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

FORM 8-K
Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 27, 1998

SOUTHWEST GAS CORPORATION
(Exact name of registrant as specified in its charter)

California (State or other jurisdiction of incorporation or organization)	1-7850 (Commission File Number)	88-0085720 (I.R.S. Employer Identification No.)
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5241 Spring Mountain Road
Post Office Box 98510
Las Vegas, Nevada
(Address of principal executive offices)

89193-8510
(Zip Code)

Registrant's telephone number, including area code: (702) 876-7237

ITEM 5. OTHER EVENTS

On July 27, 1998, Southwest Gas Corporation (the Company) released summary financial information to the general public, including the investment community, regarding the Company's operating performance and financial position for the quarter ended June 30, 1998. The financial information released is included herein. This information is summary in nature and should not be considered complete financial statements.

ITEM 7. EXHIBITS

99 Financial Analyst Report -- Second Quarter 1998

SIGNATURES

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.

SOUTHWEST GAS CORPORATION

Date: July 27, 1998

/s/ EDWARD A. JANOV

Edward A. Janov
Vice President/Controller and
Chief Accounting Officer

SOUTHWEST GAS CORPORATION
SUMMARY STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,		TWELVE MONTHS ENDED JUNE 30,	
	1998	1997	1998	1997	1998	1997
Gas operating revenues	\$ 165,017	\$ 107,740	\$ 439,380	\$ 319,304	\$ 734,741	\$ 574,600
Net cost of gas sold	73,768	36,723	194,755	121,322	282,771	193,745
Operating margin	91,249	71,017	244,625	197,982	451,970	380,855
Operations and maintenance expenses	52,181	49,407	103,031	97,855	206,335	200,748
Depreciation, amortization, and general taxes	27,519	25,814	54,793	51,426	107,288	99,171
Operating income (loss)	11,549	(4,204)	86,801	48,701	138,347	80,936
Net interest deductions	15,314	15,195	31,339	29,456	63,634	56,451
Preferred securities distribution	1,369	1,369	2,738	2,738	5,475	5,475
Pretax utility income (loss)	(5,134)	(20,768)	52,724	16,507	69,238	19,010
Utility income tax expense (benefit)	(1,962)	(8,112)	20,292	6,328	22,886	7,201
Net utility income (loss)	(3,172)	(12,656)	32,432	10,179	46,352	11,809
Other income (expense), net	(54)	(91)	(1)	(390)	(7,885)	(571)
Contribution to net income (loss) - gas operations	(3,226)	(12,747)	32,431	9,789	38,467	11,238
Contribution to net income (loss) - construction services	712	(1)	1,008	(969)	2,621	1,240
Net income (loss)	\$ (2,514)	\$ (12,748)	\$ 33,439	\$ 8,820	\$ 41,088	\$ 12,478
Earnings (loss) per share - gas operations	\$ (0.12)	\$ (0.47)	\$ 1.18	\$ 0.36	\$ 1.41	\$ 0.42
Earnings (loss) per share - construction services	0.03	0.00	0.04	(0.03)	0.09	0.05
Basic earnings (loss) per share	\$ (0.09)	\$ (0.47)	\$ 1.22	\$ 0.33	\$ 1.50	\$ 0.47
Diluted earnings (loss) per share	\$ (0.09)	\$ (0.47)	\$ 1.21	\$ 0.33	\$ 1.49	\$ 0.46
Average outstanding common shares	27,570	27,002	27,509	26,910	27,366	26,733
Average shares outstanding (assuming dilution)	--	--	27,691	27,022	27,525	26,839

The summary statements of income have been prepared by Southwest Gas Corporation (the Company) using the equity method of accounting for its construction services subsidiary. This presentation is not in accordance with generally accepted accounting principles (GAAP). However, it produces the same net income as the consolidated financial statements and, in management's opinion, is a fair representation of the operations and contributions to net income of the Company's operating segments.

/TABLE

SOUTHWEST GAS CORPORATION
SUMMARY STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	SIX MONTHS ENDED JUNE 30,		TWELVE MONTHS ENDED JUNE 30,	
	1998	1997	1998	1997
Gas operating revenues	\$ 439,380	\$ 319,304	\$ 734,741	\$ 574,600
Net cost of gas sold	194,755	121,322	282,771	193,745
Operating margin	244,625	197,982	451,970	380,855
Operations and maintenance expenses	103,031	97,855	206,335	200,748
Depreciation, amortization, and general taxes	54,793	51,426	107,288	99,171
Operating income	86,801	48,701	138,347	80,936
Net interest deductions	31,339	29,456	63,634	56,451
Preferred securities distribution	2,738	2,738	5,475	5,475
Pretax utility income	52,724	16,507	69,238	19,010
Utility income tax expense	20,292	6,328	22,886	7,201
Net utility income	32,432	10,179	46,352	11,809
Other income (expense), net	(1)	(390)	(7,885)	(571)
Contribution to net income - gas operations	32,431	9,789	38,467	11,238
Contribution to net income - construction services	1,008	(969)	2,621	1,240
Net income	\$ 33,439	\$ 8,820	\$ 41,088	\$ 12,478
Earnings per share - gas operations	\$ 1.18	\$ 0.36	\$ 1.41	\$ 0.42
Earnings (loss) per share - construction services	0.04	(0.03)	0.09	0.05
Basic earnings per share	\$ 1.22	\$ 0.33	\$ 1.50	\$ 0.47
Diluted earnings per share	\$ 1.21	\$ 0.33	\$ 1.49	\$ 0.46
Average outstanding common shares	27,509	26,910	27,366	26,733
Average shares outstanding (assuming dilution)	27,691	27,022	27,525	26,839

See Notes to Summary Financial Statements.

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SOUTHWEST GAS CORPORATION
SUMMARY BALANCE SHEET
AT JUNE 30, 1998
(In thousands)
(Unaudited)

ASSETS			
UTILITY PLANT			
Gas plant, net of accumulated depreciation	\$ 1,364,094		
Construction work in progress	36,898		

Net utility plant	1,400,992		

OTHER PROPERTY AND INVESTMENTS			
Investment in construction services subsidiary	26,047		
Other	54,824		

Total other property and investments	80,871		

CURRENT AND ACCRUED ASSETS			
Cash, working funds and temporary cash investments	4,843		
Receivables - less reserve of \$1,557 for uncollectibles	37,226		
Accrued utility revenue	21,500		
Deferred purchased gas costs	63,302		
Other	24,530		

Total current and accrued assets	151,401		

DEFERRED DEBITS			
Unamortized debt expense	18,707		
Other deferred debits	28,248		

Total deferred debits	46,955		

TOTAL ASSETS	\$ 1,680,219		
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CAPITALIZATION AND LIABILITIES			
CAPITALIZATION			
Common stockholders' equity			
Common stock equity, \$1 par, 27,625 shares outstanding	\$ 394,332		
Retained earnings	18,396		

Total common stockholders' equity	412,728	33.1%	
Preferred securities of Southwest Gas Capital I, 9.125%	60,000	4.8	
Long-term debt - NOTE 2	774,963	62.1	

Total capitalization	1,247,691	100.0%	
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CURRENT AND ACCRUED LIABILITIES			
Notes payable	75,900		
Accounts payable	30,866		
Customer deposits	22,459		
Taxes accrued (including income taxes)	25,042		
Other	58,698		

Total current and accrued liabilities	212,965		

DEFERRED CREDITS			
Deferred investment tax credits	17,705		
Deferred income taxes	151,532		
Other	50,326		

Total deferred credits	219,563		

TOTAL CAPITALIZATION AND LIABILITIES	\$ 1,680,219		
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See Notes to Summary Financial Statements.

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SOUTHWEST GAS CORPORATION
SUMMARY STATEMENT OF CASH FLOWS
SIX MONTHS ENDED JUNE 30, 1998
(In thousands)
(Unaudited)

CASH FLOWS FROM OPERATIONS:

Net income	\$ 33,439
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	38,976
Change in receivables and payables	28,393
Change in gas cost related balancing items	23,389
Change in accrued taxes	23,150
Change in deferred taxes	(5,048)
Allowance for funds used during construction	(929)
Other	10,648

Net cash provided by operating activities	152,018

CASH FLOWS FROM INVESTING ACTIVITIES:

Construction expenditures	(78,972)
Other	(12,104)

Net cash used in investing activities	(91,076)

CASH FLOWS FROM FINANCING ACTIVITIES:

Net proceeds from stock issuances	4,632
Dividends paid	(11,274)
Change in notes payable	(66,100)
Long-term debt issuances, net	3,300

Net cash used in financing activities	(69,442)

Change in cash and temporary cash investments	(8,500)
Cash at beginning of period	13,343

Cash at end of period	\$ 4,843
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SUPPLEMENTAL INFORMATION:

Interest paid, net of amounts capitalized	\$ 30,262
Income taxes, net of refunds	\$ 1,388

See Notes to Summary Financial Statements.

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SOUTHWEST GAS CORPORATION
NOTES TO SUMMARY FINANCIAL STATEMENTS
(In thousands)
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION:

The summary financial statements have been prepared by Southwest Gas Corporation (the Company) using the equity method of accounting for its construction services subsidiary. This presentation is not in accordance with generally accepted accounting principles (GAAP), and certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been omitted. The summary financial statement presentation in this report produces the same net income as the consolidated financial statements and, in management's opinion, is a fair representation of the operations and contributions to net income of the Company's operating segments.

NOTE 2 - LONG-TERM DEBT:

Term loan facility	\$ 200,000
Debtures and notes:	
Debtures, 9.75% series F, due 2002	100,000
Debtures, 7.50% series, due 2006	75,000
Debtures, 8% series, due 2026	75,000
Medium-term notes, 7.59% series, due 2017	25,000
Medium-term notes, 7.78% series, due 2022	25,000
Medium-term notes, 7.92% series, due 2027	25,000
Medium-term notes, 6.89% series, due 2007	17,500
Medium-term notes, 6.76% series, due 2027	7,500
Industrial development revenue bonds:	
Variable-rate bonds, Series A, due 2028 - net of funds held in trust	26,911
7.30% 1992 Series A, due 2027	30,000
7.50% 1992 Series B, due 2032	100,000
6.50% 1993 Series A, due 2033	75,000
Unamortized discount on long-term debt	(6,948)

TOTAL LONG-TERM DEBT	\$ 774,963
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ESTIMATED CURRENT MATURITIES	\$ --
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SOUTHWEST GAS CORPORATION
SELECTED STATISTICAL DATA
JUNE 30, 1998

FINANCIAL STATISTICS

Market value to book value per share at quarter end	164%
Twelve months to date return on equity -- total company	10.4%
-- gas	10.2%
Common stock dividend yield at quarter end	3.4%

GAS OPERATIONS SEGMENT

Rate Jurisdiction -----	Authorized Rate Base (In thousands) -----	Authorized Rate of Return -----	Authorized Return on Common Equity -----
Arizona (1)	\$ 541,104	9.38%	11.25%
Southern Nevada (1)	237,165	9.50	11.55
Northern Nevada (1)	63,986	9.67	11.55
Southern California	69,486	9.94	11.35
Northern California	21,350	10.02	11.35
Paiute Pipeline Company (1)	61,602	9.69	11.60

(1) Estimated amounts based on rate case settlements.

SYSTEM THROUGHPUT BY CUSTOMER CLASS

(In dekatherms) -----	SIX MONTHS ENDED JUNE 30, -----		TWELVE MONTHS ENDED JUNE 30, -----	
	1998	1997	1998	1997
Residential	39,760,871	32,420,431	57,895,319	49,373,150
Small commercial	16,426,936	14,490,813	26,596,665	24,257,249
Large commercial	4,117,306	4,044,736	7,726,751	7,610,136
Industrial / Other	5,898,152	3,659,318	10,842,440	6,057,093
Transportation	43,892,841	45,544,144	101,434,426	99,434,472
Total system throughput	110,096,106	100,159,442	204,495,601	186,732,100

HEATING DEGREE DAY COMPARISON

Actual	1,717	1,322	2,369	1,971
Ten-year average	1,420	1,398	2,044	2,020

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