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SEC 1972 Potential persons who are to respond to the collector are
(6/99) not required to respond unless the form displays a currently valid notice.

ATTENTION
Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

OMB APPROVAL
OMB Number: 3235-0076
Expires: May 31, 2005
Estimated average burden hours per response...1

1314931



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

FORM D

SEC USE ONLY		
Prefix		Serial
DATE RECEIVED		

PROCESSED
JAN 6 7 2005
THOMSON
FINANCIAL

D.C.

**NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR UNIFORM LIMITED OFFERING EXEMPTION**

Digital Energy Systems, Co.

Name of Offering (check if this is an amendment and name has changed, and indicate change.)

Filing Under (Check box(es) that apply):
 Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

DIGITAL ENERGY SYSTEMS, CO.

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)

999 EAST ARAPAHOE ROAD, #100, RICHARDSON, TEXAS 75801

Address of Executive Offices (Number and Street, City, State, Zip Code)

(559) 438-7100

Telephone Number (Including Area Code)

SAME AS ABOVE

Address of Principal Business Operations (Number and Street, City, State, Zip Code)

SAME AS ABOVE

Telephone Number (Including Area Code)
(if different from Executive Offices)

OVER-SEEING THE MANUFACTURING AND MARKETING OF OUR HVAC UNITS
Brief Description of Business

(heating, ventilation, air conditioning/ refrigeration)

Type of Business Organization

corporation limited partnership, already formed other (please specify):
 business trust limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: Month Year
[08] [2004] [X] Actual [] Estimated
Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State:
CN for Canada; FN for other foreign jurisdiction) [N] [V]

GENERAL INSTRUCTIONS

Federal:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

BARGER, ERIC

Full Name (Last name first, if individual)

3825 MORNING DOVE DRIVE, PLANO, TEXAS, 75025

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

DE MARCO, DAN

Full Name (Last name first, if individual)

8738 VILLA L JOLLA DRIVE #9, LA JOLLA, CALIFORNIA, 92037

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

WALISH, DAVID

Full Name (Last name first, if individual)

7564 NORTH CHARLES #D, FRESNO, CALIFORNIA, 93711

Business or Residence Address (Number and Street, City, State, Zip Code)

B. INFORMATION ABOUT OFFERING

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering?..... Yes No

Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual?..... \$ 10,000

3. Does the offering permit joint ownership of a single unit?..... Yes No

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only. N/A

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States
 [AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
 [IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] [MI] [MN] [MS] [MO]
 [MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
 [RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States
 [AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
 [IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] [MI] [MN] [MS] [MO]
 [MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
 [RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States
 [AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
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 [MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
 [RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box " " and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt	\$ 5,000,000	\$ -0-
Equity	\$ _____	\$ _____
<input checked="" type="checkbox"/> Common <input type="checkbox"/> Preferred		
Convertible Securities (including warrants)	\$ _____	\$ _____
Partnership Interests	\$ _____	\$ _____
Other (Specify _____).	\$ _____	\$ _____
Total	\$ 5,000,000	\$ -0-

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors	_____	\$ _____
Non-accredited Investors	_____	\$ _____
Total (for filings under Rule 504 only)	_____	\$ -0-

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C-Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505	_____	\$ _____
Regulation A	_____	\$ _____
Rule 504	_____	\$ _____
TotalN/A.....	_____	\$ _____

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Printing and Engraving Costs	<input checked="" type="checkbox"/> \$	1,000
Legal Fees.....	<input checked="" type="checkbox"/> \$	2,300

Accounting Fees	<input checked="" type="checkbox"/>	\$ 1,500
Engineering Fees	<input type="checkbox"/>	\$
Sales Commissions (specify finders' fees separately)	<input checked="" type="checkbox"/>	\$ 500,000
Other Expenses (identify) <u>Filing Fee With The State</u>	<input type="checkbox"/>	\$ 200
Total	<input type="checkbox"/>	\$ 505,000


b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer." **\$4,495,000**

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

	Payments to Officers, Directors, & Affiliates	Payments To Others
Salaries and fees	<input type="checkbox"/> \$ 550,000	<input type="checkbox"/> \$ 300,000
Purchase of real estate	<input type="checkbox"/> \$ n/a	<input type="checkbox"/> \$ n/a
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/> \$ n/a	<input type="checkbox"/> \$ 52,000
Construction or leasing of plant buildings and facilities.....	<input type="checkbox"/> \$ n/a	<input type="checkbox"/> \$ n/a
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input type="checkbox"/> \$ n/a	<input type="checkbox"/> \$ n/a
Repayment of indebtedness	<input type="checkbox"/> \$ -0-	<input type="checkbox"/> \$ -0-
Working capital	<input type="checkbox"/> \$ -0-	<input type="checkbox"/> \$ 369,500
Sales & Mktng., Utilities, Empl. Benefits	<input type="checkbox"/> \$ -0-	<input type="checkbox"/> \$ 3,223,500
Other (specify): <u>Payroll Tax, Depreciation, Int. Expense</u>	<input type="checkbox"/>	<input type="checkbox"/>
Warranty Reserve, Working Cap. Reserve, Website Dev.	<input type="checkbox"/>	<input type="checkbox"/>
<u>Income Tax Reserve, Legal and Accounting</u>	<input type="checkbox"/> \$ -0-	<input type="checkbox"/> \$ -0-
Column Totals	<input type="checkbox"/> \$ 550,000	<input type="checkbox"/> \$ 3,945,000
Total Payments Listed (column totals added)	<input type="checkbox"/> \$ 4,495,000	

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) Digital Energy Systems, Co.	Signature 	Date 1-17-05
Name of Signer (Print or Type) David R. Walsh	Title of Signer (Print or Type) Senior V.P., Sect. Trea	

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ATTENTION
Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

E. STATE SIGNATURE

1. Is any party described in 17 CFR 230.262 presently subject to any of the disqualification provisions of such rule? Yes No
[] [x]

.....

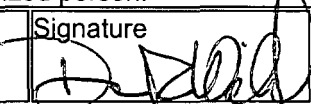
See Appendix, Column 5, for state response.

2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed, a notice on Form D (17 CFR 239,500) at such times as required by state law.

3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.

4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type) Digital Energy Systems, Co.	Signature 	Date 1-17-05
David R. Walsh	Title (Print or Type) Sr, V. President, Secretary, Treasurer	

Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures:

