

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

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 FOR THE QUARTER ENDED MARCH 31, 2004

OR

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

COMMISSION FILE NUMBER 000-10056

ENDEVCO, INC.

(Exact name of registrant as specified in its charter)

Texas

(State or other jurisdiction of incorporation or organization)

74-2142545

(IRS Employer Identification No.)

2425 Fountainview, Suite 215, Houston, TX 77057
(Address of principal executive offices, including zip code)

(713) 977-4662
(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Exchange Act
None

Securities registered pursuant to 12(g) of the Exchange Act
Common Stock, no par value

The aggregate market value of common stock held by non-affiliates of the registrant at March 31, 2004, based upon the last closing price on the OTCBB on March 31, 2004, was \$ 4,500,000. As of March 31, 2004, there were 150,000,000 shares of common stock and 4,393,741 shares of Preferred stock outstanding. The total number of Common shares authorized for the Corporation is 500,000,000. The total number of Preferred shares authorized for the Corporation is 5,000,000.

Transitional Small Business Disclosure Format: Yes No

ENDEVCO, INC.
AND SUBSIDIARIES

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EnDevCo, Inc. and Subsidiaries
Consolidated Balance Sheets
March 31, 2004 Compared to December 31, 2003

	03/31/2004	12/31/2003
<u>ASSETS (Unaudited)</u>		
<u>Current Assets</u>		
Cash	\$ 479	\$ 428
Accounts receivable	527,080	527,080
Prepaid expense		2,364
Total Current Assets	<u>527,559</u>	<u>529,872</u>
Investment – letter of credit on deposit	706,768	705,812
<u>Property and equipment</u>		
Oil and gas properties and equipment under full cost method	2,000,000	2,000,000
Less accumulated depreciation and depletion	--	--
Net property and equipment	2,000,000	2,000,000
Total Assets	<u>\$ 3,234,327</u>	<u>\$ 3,235,684</u>
<u>LIABILITIES</u>		
<u>Current Liabilities</u>		
Accounts payable	\$ 2,062,471	\$ 2,067,602
Current portion of notes payable	781,458	781,458
Accrued expenses	34,665	25,332
Unearned revenue	522,080	527,080
Taxes payable	160,390	162,733
Total Current Liabilities	<u>3,561,064</u>	<u>3,564,205</u>
<u>STOCKHOLDERS' DEFICIT</u>		
<u>Preferred Stock</u>		
5,000,000 shares authorized, \$0.01 par value, 4,150,495 shares outstanding December 31, 2003 and 4,393,741 shares outstanding March 31, 2004	43,938	41,505
<u>Common Stock</u>		
500,000,000 shares authorized, without par value, 150,000,000 shares outstanding	33,228,461	33,228,461
Additional Paid in Capital	4,349,804	4,108,990
Retained Deficit	(37,948,939)	(37,707,477)
Total Stockholders' Deficit	<u>(326,736)</u>	<u>(328,521)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 3,234,327</u>	<u>\$ 3,235,684</u>

The accompanying notes are integral part of the consolidated financial statements.

EnDevCo, Inc. and Subsidiaries
Consolidated Statements of Operations
For the Three Months Ended March 31, 2004 and 2003
(Unaudited)

	03/31/2004	03/31/2003
Revenues		
Oil & gas royalties	--	\$ 499
Consulting fees and other	\$ 5,000	20,000
Total Revenues	5,000	20,499
Cost of Revenues		
Subcontractor payment	5,000	--
Gross Profit	<u> --</u>	<u>20,499</u>
Costs and Expenses		
General and administrative	35	44,296
Salaries and wages paid in stock	229,500	
Other expenses paid in stock	6,551	
Interest expense	6,333	26,939
Total Costs and Expenses	<u>242,419</u>	71,235
Interest and Other Income	956	1,836
Net Income (Loss)	<u>\$ (241,463)</u>	\$ (48,900)
Net Loss Per Common Share:		
Basic and diluted	\$ (0.00)	\$ (0.00)

The accompanying notes are integral part of the consolidated financial statements.

EnDevCo, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2004 and 2003
(Unaudited)

	03/31/2004	03/31/2003
Cash Flows from Operating Activity		
Net Income (Loss)	\$ (241,463)	\$ (48,900)
Adjustments to Reconcile Net Loss to Net Cash		
Depreciation and depletion		
Issuance of stock for salaries	229,500	--
Issuance of stock for expenses	13,746	--
Changes in Working Capital Accounts		
Prepaid expenses	2,364	(182)
Accounts payable	(5,131)	23,824
Unearned Revenue	(5,000)	--
Joint venture cash calls	--	847,485
Accrued expenses	9,333	26,939
Taxes payable	(2,343)	--
Total Adjustments	242,469	898,066
Net Cash Provided by Operating Accounts	1,006	849,166
Cash Flows used in Investing Activities		
Investment in oil and gas properties	--	(847,485)
Net Cash (Used) by Investing Activities	--	(847,485)
Cash Flows from Financing Activities		
Pledged investment account	(956)	(1,836)
Net Cash Provided by Financing Activities	(956)	(849,321)
Net Change in Cash and Cash Equivalents	50	(155)
Cash Equivalents		
Beginning of the period	428	251
End of the period	478	96

The accompanying notes are integral part of the consolidated financial statements.

EnDevCo, Inc. and Subsidiaries
Notes To Consolidated Financial Statements
March 31, 2004

NOTE 1 Summary of Significant Accounting Policies

Basis of Presentation – The Corporation was incorporated under the laws of the state of Texas on November 7, 1980. On September 30, 2003, the Company filed a "Restated" Articles of Incorporation with the Secretary of State of the State of Texas to change its name from Adair International Oil and Gas, Inc. to EnDevCo, Inc.

Financial Statement Presentation - The consolidated unaudited interim financial statements of the Company as of March 31, 2004 and for the three months ended March 31, 2004, included herein have been prepared in accordance with the instructions for Form 10QSB under the Securities Exchange Act of 1934, as amended, and Article 10 of Regulation S-X under the Securities Act of 1933, as amended. The December 31, 2003 Consolidated Balance Sheet was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations relating to interim consolidated financial statements.

In the opinion of management, the accompanying consolidated unaudited interim financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the financial position of the Company at March 31, 2004, and the results of their operations for the three months ended March 31, 2004 and 2003, and their cash flows for the three months ended March 31, 2004 and 2003.

The results of operations for such periods are not necessarily indicative of results expected for the full year or for any future period. These financial statements should be read in conjunction with the audited consolidated financial statements as of December 31, 2003 and related notes included in the Company's Form 10-KSB filed with the Securities and Exchange Commission

Principles of Consolidation -- The consolidated financial statements include the accounts of EnDevCo, Inc. and its wholly owned subsidiaries, Adair Exploration, Inc., Adair Yemen Exploration Limited, Superior Stock Transfer, Inc., and Adair Colombia Oil and Gas, S.A. (the "Company"). All material inter-Company balances and transactions have been eliminated, as necessary, in consolidation.

Earnings Per Share -- Basic earnings per share are computed by dividing earnings (loss) by the weighted average number of common shares outstanding adjusted for conversion of common stock equivalents, where applicable, outstanding during the period. The Company had no stock options or other common stock equivalents outstanding as of December 31, 2003 or for the year then ended. Diluted earnings per share are computed on the basis of the weighted average number of common shares and dilutive securities outstanding. Dilutive securities having an anti-dilutive effect on diluted earnings per share are excluded from the calculation.

Use of Estimates -- Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Impairment of Long-Lived Assets -- The Company follows SFAS No. 144, "Accounting for Impairment or Disposal of Long-Lived Assets" for the fiscal year ended December 31, 2003. The Statement requires that an impairment loss be recognized when the carrying value of long lived assets (asset group) exceeds its fair value for long-lived assets, liabilities and certain identifiable intangibles to be held and used by an entity be reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Under SFAS No 144, the Company considered long-lived assets consisting primarily of oil and gas leases and geophysical data. The assets not covered by SFAS 144 that are included in an asset group are adjusted in accordance with other applicable accounting standards prior to testing the asset group for recoverability. The recoverability of long-lived assets is evaluated at the operating unit level by an analysis of operating results and consideration of other significant events or changes in the business environment. If an operating unit has indications of impairment, such as current operating losses, the Company will evaluate whether impairment exists on the basis of undiscounted expected future cash flows from operations before interest for the remaining amortization period. If impairment exists, the carrying amount of the long-lived assets is reduced to its estimated fair value.

In August 2001, the FASB issued Statement of Financial Accounting Standards No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" which addresses financial accounting and reporting for the impairment or disposal of long-lived assets and supersedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed Of", and the accounting and reporting provisions of APB Opinion No. 30, "Reporting the Results of Operations for a Disposal of a Segment of a Business". The Company was required to adopt SFAS 144 in the first quarter of 2002 and the Company does not expect the adoption of SFAS 144 to have a material effect on the Company's financial statements. The asset groups not covered by SFAS 144 that are included in an asset group are adjusted in accordance with other applicable accounting standards prior to testing the asset group for recoverability. The Company has categorized all of its long-lived assets as being held and used and not to be sold.

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Notes To Consolidated Financial Statements
March 31, 2004

NOTE 2 - Non-monetary Stock Transactions

Included in the Company's consolidated statement of operations for the period ended March 31, 2004 were expenses that were paid with Company stock. The Company issued stock in lieu of cash in transactions summarized as follows for the quarter ended March 31, 2004:

	March 31, 2004	Value
	Preferred Shares	
For Salaries	229,500	\$ 229,500
Other Company Obligations Investment	13,746	13,746
Total	243,246	\$ 243,246

NOTE 3 - Preferred Stock

The Board of Directors passed a Corporate Resolution that reads, "Pursuant to and in accordance with Article 2.13 of the Texas Business Corporation Act of the State of Texas the Company does hereby certify that, pursuant to the authority conferred on the Board of Directors by the Articles of Incorporation of the Corporation, and pursuant and in accordance with Article 2.13 of the Texas Business Corporation Act of the State of Texas, said Board of Directors, pursuant to unanimous written consent dated December 9, 2002, duly adopted a resolution providing for the authorization and issuance of 5,000,000 shares of "Series A" Convertible Preferred Stock, \$0.01 par value per share (the "Series A" Preferred Stock). As of March 31, 2004, there were 4,393,741 shares outstanding.

Each share of "Series A" Preferred Stock which is then outstanding shall at the sole election of the holder be converted into fully paid and non-assessable shares of Common Stock of the Corporation at a conversion rate of 1,000 shares of Common Stock for each share of "Series A" Preferred Stock. The holders of the issued and outstanding shares of Preferred Stock shall have the equivalent of 1,000 Common Stock votes for each share of "Series A" Preferred Stock.

During the quarter ended March 31, 2004 a total of 243,246 shares of preferred stock was issued and recorded at the rate of \$1.00 per share as approved by the Board of Directors. The shares were issued for salaries and other Company obligations.

NOTE 4 - Note Payable

The Company is currently in default of a note payable in the amount of \$281,458 as of March 31, 2004. The Company is currently exploring its options to work out a settlement with this creditor. Interest is being accrued at the rate of 9%.

The Company also signed a note in September 2003 in the amount of \$500,000 with Pine Curtain Production Company that matures June 28, 2004 and accrues interest at the rate of 10% per annum beginning April 28, 2004. The promissory note calls for payment from the pledged saving account once it is released by the letter of credit with Occidental Petroleum.

EnDevCo, Inc. and Subsidiaries
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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This report, including Management's Discussion and Analysis of Financial Condition and Results of Operations, includes certain forward-looking statements. The forward-looking statements reflect the Company's expectations, objectives and goals with respect to future events and financial performance. They are based on assumptions and estimates, which the Company believes are reasonable. However, actual results could differ materially from anticipated results. Important factors that may impact actual results include, but are not limited to, commodity prices, political developments, market and economic conditions, industry competition, the weather, changes in financial markets and changing legislation and regulations. The forward-looking statements contained in this report are intended to qualify for the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended. The notes to Consolidated Financial Statements sections contain information that is pertinent to the following analysis.

GENERAL COMMENTS ON BUSINESS PLAN

The Board of Directors has passed a unanimous resolution to change the name of the Corporation to EnDevCo, Inc. The shareholders approved the name change at the Annual Meeting held on September 12, 2003. The new ticker symbol is "ENDE". EnDevCo, Inc., a shortened version of the Energy Development Company, establishes an identity that is consistent with the business development activities currently underway to revitalize the Corporation. The Company is involved in several energy related development projects that transcend the traditional business scope of oil and gas exploration and production. These activities include the possible development of an industrial free trade zone in the Republic of Congo that includes aspects of traditional offshore natural gas drilling and production, natural gas storage, oil and condensate production for export, LPG production and bottling, large scale electrical power generation and development and administration of an industrial park that includes a wide variety of possible industrial plants and services. Additionally, the Company is investigating investment in the development of new technologies for the enhancement of oil and gas production, utilizing that technology to gain leverage in the purchase of domestic natural gas production. The Company intends to pursue the development of natural gas fired power plants both in domestic and international venues. This new corporate identity and our wide variety of activities are better described to new investors as the Energy Development Company, EnDevCo, Inc.

POWER DEVELOPMENT

The Company intends to pursue the development of power projects in both domestic and international venues. As a result of the downturn in the world economy following September 11, 2001 and in the wake of severe financial results in most sectors of the power industry in the United States since that time, the business model for this industry is currently undergoing a transformation. The Company is currently monitoring several new opportunities and has identified qualified individuals that will be hired at an appropriate time to identify and pursue power development projects. The Company continues to believe that the long-term need for new power plants will be significant, particularly as the national economy recovers and older, less efficient generating assets need to be replaced. Currently, the Company does not anticipate any near term positive economic impact from this sector of our business.

Power Plant Development - Pointe Noire Industrial Free Trade Zone, Republic of Congo - The Company and the Republic of Congo government signed an agreement to conduct a Feasibility Study for the development of an Industrial Free Trade Zone ("IFTZ") at Pointe Noire (Republic of Congo). The Company currently holds no interest in properties in the Republic of Congo, but in the event that the Pointe Noire project is deemed to be commercially feasible, and at the time that necessary project financing can be secured, the Company anticipates that it would enter into definitive agreements with the Republic of Congo to manage the development of the IFTZ at Pointe Noire. A significant aspect of this development would entail construction and operation of a 600 megawatt, thermal power plant, fueled by natural gas produced from fields located nearby in offshore waters. Successful development of this project will require the Company to secure a definitive Power Purchase Agreement with an as yet unidentified end user for the power generated by this project. The Company has identified several possible end users for the power, but is still in the process of documenting the overall economic feasibility of the project. The Company has engaged a consulting engineering company to assist in the development of the requisite work program, cost estimates and economic sensitivity studies to determine the overall economic feasibility of this project.

OIL AND GAS EXPLORATION AND DEVELOPMENT

The Company is pursuing oil and gas exploration and development opportunities in both domestic and international venues. The Company has identified four blocks in the Gulf of Mexico that will provide it with the opportunity to participate in the drilling of low risk, development wells. The blocks are currently in production and as a result of recently acquired 3D seismic data integrated with previously known geological and engineering data, additional low risk development drilling opportunities have been identified. Participation in these types of relatively low risk and low cost wells will provide near term cash flow to support the activities of the Company.

Additionally, the Company has identified several other exploration projects that carry significant upside potential (although at higher risk). The Company currently holds agreements to farm in to these projects that are located on the western coast of Newfoundland and in the Rio Magdalena Valley of Colombia. Our exploration teams are also evaluating other opportunities located in South America and West Africa.

Gulf of Mexico Option - On December 28, 2003, the Company entered into an agreement with Pine Curtain Production Company, LLC wherein the Company has the option to participate in an undivided interest of 50% of the seller's undivided interest in lease

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holding rights to include seller's proprietary geological, geophysical and engineering data relating to the following Gulf of Mexico Blocks: East Cameron Blocks 71 & 72, Eugene Island Block 294, and Chandeleur Block 14. The purchase price was \$1,000,000 paid in 500,000 preferred shares valued at \$1.00 per share and with a note payable for \$500,000.

Rio Magdalena Option, Colombia - On September 25, 2003, the Company purchased from Harvest Production Company, LLC an option to participate with Argosy Energy International, in the acquisition and processing of 101 kilometers of 2D seismic, and a continuing option to participate on a joint venture basis in wells to be drilled after the interpretation of that seismic on their Rio Magdalena Association Contract comprising 58,546 hectares (144,600 acres) situated in the Upper Magdalena River region of Colombia. The purchase price was \$1,000,000 paid in preferred shares.

Pointe Noire Gas Feasibility Study, Republic of Congo - The Company and the Republic of Congo government signed an agreement to conduct a Feasibility Study for the development of an Industrial Free Trade Zone ("IFTZ") at Pointe Noire (Republic of Congo). The Company has engaged a consulting engineering company to assist in the development of the requisite work program, cost estimates and economic sensitivity studies to determine the overall economic feasibility of this project. The Company currently holds no interest in properties in the Republic of Congo, but in the event that the Pointe Noire project is deemed to be commercially feasible, and at the time that necessary project financing can be secured, the Company may enter into a Production Sharing Agreement with the Republic of Congo for rights to drill and produce gas from certain offshore fields currently the subject of the feasibility study. Additionally, the Company anticipates that it would enter into definitive agreements with the Republic of Congo to manage the development of the IFTZ at Pointe Noire.

Energy Technology Development

Development and implementation of new energy technologies will become a key area of new business focus for the Company. The identification of and early participation in the implementation of these types of technologies opens several avenues for potential revenue generation and profits. In some instances, the technology can be manufactured and sold to end users once the market accepts the technology. In other instances, the technology might provide a unique competitive advantage that can be successfully leveraged by the Company in the acquisition and development of existing energy projects. Initially, the Company will limit its scope of investigation to those technologies that directly compliment the oil and gas, and power industries.

RESULTS OF OPERATIONS

This report, including Management's Discussion and Analysis of Financial Condition and Results of Operations, includes certain forward-looking statements. The forward-looking statements reflect the Company's expectations, objectives and goals with respect to future events and financial performance. They are based on assumptions and estimates, which the Company believes are reasonable. However, actual results could differ materially from anticipated results. Important factors that may impact actual results include, but are not limited to, commodity prices, political developments, market and economic conditions, industry competition, the weather, changes in financial markets and changing legislation and regulations. The forward-looking statements contained in this report are intended to qualify for the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended. The notes to Consolidated Financial Statements sections contain information that is pertinent to the following analysis.

QUARTER ENDED MARCH 31, 2004 COMPARED TO QUARTER ENDED MARCH 31, 2003

Revenues - During the period reported, Revenues decreased from \$20,499 to \$5,000.

This decrease of \$15,499 is due to reduced consulting fees and the proper accounting treatment of royalty income.

Cost of Revenues - During the period reported, Cost of Revenues increased from zero to \$5,000.

This increase is due to recognition of payments to the Congo subcontractor.

Costs and Expenses - During the period reported, Expenses increased from \$71,235 to \$242,419, an increase of \$171,184.

"General and Administrative Expense" decreased from \$44,296 in 2003 to \$35 in 2004. This decrease of \$44,261 is primarily the result of the Company's efforts to keep overhead as low as possible.

"Salaries and wages paid in stock" increased from zero in 2003 to \$229,500 in 2004. This increase of \$229,500 is due to the payment of officer and director compensation due for 2004 in preferred stock.

"Other Expenses Paid in Stock" increased from zero in 2003 to \$6,551 in 2004. This increase of \$6,551 is the result of payments for expenses to keep the Company in compliance with SEC regulations, payments for legal expenses and operational activities.

"Interest expense" decreased from \$26,939 in 2003 to \$6,333 in 2004. This decrease of \$20,606 is due to the negotiated settlement to zero in 2003 of the interest on unpaid cash calls for Yemen Block 20.

Other Income and Expenses - During the period reported, Other Income and Expenses decreased from \$1,836 in 2003 to \$956 in 2004, a decrease of \$880.

"Interest Income" decreased from \$1,836 in 2003 to \$956 in 2004. This decrease of \$880 is due to a reduced interest rate earned on the "Investment - Letter of Credit on Deposit".

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LIQUIDITY AND CAPITAL RESOURCES

Directors and Officers Compensation

The Company currently has nominal cash reserves and no cash flow from operations. Until such time as the financial condition of the Company improves, the Company's Directors and Officers have agreed to manage the Company by receiving payment in "Series A" Preferred stock in lieu of cash consideration.

Project Development Guidelines

In recognition of the status of current financial resources available to the Company, executive management is committed to identifying and implementing projects that can be primarily project financed. This strategy reduces financial risk to the Company, but necessarily adds additional lead time before projects can be secured and announced to the shareholders.

There are no assurances, however, that the Company will be able to identify and implement financing to develop its projects or that it will be able to generate sufficient revenue growth and improvements in working capital.

As no revenue is currently generated from operations, the Company will have to raise additional working capital through the sale of its Common stock. No assurance can be given that funds will be available from any source when needed by the Company or, if available upon terms and conditions reasonably acceptable to the Company.

ITEM 3. CONTROLS AND PROCEDURES

As required by Rule 13a-15(b), Company's executive management, including the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, conducted an evaluation as of the end of the period covered by this report, of the effectiveness of the Company's disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e). Based on that evaluation, the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report. As required by Rule 13a-15(d), the Company's executive management, including the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, also conducted an evaluation of the Company's internal control over financial reporting to determine whether any changes occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. Based on that evaluation, there has been no such change during the period covered by this report.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Legal Proceedings for the Quarter Ended March 31, 2004:

Adair International Oil & Gas, Inc. vs. John W. Adair, Jalal Alghani and Vivian Quintero vs. Adair International Oil & Gas, Inc., etal - Cause No. 2001-63909, 55th District Court, Harris County, Texas.

The Company's claims in the suit against John W. Adair ("Adair"), Jalal Alghani ("Alghani") and Vivian Llerena Quintero ("Quintero") involve allegations of fraud, conspiracy and breach of fiduciary duties owed to the Company by Mr. Adair and Mr. Alghani while they were Officers and Directors of the Company prior to their removal from the Board of Directors at the Company's annual shareholders meeting on August 5, 2002. The Company's claims in the suit against Ms. Quintero involve allegations of fraud, conspiracy and breach of fiduciary duties while she was employed by the Company as office manager and personal assistant to Mr. Adair when he was Chairman and CEO of the Company.

After the Company's claims were filed in the suit, Mr. Adair, Mr. Alghani and Ms. Quintero filed "counter claims" against the Company on November 9, 2002 alleging standing to sue as shareholders of the Company. Mr. Adair, Mr. Alghani and Ms. Quintero also filed the above described "counter claims" against Richard G. Boyce, Larry Swift, Gene Ackerman, David Crandall, Chris A. Dittmar, John A. Brush, Charles R. Close, and Shareholders Committed to Restoring Equity Group, Inc. ("SCORE Group").

The Company subsequently filed a motion for summary judgment on April 29, 2003 and the Court on July 11, 2003 again by clarified ruling on September 23, 2003, ordered the Company's motion for summary judgment be granted as to all claims in Defendant's / Counter Plaintiff's second amended petition, including the claim of conspiracy to commit defamation, with the exception of the common law defamation claim against the Company, SCORE Group and Mr. Boyce. The Company has denied the allegation and the Board of Directors has determined it is the best interest of the Company to assume the defense of SCORE Group and Mr. Boyce and to indemnify same in its defense of this sole remaining allegation filed by Mr. Adair, Mr. Alghani and Ms. Quintero.

The Company on August 23 and September 4, 2003 filed amended petitions adding the additional Defendants Chase Mellon Shareholder Services, Inc., Mellon Investor Services, LLC, U.S. Stock Transfer Corporation, Union Securities, Ltd., Merrill, Lynch, Pierce, Fenner & Smith, Inc., Tatiana Roa, Braden, Bennick, Goldstein, Gazaway, & Co., Jack Sisk & Co, Jackson & Rhodes, P.C.,

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John W. Adair, Jalal Alghani and Vivian Llerena Quintero and their co-conspirators, jointly and severally, and in favor of the Company for the sum of up to five hundred million dollars (\$ 500,000,000) in actual damages and punitive damages against each of said Defendants as assessed by the jury and for such other and further relief to which the Company may show to be justly entitled.

Discovery in this case was ongoing before the change of control of the Company occurred as a result of the Annual Shareholders Meeting on August 5, 2002. Since that time and as a result of adding additional parties to the lawsuit as described in the preceding paragraph, extensive additional discovery regarding the facts of this case have been undertaken by the new parties to the lawsuit. The Company and Mr. Boyce have provided responses to all requested discovery. The Company will continue to vigorously pursue this case and has engaged expert witnesses to provide testimony regarding certain aspects of this case. The Court has set a trial date in November 2004.

The Company is a party to various claims and litigation. Although no assurances can be given, the Company recognizes, based on its experience to date, that the ultimate resolution of such items, individually or in the aggregate, could have a material adverse impact on the Company's financial position or results of operations.

ITEM 2. CHANGES IN SECURITIES

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

PART II - OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

31.1 Certification by CEO and CFO pursuant to Section 302 of Sarbanes-Oxley Act of 2002.

32.2 Certification of CEO and CFO pursuant to Section 906 of Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K

None.

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SIGNATURES

In accordance with the requirements of Section 13 of 15(d) of the Exchange Act, the Registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on May 13, 2004.

ENDEVCO, INC.
/s/ Chris A. Dittmar

Chris A. Dittmar
Chief Executive Officer and Director

/s/ Richard G. Boyce

Richard G. Boyce
Chief Operating Officer and Director

Larry Swift
/s/ Larry Swift

Chief Financial Officer

John A. Brush
/s/ John A. Brush

Non-Executive Director

Charles R. Close
/s/ Charles R. Close

Non-Executive Director

E. Barger Miller III
/s/ E. Barger Miller III

Chairman and Non-Executive Director

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EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13A-14(A) OR 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934

In connection with the Quarterly Report of EnDevCo, Inc. (the "Company") on Form 10-QSB (the "Report") for the quarter ended March 31, 2004 (the "Reporting Period"), as filed with the Securities Exchange Commission on the date hereof under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the undersigned, Chris A. Dittmar, Chief Executive Officer of the Company, certifies pursuant to Rule 13a-14(a) or 15d-14(a) under the Exchange Act that:

1. I have reviewed the Report.
2. Based on my knowledge, the 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 they are made, not misleading with respect to the Reporting Period.
3. Based on my knowledge, the consolidated financial statements and other financial information included in the Report fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of the date and for the periods reported therein.
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) for the Company and internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) for the Company, and we have:
 - (a) designed those disclosure controls and procedures, or caused them to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by other personnel employed by the Company and its subsidiaries, particularly within the Reporting Period;
 - (b) designed those internal controls over financial reporting, or caused them to be designed under our supervision, to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in the Report our conclusions about the effectiveness of those disclosure controls and procedures, as of the end of the Reporting Period based on that evaluation; and
 - (d) disclosed in the Report any change in the Company's internal control over financial reporting that occurred during the last fiscal quarter of the Reporting Period that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.
5. Based on our most recent evaluation of internal control over financial reporting, the Company's other certifying officer and I have disclosed to the Company's auditors and the audit committee of the Company's board of directors:
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company'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 Company's internal control over financial reporting.

By: /s/ Chris A. Dittmar
Chris A. Dittmar
Chief Executive Officer
May 13, 2004

EnDevCo, Inc. and Subsidiaries
March 31, 2004

EXHIBIT 31.2

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13A-14(A) OR 15D-14(A) UNDER THE
SECURITIES EXCHANGE ACT OF 1934**

In connection with the Quarterly Report of EnDevCo, Inc. (the "Company") on Form 10-QSB (the "Report") for the quarter ended March 31, 2004 (the "Reporting Period"), as filed with the Securities Exchange Commission on the date hereof under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the undersigned, Larry Swift, Chief Financial Officer of the Company, certifies pursuant to Rule 13a-14(a) or 15d-14(a) under the Exchange Act that:

1. I have reviewed the Report.
2. Based on my knowledge, the 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 they are made, not misleading with respect to the Reporting Period.
3. Based on my knowledge, the consolidated financial statements and other financial information included in the Report fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of the date and for the periods reported therein.
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act) for the Company and internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) for the Company, and we have:
 - (a) designed those disclosure controls and procedures, or caused them to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by other personnel employed by the Company and its subsidiaries, particularly within the Reporting Period;
 - (b) designed those internal controls over financial reporting, or caused them to be designed under our supervision, to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in the Report our conclusions about the effectiveness of those disclosure controls and procedures, as of the end of the Reporting Period based on that evaluation; and
 - (d) disclosed in the Report any change in the Company's internal control over financial reporting that occurred during the last fiscal quarter of the Reporting Period that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting.
5. Based on our most recent evaluation of internal control over financial reporting, the Company's other certifying officer and I have disclosed to the Company's auditors and the audit committee of the Company's board of directors:
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Company'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 Company's internal control over financial reporting.

By: /s/ Larry Swift
Larry Swift
Chief Financial Officer
May 13, 2004

EnDevCo, Inc. and Subsidiaries
March 31, 2004

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13A-14(B) OR 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND SECTION 1350 OF CHAPTER 63 OF TITLE 18 OF THE UNITED STATES CODE

In connection with the Quarterly Report of EnDevCo, Inc. (the "Company") on Form 10-QSB (the "Report") for the quarter ended March 31, 2004, as filed with the Securities Exchange Commission on the date hereof under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the undersigned, Chris A. Dittmar, Chief Executive Officer, certifies pursuant to Rule 13a-14(b) or 15d-14(a) under the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the date and for the periods reported therein.

By: /s/ Chris A. Dittmar
Chris A. Dittmar
Chief Executive Officer
May 13, 2004

EnDevCo, Inc. and Subsidiaries
March 31, 2004

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13A-14(B) OR 15D-14(A) UNDER THE SECURITIES EXCHANGE ACT OF 1934 AND SECTION 1350 OF CHAPTER 63 OF TITLE 18 OF THE UNITED STATES CODE

In connection with the Quarterly Report of EnDevCo, Inc. (the "Company") on Form 10-QSB (the "Report") for the quarter ended March 31, 2004, as filed with the Securities Exchange Commission on the date hereof under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the undersigned, Larry Swift, Chief Financial Officer of the Company, certifies pursuant to Rule 13a-14(b) or 15d-14(a) under the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the date and for the periods reported therein.

By: /s/ Larry Swift
Larry Swift
Chief Financial Officer
May 13, 2004