

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): May 5, 2004

ARETE INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

----- Colorado ----- (State or other jurisdiction of incorporation)	33-16820-D ----- (Commission File Number)	84-1508638 ----- (I.R.S. Employer Identification No.)
7102 La Vista Place Suite 100, Niwot, Colorado ----- (Address of Principal Executive Offices)		80503 ----- (Zip Code)

Registrant's telephone number including area code: (303) 652-3113

N/A

(Former name or former address, if changed since last report):

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Item 4. Changes in Registrant's Certifying Accountant.

(1) The Company's principal independent accountant has declined to stand for re-election as the Company's auditor for fiscal year 2004, as of May 5, 2004. The principal accountant's report during the past two fiscal years did not contain an adverse opinion or disclaimer of opinion, or was modified as to uncertainty, audit scope, or accounting principle.

The change in accountants was mandated by limitations on terms for independent

accountants imposed by Federal Securities Laws including the Sarbanes-Oxley Act, and the audit committee of the board of directors has acknowledged the former accountant's declination to stand for re-election.

There have been no disagreements with the withdrawing accountants on any manner of accounting principals or practices, financial statement disclosure, or auditing scope or procedure, which if not resolved to the former accountant's satisfaction, would have caused it to make reference to the subject matter of the disagreement(s) in connection with its report.

(2) The Registrant has engaged Ronald R. Chadwick, P.C. as its successor principal accountant effective May 5, 2004. Neither the Registrant nor any person acting on its behalf has consulted the new accountant regarding pending or future transactions, nor events or disagreements with its former principal accountants.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(a) 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.

ARETE INDUSTRIES, INC.

Date: May 5, 2004

By: /s/ THOMAS P. RAABE

Thomas P. Raabe, President,
Chief Executive Officer, and
Chairman of the Board of Directors

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EXHIBIT INDEX

Exhibit Number	Description
----- 16	----- Letter from Causey Demgen & Moore Inc. CPA's on change in certifying accountant

Causey Demgen & Moore Inc.
1801 California Street - Suite 4650
Denver, CO 80202-2681

May 5, 2004

United States Securities and Exchange Commission
Judiciary Plaza
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Arete Industries, Inc.
Commission File No. 33-16820-D

Ladies and Gentlemen:

The undersigned Causey Demgen & Moore Inc. previously acted as independent accountants to audit the financial statements of Arete Industries, Inc. (the "Company"). We are no longer acting as independent accountants to the Company.

This letter will confirm that we have reviewed Item 4. Of the Company's Form 8-K dated May 5, 2004, captioned "CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTANT" and that we agree with the statements made therein as they relate to us.

We hereby consent to the filing of this letter as an exhibit to the foregoing report on Form 8-K.

Dated this 5th day of May, 2004.

Sincerely,

/s/ CAUSEY DEMGEN & MOORE INC.

CAUSEY DEMGEN & MOORE INC.