

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2005

Commission File No. 000-18774

SPINDLETOP OIL & GAS CO.

(Exact name of registrant as specified in its charter)

Texas
(State or other jurisdiction
of incorporation or organization)

75-2063001
(IRS Employer Identification No.)

12850 Spurling Rd., Suite 200, Dallas, TX
(Address of principal executive offices)

75230
(Zip Code)

(972) 644-2581
(Registrant's telephone number, including area code)

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 Company was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES

NO

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

YES

NO

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of June 30, 2005, **7,565,803** shares of the Company's common stock were outstanding.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES

FORM 10-Q

For the quarterly period ended June 30, 2005

Index to Consolidated Financial Statements and Schedules

	Page
Part I - Financial Information:	
Item 1. - Financial Statements	
Consolidated Balance Sheets	
June 30, 2005 (Unaudited) and December 31, 2004	3-4
Consolidated Statements of Income (Unaudited)	
Six months ended June 30, 2005 and 2004	
Three months ended June 30, 2005 and 2004	5
Consolidated Statements of Cash Flows (Unaudited)	
Six months ended June 30, 2005 and 2004	6
Notes to Consolidated Financial Statements	7
Item 2. - Management's Discussion and Analysis of Financial Condition and Results of Operations	9
Item 4. - Controls and Procedures	11
Part II - Other Information:	
Item 6. - Exhibits	12

Part I - Financial Information

Item 1. - Financial Statements

**SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS**

	As of	
	June 30, 2005 (Unaudited)	December 31, 2004
	-----	-----
ASSETS		
Current Assets		
Cash	\$ 4,953,000	\$ 4,352,000
Accounts receivable, trade	619,000	617,000
Prepaid income tax	-	190,000
	-----	-----
Total Current Assets	5,572,000	5,159,000
	-----	-----
Property and Equipment, at cost		
Oil and gas properties (full cost method)	6,342,000	5,983,000
Rental equipment	399,000	399,000
Gas gathering systems	145,000	145,000
Other property and equipment	113,000	102,000
	-----	-----
	6,999,000	6,629,000
Accumulated depreciation and amortization	(4,346,000)	(4,059,000)
	-----	-----
Total Property and Equipment, net	2,653,000	2,570,000
	-----	-----
Real Estate Property, at cost		
Land	688,000	688,000
Commercial office building	1,298,000	1,298,000
Accumulated depreciation	(18,000)	(1,000)
	-----	-----
Total Real Estate Property, net	1,968,000	1,985,000
	-----	-----
Other Assets	1,000	1,000
	-----	-----
Total Assets	\$10,194,000	\$ 9,715,000
	=====	=====

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - (Continued)

	As of	
	June 30, 2005 (Unaudited)	December 31, 2004
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Notes payable, current portion	\$ 120,000	\$ 120,000
Accounts payable and accrued liabilities	1,643,000	2,068,000
Income tax payable	60,000	-
Tax savings benefit payable	97,000	97,000
Total current liabilities	1,920,000	2,285,000
Notes payable, long-term portion	1,560,000	1,680,000
Deferred income tax payable	556,000	461,000
Shareholders' Equity		
Common stock, \$.01 par value; 100,000,000 Shares authorized, 7,677,471 shares issued, and 7,565,803 outstanding at June 30, 2005 and at December 31, 2004. 111,668 shares of Treasury Stock at June 30, 2005 and at December 31, 2004.	77,000	77,000
Additional paid-in capital	806,000	806,000
Treasury Stock at average cost of \$0.405 per share	(45,000)	(45,000)
Retained earnings	5,320,000	4,451,000
Total Shareholders' Equity	6,158,000	5,289,000
Total Liabilities and Shareholders' Equity	\$10,194,000	\$ 9,715,000

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Six Months Ended		Three Months Ended	
	June 30 2005	June 30 2004	June 30 2005	June 30 2004
Revenues				
Oil and gas revenue	\$ 2,450,000	\$ 1,830,000	\$ 1,318,000	\$ 919,000
Revenue from lease operations	65,000	68,000	28,000	30,000
Gas gathering, compression and equipment rental	86,000	79,000	48,000	50,000
Real estate rental income	141,000	-	70,000	-
Interest income	55,000	48,000	29,000	25,000
Other	12,000	7,000	10,000	4,000
Total revenue	2,809,000	2,032,000	1,503,000	1,028,000
Expenses				
Lease operations	565,000	597,000	332,000	301,000
Pipeline and rental operations	22,000	18,000	5,000	7,000
Real estate operations	122,000	-	61,000	-
Depreciation and amortization	303,000	174,000	184,000	98,000
General and administrative	530,000	319,000	289,000	138,000
Interest expense	54,000	-	27,000	-
Total Expenses	1,596,000	1,108,000	898,000	544,000
Income Before Income Tax	1,213,000	924,000	605,000	484,000
Current tax provision	249,000	169,000	140,000	156,000
Deferred tax provision	95,000	-	40,000	-
	344,000	169,000	180,000	156,000
Net Income	\$ 869,000	\$ 755,000	\$ 425,000	\$ 328,000
Earnings per Share of Common Stock				
Basic	\$ 0.11	\$ 0.10	\$ 0.06	\$ 0.04
Diluted	\$ 0.11	\$ 0.10	\$ 0.06	\$ 0.04
Weighted Average Shares Outstanding				
	7,565,803	7,569,970	7,565,803	7,565,803
Diluted Shares Outstanding	7,565,803	7,619,833	7,565,803	7,590,528

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Six Months Ended	
	June 30 2005	June 30 2004
	-----	-----
Cash Flows from Operating Activities		
Net Income	\$ 869,000	\$ 755,000
Reconciliation of net income to net cash provided by (used for) Operating Activities		
Depreciation and amortization	303,000	174,000
Changes in accounts receivable, trade	(2,000)	(12,000)
Changes in accounts receivable, other	-	638,000
Changed in prepaid income taxes	190,000	-
Changes in accounts payable	(425,000)	68,000
Changes in current taxes payable	60,000	(223,000)
Changes in deferred tax payable	95,000	-
Changes in other assets	-	1,000
	-----	-----
Net cash provided by (used for) operating Activities	1,090,000	1,401,000
	-----	-----
Cash flows from Investing Activities		
Capitalized acquisition, exploration and development costs	(360,000)	(312,000)
Purchase of property and equipment	(9,000)	(17,000)
Purchase of Gathering System/Pipeline	-	(201,000)
	-----	-----
Net cash provided by (used for) Investing Activities	(369,000)	(530,000)
	-----	-----
Cash Flows from Financing Activities		
Decrease in notes payable	(120,000)	-
Purchase of 103,334 shares of treasury stock		(40,000)
Issuance of 75,000 shares of common stock		23,000
	-----	-----
Net cash provided by (used for) Financing Activities	(120,000)	(17,000)
	-----	-----
Increase (decrease) in cash	601,000	854,000
Cash at beginning of period	4,352,000	2,662,000
	-----	-----
Cash at end of period	\$ 4,953,000	\$ 3,516,000
	=====	=====

The accompanying notes are an integral part of these statements.

SPINDLETOP OIL & GAS CO. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. BASIS OF PRESENTATION AND ORGANIZATION

The accompanying financial statements are presented in accordance with the requirements of Form 10-Q and consequently do not include all of the disclosures normally required by generally accepted accounting principles or those normally made in the Company's annual Form 10-K filing. Accordingly, the reader of this Form 10-Q may wish to refer to the Company's Form 10-K for the year ended December 31, 2004 for further information.

The consolidated financial statements presented herein include the accounts of Spindletop Oil & Gas Co., a Texas corporation ("the Company") and its wholly owned subsidiaries, Prairie Pipeline Co., a Texas corporation and Spindletop Drilling Company, a Texas Corporation. All significant inter-company transactions and accounts have been eliminated.

In the opinion of management, the accompanying unaudited interim financial statements contain all material adjustments, consisting only of normal recurring adjustments necessary to present fairly the financial condition, the results of operations and changes in cash flows of the Company and its consolidated subsidiaries for the interim periods presented. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with generally accepted accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to such rules and regulations.

2. RECENT ACCOUNTING DEVELOPMENTS

In March 2004, the Emerging Issues Task Force ("EITF") reached a consensus on EITF Issue No. 04-2, "Whether Mineral Rights are Tangible or Intangible Assets and Related Issues" (previously addressed as Issue 03-O), that mineral rights should be considered tangible assets for accounting purposes and should be separately disclosed in the financial statements or footnotes. The EITF acknowledged that this consensus requires an amendment to Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations" to remove mineral rights as an example of an intangible assets. The Financial Accounting Standards Board ("FASB") has issued FASB Staff Position Nos. FAS 141-1 and FAS 142-1, that amend SFAS Nos. 141 and 142, respectively, to characterize mineral rights as tangible assets. The EITF is still considering whether oil and gas drilling rights are subject to the classification and disclosure provisions of SFAS No. 142 if they are determined to be intangible assets. There has been no resolution of this issue as described in EITF Issue No. 03-S, "Application of SFAS No. 142, Goodwill and Other Intangible Assets, to Oil and Gas Companies."

The Company classifies the cost of oil and gas mineral rights as property and equipment and believes this is consistent with oil and gas accounting and industry practice. Although it appears

unlikely based on the consensus reached in EITF Issue No. 04-2, if the EITF were to determine that under EITF Issue No. 03-S oil and gas mineral rights are intangible assets and are subject to the applicable classification and disclosure provisions of SFAS No.142, certain costs would need to be reclassified from property and equipment to intangible assets on its consolidated balance sheets. These amounts would represent oil and gas mineral rights. In addition, the disclosures required by SFAS Nos. 141 and 142 would be made in the notes to the consolidated financial statements. There would be no effect on the consolidated statements of income or cash flows as the intangible assets related to oil and gas mineral rights would continue to be amortized under the full cost method of accounting.

3. ISSUANCE OF COMMON STOCK AND STOCK OPTIONS

During 2002, the board of directors of the Company entered into two stock option agreements with third-parties and issued stock options to purchase up to 145,000 shares of restricted common stock at a value of \$0.30 per share and other consideration to obtain interests in oil and gas properties. On July 9, 2003, options to purchase 70,000 shares of stock were exercised and 70,000 shares of common stock were issued. On April 30, 2004 options to purchase 75,000 shares of common stock were exercised and 75,000 shares were issued using treasury stock of the Company. All of the stock options originally issued have been exercised and there are currently no options to purchase common stock outstanding.

The Company has elected to account for the options using FASB Statement 123, "Accounting for Stock-Based Compensation," (FAS No. 123) which requires the use of option valuation models. The fair value of these options was estimated at the date of grant using the Black-Scholes option pricing model with the following assumption ranges: risk free interest rates of 1-2%, volatility factor of 170, and an expected life of 1 year - 1.5 years. Using the Black-Scholes option evaluation model, the weighted average value of the option granted during 2002 was \$0.19, per option respectively. The effect of applying the fair value method of FAS No. 123 to the stock options granted during 2002 had a \$26,850 effect which was applied to the oil and gas properties and will be amortized using the full cost method. These options had no dilutive effect on earnings per share

4. EARNINGS PER SHARE

Earnings per share ("EPS") are calculated in accordance with Statement of Financial Accounting Standards No. 128, Earnings per Share (SFAS 128), which was adopted in 1997 for all years presented. Basic EPS is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. All calculations have been adjusted for the effects of the stock split discussed in Note 2. The adoption of SFAS 128 had no effect on previously reported EPS. Diluted EPS is computed based on the weighted number of shares outstanding, plus the additional common shares that would have been issued had the options outstanding been exercised.

Item 2. - Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

Six months ended June 30, 2005 compared to six months ended June 30, 2004

Total oil and gas revenues reported for the first six months ended June 30, 2005 were \$2,450,000, while total oil and gas revenues reported for the same period in 2004 were \$1,830,000. Oil sales for the period in 2005 were \$517,000 compared to \$397,000 for the same period in 2004, an increase of approximately \$120,000. Average oil prices for production sold in the first six months of 2005 was \$47.57 per bbl compared to \$34.90 per bbl for the first six months of 2004. Gas sales in the first six months of 2005 were \$1,933,000 compared to \$1,433,000 for the same period in 2004, an increase of approximately \$500,000. Average gas prices for production sold in the first six months of 2005 was \$5.44 per Mcf compared to \$5.10 per Mcf in 2004. The primary cause for the increase in production in the first six months of 2005 compared to 2004 is the Olex wells in the Barnett Shale field which were not drilled and on production until late in 2004.

In 2005, the cost of lease operations decreased slightly by about \$32,000 from the same period in 2004. This is the result of the Company cutting back on work-over related expenses during the first half of 2005 after evaluating the projects that need to be concentrated on during the year.

The expenses associated with real estate operations in the first six months of 2005 were the result of the Company acquiring a commercial office building with approximately 46,000 square feet on December 27, 2004. The Company occupies approximately 8,600 square feet of this building and leases the remaining portion to non-related third party commercial tenants at prevailing market rates. The expenses described are related to leasing, insurance, property tax and maintenance activities associated with ownership of the building.

The depletion calculation for the first six months of 2005 is higher than that calculated in 2004. The company has re-evaluated and increased its proved oil and gas reserve quantities, but at the same time increased the capitalized costs that are being amortized. In addition, production was up for the first half of 2005 due to the addition of the Olex properties.

General and administrative costs for the first six months of 2005 were up due to the addition of some full-time employees during 2005 and the increased use of independent consultants and contractors as the Company expanded its operations into drilling wells and identification and acquisition of projects to develop. Costs associated with these new employees and associated benefits were included in the first six months of 2005, but not in the first half of 2004.

The Company did not incur interest expense in the first six months of 2004 as it had no debt. The interest expense in the first six months of 2005 relates directly to the Notes Payable issued on December 27, 2004 in connection with the acquisition of the commercial office building.

Three months ended June 30, 2005 compared to three months ended June 30, 2003

Total oil and gas revenues reported for the three months ended June 30, 2005 were \$1,318,000, while total oil and gas revenues reported for the same period in 2004 were \$919,000. Oil sales for the period in 2005 were \$271,000 compared to \$197,000 for the same period in 2004, an increase of approximately \$74,000. Average oil prices for production sold in the second quarter of 2005 was \$49.78 per bbl compared to \$37.06 per bbl for the second quarter of 2004. Gas sales for the three months ended June 30, 2005 were \$1,047,000 compared to \$722,000 for the same period in 2004, an increase of approximately \$325,000. Average gas prices for production sold in the second quarter of 2005 was \$5.45 per Mcf compared to \$5.20 per Mcf in 2004.

Lease operations in the second quarter of 2005 are higher than in 2004, due to an increase in the number of properties being operated and related increases in operating costs and general inflation.

The expenses associated with real estate operations in the three months ended June 30, 2004 were the result of the Company acquiring a commercial office building with approximately 46,000 square feet on December 27, 2004. The Company occupies approximately 8,600 square feet of this building and leases the remaining portion to non-related third party commercial tenants at prevailing market rates. The expenses described are related to leasing, insurance, property tax and maintenance activities associated with ownership of the building.

The depletion calculation for the second quarter of 2005 is higher than that calculated in 2004. The company has re-evaluated and increased its proved oil and gas reserve quantities, but at the same time increased the capitalized costs that are being amortized. In addition, production is up for the second quarter of 2005 due to added properties.

General and administrative costs for the second quarter of 2005 were up due to the addition of some full-time employees during 2005 and the increased use of independent consultants and contractors as the Company expanded its operations into drilling wells and identification and acquisition of projects to develop. Costs associated with these new employees and associated benefits were included in the first six months of 2005, but not in the first half of 2004.

The Company did not incur interest expense in the second quarter of 2004 as it had no debt. The interest expense in the second quarter of 2005 relates directly to the Notes Payable issued on December 27, 2004 in connection with the acquisition of the commercial office building.

Financial Condition and Liquidity

The Company's operating capital needs, as well as its capital spending program are generally funded from cash flow generated by operations. Because future cash flow is subject to a number of variables, such as the level of production and the sales price of oil and natural gas, the Company can provide no assurance that its operations will provide cash sufficient to maintain current levels of capital spending. Accordingly, the Company may be required to seek additional financing from third parties in order to fund its exploration and development programs.

Item 4. - Controls and Procedures

Based upon their most recent evaluation, which was completed as of the end of the period covered by this Report [Form 10-Q], the Chief Executive Officer and Acting Principal Financial Officer have concluded that the Company's disclosure controls and procedures were effective at June 30, 2005, to ensure that information required to be disclosed in reports that the Company files or submits under the Securities Exchange Act of 1934, is recorded, processed, summarized and reported within the time period specified in Securities and Exchange Commission rules and forms. There were no changes in the Company's internal controls over financial reporting during the quarter ended June 30, 2005, that have materially affected or are reasonably likely to materially affect the Company's internal controls over financial reporting. "

Part II - Other Information

Item 6. - Exhibits

The following exhibits are filed herewith or incorporated by reference as indicated.

<u>Exhibit Designation</u>	<u>Exhibit Description</u>
31.1	Certification pursuant to Rules 13a-14 and 15d under the Securities Exchange Act of 1934.
31.2	Certification pursuant to Rules 13a-14 and 15d under the Securities Exchange Act of 1934.
32.1	Certification pursuant to 18 U.S.C. Section 1350

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 thereunto duly authorized.

SPINDLETOP OIL & GAS CO.
(Registrant)

Date: August 15, 2005

By: /s/ Chris G. Mazzini
Chris G. Mazzini
President, Chief Executive Officer

Date: August 15, 2005

By: /s/ Michelle H. Mazzini
Michelle H. Mazzini
Vice President, Secretary

Date: August 15, 2005

By: /s/ Robert E. Corbin
Robert E. Corbin
Controller, Principal Financial Officer

CERTIFICATION

I, Chris G. Mazzini, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spindletop Oil & Gas Co.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13-15(e) and 15d-15e) and have internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals; and
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Dated: August 15, 2005.

/s/ Chris G. Mazzini
CHRIS G. MAZZINI
Chief Executive Officer

CERTIFICATION

I, Robert E. Corbin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Spindletop Oil & Gas Co.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13-15(e) and 15d-15e) and have internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals; and
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls.

Dated: August 15, 2005.

/s/ Robert E. Corbin
ROBERT E. CORBIN
Principal Financial Officer

Officers' Section 1350 Certifications

The undersigned officers of Spindletop Oil & Gas Co., a Texas corporation (the "Company"), hereby certifies that (i) the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, and (ii) the information contained in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005 fairly presents, in all material respects, the financial condition and results of operations of the Company, at and for the periods indicated.

Dated: August 15, 2005.

/s/ Chris G. Mazzini

CHRIS G. MAZZINI

Chief Executive Officer

/s/ Robert E. Corbin

ROBERT E. CORBIN

Principal Financial Officer