general and administrative expenses for cost reductions.

(l) To adjust the provision for income taxes for the change in taxable income resulting from the Gillring, Red Eagle and Parker & Parsley acquisitions and the effect on deferred taxes recorded at January 1, 1994 had the acquisitions taken place at that time.

(m) To record the purchase of Parker & Parsley's Appalachian oil & gas properties, funded through the Company's credit facility.

(n) To record the purchase of Transfuel's Appalachian oil & gas properties, funded through the Company's credit facility and issuance of common stock.

(o) To record deal costs associated with the purchase of Parker & Parsley's and Transfuel's Appalachian oil & gas properties.

(p) To record the private placement of \$25 million of convertible preferred stock, net of placement fees and offering costs.