U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

[X] QUARTERLY REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 1997

OR

[2] TRANSITION REPORT UNDER SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____________________ TO _____________________

Commission File No. 0-20630

FULL HOUSE RESORTS, INC.
(Exact name of small business issuer as specified in its charter)

Delaware	13-3391527
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Deadwood Gulch Resort Highway 85 South P.O. Box 643 Deadwood, South Dakota	57732
(Address of principal executive offices)	(zip code)

(605) 578-1294
(Registrant's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 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 ______

APPLICABLE ONLY TO CORPORATE ISSUERS

As of October 31, 1997, Registrant had 10,340,380 shares of its $.0001 par value common stock outstanding.

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FULL HOUSE RESORTS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	SEPTEMBER 30, 1997	DECEMBER 31, 1996
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,461,915	$ 1,049,183
Note receivable - joint venture, current portion	92,162	626,042
Restricted cash	889,497	585,934
Accounts receivable	91,321	20,489
Accounts receivable - related party	105,608	--
Inventories	87,742	92,578
Prepaid expenses	378,260	317,724
Receivable from joint ventures	192,268	--
Total current assets	4,298,773	2,691,950
ASSETS HELD FOR SALE - net	5,546,011	5,574,500
INVESTMENTS IN JOINT VENTURES	5,333,101	5,183,454
GOODWILL - net	2,025,084	2,404,785
NOTE RECEIVABLE - JOINT VENTURE	703,295	1,260,456
DEPOSIT ON PURCHASE OPTION	200,000	--
OTHER ASSETS	28,522	32,384
TOTAL	$ 18,134,786	$ 17,147,529
LIABILITIES AND STOCKHOLDERS EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 688,480	$ 667,258
Accounts payable	75,563	130,030
Accrued expenses	666,123	411,625
Payable to joint ventures	--	516,787
Total current liabilities	1,430,166	1,725,700
LONG-TERM DEBT, net of current portion	6,219,427	6,290,655
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS EQUITY:		
Cumulative, convertible preferred stock, par value $.0001, 5,000,000 shares authorized; 700,000 shares issued and outstanding; aggregate liquidation preference of $3,202,500 and $3,045,000	70	70
Common stock, par value $.0001, 25,000,000 shares authorized; 10,340,380 and 10,339,549 shares issued and outstanding	1,034	1,034
Additional paid in capital	16,932,251	16,853,042
Accumulated deficit	(6,448,162)	(7,722,972)
Total stockholders equity	10,485,193	9,131,174
TOTAL	$ 18,134,786	$ 17,147,529

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See notes to condensed consolidated financial statements

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FULL HOUSE RESORTS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	THREE MONTHS ENDED SEPTEMBER 30, 1997	THREE MONTHS ENDED SEPTEMBER 30, 1996	NINE MONTHS ENDED SEPTEMBER 30, 1997	NINE MONTHS ENDED SEPTEMBER 30, 1996
OPERATING REVENUES:				
Casino	$ 458,413	$ 501,409	$ 1,068,702	$ 1,188,258
Hotel/RV park	803,546	782,858	1,402,729	1,341,503
Retail	437,712	483,625	966,622	1,030,980
Food and beverage	269,139	247,957	611,485	621,977

Fun park	391,256	436,530	553,278	700,273
Joint ventures	849,205	426,153	2,442,523	815,552
	3,209,271	2,878,532	7,045,339	5,698,543
Less: promotional allowances	(37,878)	(25,613)	(98,022)	(118,038)
Net operating revenues	3,171,393	2,852,919	6,947,317	5,580,505
OPERATING COSTS AND EXPENSES:				
Casino	203,029	241,782	736,610	780,170
Hotel/ RV park	179,957	201,470	432,587	489,001
Retail	407,071	429,136	900,213	930,290
Food and beverage	191,260	197,423	469,556	486,520
Fun park	199,286	250,907	317,868	482,135
Sales and marketing	62,930	74,345	218,162	186,746
General and administrative	489,501	556,174	1,603,393	1,677,767
Depreciation and amortization	128,365	129,393	385,043	389,218
Impairment of long-lived assets	--	--	3,220	250,000
Total operating costs and expenses	1,861,399	2,080,630	5,066,652	5,671,847
INCOME (LOSS) FROM OPERATIONS	1,309,994	772,289	1,880,665	(91,342)
OTHER INCOME (EXPENSE):				
Interest expense and debt issue costs	(172,133)	(122,310)	(521,550)	(495,381)
Interest and other income	40,819	50,509	123,674	104,372
INCOME (LOSS) BEFORE INCOME TAXES	1,178,680	700,488	1,482,789	(482,351)
Provision for income taxes	(79,554)	--	(207,979)	--
NET INCOME (LOSS)	1,099,126	700,488	1,274,810	(482,351)
Less, undeclared dividends on cumulative preferred stock	52,500	52,500	157,500	157,500
NET INCOME (LOSS) APPLICABLE TO COMMON SHARES	$ 1,046,626	$ 647,988	$ 1,117,310	$ (639,851)
INCOME (LOSS) PER COMMON SHARE	$ 0.10	$ 0.06	$ 0.11	$ (0.06)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	10,340,380	10,339,549	10,340,252	10,339,549

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See notes to condensed consolidated financial statements

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FULL HOUSE RESORTS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

<S>	NINE MONTHS ENDED SEPTEMBER 30, 1997 <C>	1996 <C>
CASH FLOWS FROM OPERATING ACTITIVIES:		
Net income (loss)	$ 1,274,810	$ (482,351)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	385,043	389,218
Debt issue costs and imputed interest amortization	192,834	27,936
Amortization of deferred compensation expense	75,709	--
Impairment of long-lived assets	3,220	250,000
Other	(274)	--
Equity in income of joint ventures	(2,442,523)	(815,552)
Changes in assets and liabilities:		
Increase in restricted cash	(303,563)	(881,221)
Increase in accounts receivable	(70,832)	(35,954)
Increase in accounts receivable - related party	(105,608)	--
Decrease in inventories	4,836	6,120
(Increase) decrease in prepaid expenses	(60,536)	111,375
Increase in deposit on purchase option	(200,000)	--

Increase in other assets	(1,480)	(11,352)
Increase (decrease) in accounts payable and accrued expenses	200,031	(508,363)
Net cash used in operating activities	(1,048,333)	(1,950,144)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of assets held for sale	(46,054)	(76,992)
Proceeds from disposal of assets held for sale	43,661	--
Investments in joint ventures	(177,061)	(230,205)
Distributions from joint ventures	2,469,937	843,520
Decrease in receivables from GTECH and joint ventures	381,986	11,203,911
Net cash provided by investing activies	2,672,469	11,740,234
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of debt	--	3,000,000
Proceeds from exercise of warrants	3,500	--
Repayment of debt	(214,904)	(11,323,005)
Net cash used in financing activies	(211,404)	(8,323,005)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,412,732	1,467,085
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,049,183	356,754
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 2,461,915	$ 1,823,839

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See notes to condensed consolidated financial statements.

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTERIM CONDENSED FINANCIAL STATEMENTS - The interim condensed consolidated financial statements of Full House Resorts, Inc. (the "Company") included herein reflect all adjustments which are, in the opinion of management, necessary to present a fair statement of the results for the interim periods presented. All such adjustments are of a normal recurring nature. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted pursuant to the rules and regulations of the Securities and Exchange Commission.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the year ended December 31, 1996.

The results of operations for the quarter and the nine months ended September 30, 1997 are not necessarily indicative of the results to be expected for the year ending December 31, 1997.

2. RECENTLY ISSUED ACCOUNTING STANDARDS

The Financial Accounting Standards Board recently issued Statement of Financial Accounting Standards No. 128 (FASB 128), EARNINGS PER SHARE, which is effective for fiscal years beginning after December 15, 1997. FASB 128 establishes standards for computing and presenting earnings per share to make them comparable to international earnings per share standards and requires dual presentation of basic and diluted earnings per share for entities with complex capital structures. After adoption, the Company expects there will be no material effect on the presentation or computation of its earnings per share.

The Financial Accounting Standards Board recently issued Statement of Financial Accounting Standards No. 130 (FASB 130), REPORTING COMPREHENSIVE

INCOME, which is effective for fiscal years beginning after December 15, 1997. FASB 130 establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. The Company has not yet determined the effect adoption of FASB 130 will have on disclosures in its consolidated financial statements.

The Financial Accounting Standards Board recently issued Statement of Financial Accounting Standards No. 131 (FASB 131), DISCLOSURES ABOUT SEGMENTS OF AN ENTERPRISE AND RELATED INFORMATION, which is effective for financial statements for periods beginning after December 15, 1997. FASB 131 establishes standards for the way that public business enterprises report information about operating segments in annual financial statements and requires that those enterprises report selected information about operating segments on interim financial reports issued to shareholders. It also establishes standards for related disclosures about products and services, geographic areas and major customers. The Company has not yet determined the effect adoption of FASB 131 will have on disclosures in its consolidated financial statements.

3. LETTER OF INTENT

The Company announced on April 18, 1997 that it had signed an agreement for the purchase of the Deadwood Gulch Resort ("DGR"). The agreement expired without a sale taking place. The Company will continue its efforts to sell DGR.

Because of the Company's intent to dispose of DGR, the Company has reclassified certain assets of DGR to other assets - assets held for sale. Further analysis of the estimated realizable value of the assets held for sale resulted in an additional impairment loss of $3,220 recorded in the three months ended March 31, 1997.

4. SUBSEQUENT EVENT

On October 15, 1997, the Company announced that it had executed an agreement to acquire a gaming site in Biloxi, Mississippi, adjacent to the site at which Steve Wynn's Beau Rivage is currently under construction. Mr. Allen E. Paulson, the chairman and Chief Executive Officer of the Company, originally had rights to acquire the property, and it was one of the opportunities presented to Full House by Mr. Paulson, along with the opportunity to participate in, or assume his rights with respect to, the purchase of the Gold River Hotel and Casino Corporation which owns and operates the Gold River Gaming Hall and Resort in Laughlin, Nevada. The Company is currently in negotiations with joint venture partners to develop a theme hotel/casino at the Mississippi site.

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ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

RECENT DEVELOPMENTS

On May 7, 1997, the Company announced that Allen E. Paulson, the Chairman and Chief Executive Officer of the Company, had offered to the Company the opportunity to participate in, or assume his rights with respect to, the purchase of the Gold River Hotel & Casino Corporation which owns and operates the Gold River Gaming Hall and Resort, a 1,000 room hotel and convention center located on the riverfront in Laughlin, Nevada. The opportunity is currently under review by a committee of Company directors other than Mr. Paulson. Until the Nevada gaming authorities completed their review of Mr. Paulson, and until completion of the Gold River bankruptcy reorganization under which he acquired ownership, Mr. Paulson and the Company had only limited access to the data required by the Company to perform its due diligence examination of the Gold River opportunity. Both those processes were completed recently and Full House is now completing its due diligence inquiry and is in the final stages of negotiations with Mr. Paulson as to the terms of participation by Full House in the opportunity, should it elect to so participate.

On October 15, 1997, the Company announced that it had executed an agreement to acquire a gaming site in Biloxi, Mississippi, adjacent to the site at which Steve Wynn's Beau Rivage is currently under construction. Mr. Paulson originally had rights to acquire the property, and it was one of the opportunities presented to Full House, along with Gold River. The Company is currently in negotiations with joint venture partners to develop a theme hotel/casino at the site.

RESULTS OF OPERATIONS

THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 1997 COMPARED TO THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 1996

Revenues for the three months ended September 30, 1997 increased $318,474 or 11.2% to $3,171,393 as compared with revenues of $2,852,919 for the three months ended September 30, 1996. This increase, combined with the increase in revenues for the first six months of 1997, resulted in an increase in revenues for the nine months ended September 30, 1997 over the prior year period of $1,366,812 or 24.5% to $6,947,317. The net income per share for the three months ended September 30, 1997 increased $0.04 or 67% to $0.10. For the nine months ended September 30, 1997, net income increased $0.17 to $0.11 over the comparable period last year.

JOINT VENTURE INCOME

Joint Venture income increased $423,052 or 99.3% and $1,626,971 or 199.5% for the three month and nine month periods, respectively, ended September 30, 1997 as compared to the comparable periods in 1996. This increase is due to inclusion of income from the Delaware joint venture, which was not in operation until August 1996, and to the improved operating results from the Oregon joint venture.

OREGON JOINT VENTURE. The Company's share of income from the Oregon joint venture increased $38,948 or 15.9% and $88,740 or 13.4%, respectively, for the three month and nine month periods ended September 30, 1997, as compared to the comparable periods in 1996. The facility has experienced improvements in its operating results due to improved marketing of and road access to the casino.

DELAWARE JOINT VENTURE. The Company's share of income from the Delaware joint venture was $573,374 and $1,725,255, respectively, for the three month and nine month periods ended September 30, 1997. Midway Slots and Simulcast began operations in August of 1996. As reported by the Delaware Lottery Board, Midway Slots & Simulcast had a net win of $15,826,450 and $44,484,730 for the three-

month and nine-month periods ended September 30, 1997, respectively. Based upon the opening date of the facility, September 1997 was the first full month for which a prior year comparison could be made. The net win for September 1997 increased 62% to $5,023,225 as compared to September 1996. As a result of operating results exceeding initial projections, Midway Slots and Simulcast has prepaid a portion of its obligation to the Delaware joint venture. The joint venture, in turn, prepaid a portion of the obligation to the Company in July and August. The outstanding principal balance of the obligation was $771,911 at September 30, 1997.

CALIFORNIA AND MICHIGAN JOINT VENTURES. As compared to the comparable periods in 1996, the Company's share of the loss from the California and Michigan joint ventures declined by $708 and $2,499 during the three-month and nine-month periods ended September 30, 1997, respectively. These joint venture companies are still in the development stage and do not have operating revenues.

DEADWOOD GULCH RESORT

The annual report of the South Dakota Commission on Gaming, which was released during the second quarter of 1997, announced that gaming revenues in Deadwood had declined by 6.4% in 1996 and that only 40% of the gaming businesses were profitable in 1996 versus 58% in 1995. This trend has continued during 1997 with a further decline in gaming revenues and attendance at regional national parks (Mount Rushmore, Badlands National Park and Yellowstone National Park).

These factors have significantly impacted the operating results of Deadwood Gulch Resort. However, as a result of management programs, Resort profits for the first nine months of 1997 increased by $16,045 despite a decline in revenues of $260,159.

CASINO OPERATIONS. Revenues decreased 8.6% for the three months ended September 30, 1997 over 1996. Although departmental expenses decreased 16.0% over 1996, department profit only decreased $4,243. Revenues decreased 10.1% for the nine months ended September 30, 1997 over 1996 and as a result of departmental expenses decreasing 5.6%, departmental profit decreased $75,996 as compared to the same period in 1996. Management attributes the decline in revenues to the general decline in the market area explained above and aggressive giveaways by other casinos.

HOTEL/RV RESORT. Hotel/RV Resort revenues increased 2.6%, to $803,546 for the three months ended September 30, 1997 as compared to 1996. Hotel/RV Resort departmental profit increased $42,201 or 7.3%. For the nine months ended September 30, 1997, revenues and departmental profits increased $61,226 and $117,640, respectively, as compared to the same period in 1996. Management attributes the improvements to cost-reduction measures in both the Hotel and RV Resort.

RETAIL. For the nine months ended September 30, 1997, revenues decreased by $64,358 to $966,622 and departmental profits decreased by $34,281, as compared to the same period in 1996. Revenues decreased by $45,913 or 9.5% for the three months ended September 30, 1997 from 1996. Department profit of $30,641 for the three months ended September 30, 1997 was $23,848 lower than the prior year period due to a decline in sales as a result of lower tourism and increased pricing competition.

FOOD AND BEVERAGE. Revenues for the three months and nine months ended September 30, 1997 were $269,139 and $611,485, respectively, (which includes $32,177 and $84,783 of promotional allowances) as compared to $247,957 and $621,977, respectively, for the comparable periods in 1996. The departmental income after subtracting promotional allowances increased $14,033 and $26,099 over the three and nine month periods ended September 30, 1996. Management attributes the improvement to continued management of cost of sales and reduced departmental expenses.

GULCHES OF FUN FAMILY CENTER. Although revenues decreased $146,995 for the nine months ended September 30, 1997, departmental profits increased $17,272 as compared to the same period in 1996. Revenues for the three months ended September 30, 1997 decreased $45,274 from 1996 and

department profits increased $6,347 from the comparable period in 1996, due to a change in staffing of the facility and other cost-reduction measures.

SALES AND MARKETING EXPENSES. Sales and Marketing expenses decreased $11,415 for the three months ended September 30, 1997 as compared to the prior year period. For the nine months ended September 30, 1997, expenses increased by $31,416 as compared to the same period in 1996. Management attributes the increase to efforts to increase or maintain market share.

GENERAL AND ADMINISTRATIVE EXPENSES - RESORT. For the nine months ended September 30, 1997, expenses increased by $3,662 as compared to 1996. Expenses were flat for the three months ended September 30, 1997 from the comparable period in 1996.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization decreased $1,028 and $4,175 for the three months and nine months ended September 30, 1997, respectively, over the comparable periods in 1996.

IMPAIRMENT OF LONG-LIVED ASSETS

In January, 1996, the Company announced its intent to dispose of the Deadwood Gulch Resort. The Company adopted the provisions 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 the year ended December 31, 1995. Under SFAS No. 121, the Company reviews the carrying values of its long-lived and identifiable intangible assets for possible impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. Further analysis of the estimated realizable value of the Deadwood Gulch Resort assets resulted in an additional impairment loss of $250,000 recorded during the nine month period ended September 30, 1996 and $3,220 for the nine month period ended September 30, 1997. Pursuant to SFAS No. 121, the Company has suspended recording depreciation of the assets of the Deadwood Gulch Resort.

GENERAL AND ADMINISTRATION EXPENSES

Non-Resort expenses for the nine months ended September 30, 1997 totaled $1,166,131, a decrease of $78,036 over the prior year period. For the three months ended September 30, 1997, expenses decreased by $66,695 as compared to the same period in 1996, reflecting savings resulting from the consolidation of the Company's executive offices in 1996. In 1997, the Company continued to incur costs related to the investigation, due diligence and pre-development of various ongoing opportunities for expansion of its business and the increase in the Company's corporate structure necessary to administer the Company's expansion.

INTEREST EXPENSE AND DEBT ISSUE COSTS

For the nine months ended September 30, 1997, interest expense and debt issue cost increased by $26,169 as compared to 1996. Interest expense and debt issue costs increased by $49,823 during the three months ended September 30, 1997 due to amortization of imputed interest on the Company's note payable to GTECH.

INTEREST AND OTHER INCOME

Interest and other income decreased by $9,690 during the three months ended September 30, 1997 compared to 1996 and increased by $19,302 during the nine months ended September 30, 1997, as a result of interest income on the note receivable from the Delaware joint venture company offset by a decrease in other income of $27,000.

INCOME TAX EXPENSE

State income tax expense was $79,554 and $207,979 for the third quarter and the nine months ended September 30, 1997, respectively, and -0- for the same periods in 1996. At September 30, 1997, the Company had net operating loss carryforwards for federal income tax purposes of approximately $2,060,000, which may be carried forward to offset future taxable income. The loss carryforwards expire in 2007 through 2010. The availability of the loss carryforwards may be limited in the event of a significant change in ownership of the Company or its subsidiaries.

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

Earnings before interest, taxes, depreciation and amortization (EBITDA), for the three months and nine months ended September 30, 1997 improved by $536,677 and $1,721,052, respectively, over 1996 after exclusion of the impairment of long-lived assets (sale of Deadwood Gulch Resort) to $1,438,359 for the three months and $2,268,928 for the nine months ended September 30, 1997. EBITDA should not be construed as an indication of the Company's operating performance, or as an alternative to cash flows from operating activities as a measure of liquidity. The Company has presented EBITDA solely as supplemental disclosure because the Company believes that it enhances the understanding of the financial performance of companies with substantial depreciation and amortization.

LIQUIDITY AND CAPITAL RESOURCES

For the nine month period ended September 30, 1997, cash of $1,048,333 was used in operating activities. Sources of cash included net income of $1,274,810 more fully explained above, increased by depreciation and amortization of $385,043, debt issue costs and debt discount of $192,834 and other net sources of cash of $105,602, but reduced by an increase in prepaid expenses of $60,536, an increase in deposits on purchase option of $200,000, an increase in restricted cash of $303,563 and equity in income of joint ventures of $2,442,523. Cash from investing activities was provided in the amount of $2,672,469, primarily as a result of payments from the joint venture companies. Included were distributions from joint ventures of $2,469,937 and a decrease in receivables from joint ventures of $381,986 but reduced by investments in joint ventures of $177,061 and a net change of $2,393 for assets sold and purchased. Cash used by financing activities was $211,404 which was the result of proceeds from the exercise of warrants of $3,500, reduced by repayment of debt totaling $214,904. As a result of the above factors, there was a net increase in cash and cash equivalents of $1,412,732.

During the first nine months of 1997, the Company's working capital surplus improved by $1,902,357 or 196.9% to $2,868,607 as of September 30, 1997.

On November 20, 1995, Full House merged a wholly-owned subsidiary into Omega Properties Inc. (30% owned by William P. McComas, a director/stockholder of the Company). In exchange, the shareholders of Omega received an aggregate of 500,000 shares of Full House Common Stock and a promissory note of Full House in the principal amount of $375,000. The principal amount of this promissory note accrues interest, payable quarterly, at a rate equal to the "prime" rate, 8.5% at September 30, 1997, and such principal amount, together with all accrued interest, is due and payable in full upon demand by the holder of this note. William P. McComas received the note and Mr. Fugazy, the other stockholder of Omega, received the shares in exchange for their interests as shareholders of Omega.

Full House is a party to a series of agreements with GTECH Corporation, a leading supplier of computerized systems and services for government-authorized lotteries, to jointly pursue certain gaming opportunities. Pursuant to the agreements, joint venture companies equally owned by GTECH and Full House have been formed. Full House has contributed its rights to the North Bend, Oregon facility and the rights to develop the Torres Martinez, Nottawaseppi Huron Band of Potawatomi and Delaware State Fair projects to the joint venture companies. GTECH has contributed cash and other intangible assets and has agreed to loan the joint venture entities up to $16.4 million to complete the North Bend, Oregon and Delaware facilities. Full House has agreed to guarantee one-half of the obligations of the joint venture companies to GTECH under these loans and has guaranteed to GTECH one-half of a $2.0 million loan to

the North Bend, Oregon Indian Tribe. GTECH also provides project management, technology and other expertise to analyze and develop/manage the implementation of opportunities developed by the joint venture entities. GTECH has also loaned Full House $3 million, which loan is convertible, subject to regulatory approval into 600,000 shares of Full House's Common Stock. In addition, Full House has been reimbursed by one of the joint venture companies for certain advances and expenditures made by Full House relating to the gaming development agreements. As part of this transaction, Allen E. Paulson, William P. McComas and Lee Iacocca have granted to GTECH an option to purchase their shares should they propose to transfer the same. The parties are no longer required to present gaming opportunities to the other for joint development.

The Company advanced funds to the Delaware joint venture company during 1996 and 1995 totaling $1,886,498, of which $771,911 was outstanding as of September 30, 1997. Such amount bears interest at prime plus 1% (9.5% at September 30, 1997) and is payable from available operating cash flow of the joint venture company. The note is secured by a similar payable from Midway Slots and Simulcast, a division of Harrington Raceway, Inc. to the Delaware joint venture company with the same terms and interest rate. As the note is payable to FHRI based upon available cash flows, the current portion as of September 30, 1997 reflects payments made through October 23, 1997.

As a result of its agreements with GTECH, receipt by Full House of revenues from the operations of projects (other than the Deadwood Gulch Resort) is governed by the terms of the joint venture agreements applicable to such projects. These contracts provide that net cash flow (after certain deductions) is to be distributed monthly to Full House and GTECH. While Full House does not believe that this arrangement will adversely impact its liquidity, no assurances of the same can be given based upon the lack of operating experience with this structure.

Full House has determined that continued ownership of the Deadwood Gulch Resort is not consistent with its future growth plans. No assurance can be given that a sale will ultimately be consummated.

On May 31, 1995, DGR borrowed $5 million, secured by its real property. The note bears interest at prime plus 2-1/4%, which was 10.75% at September 30, 1997. Payments are due in monthly installments of principal and interest based on a ten-year amortization with the remaining balance due on May 31, 2002. A portion of the loan has been guaranteed by Messrs. McComas and Paulson and a former director of the Company. The agreements executed by DGR in connection with the note limit payments by DGR to Full House. The agreements included financial covenants which require maintenance of minimum tangible net worth and debt service coverage ratios. DGR currently anticipates that it will not be in compliance with the minimum tangible net worth covenant of the loan agreement at December 31, 1997. DGR has entered into negotiations with the lender to obtain a waiver or modification, but no assurance can be given that the same can be obtained.

As of September 30, 1997, Full House had cumulative undeclared and unpaid dividends in the amount of $1,102,500 on the 700,000 outstanding shares of its 1992-1 Preferred Stock. Such dividends are cumulative whether or not declared, and are currently in arrears.

Additional financing will be required for the Company to effect its business strategy and no assurance can be given that such financing will be available upon commercially reasonable terms.

PART II - OTHER INFORMATION

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

As of September 30, 1997, cumulative dividends were $1,102,500, which were undeclared, unpaid and were in arrears, with respect to the Company's Series 1992-1 Preferred Stock, which class ranks prior to the Company's Common Stock with regard to dividend and liquidation rights.

ITEMS 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits.

27 Financial Data Schedule

(b) Reports on Form 8-K;

None

SIGNATURES

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

FULL HOUSE RESORTS, INC.

Date: November 12, 1997

By /s/ WILLIAM R. JACKSON

William R. Jackson, Executive Vice President-Corporate Finance and Principal Financial Officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
27	Financial Data Schedule

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