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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): August 3, 2004

NATURAL GAS SERVICES GROUP, INC.
(Exact Name of Registrant as Specified in Its Charter)

Colorado
(State or other jurisdiction
of Incorporation or organization)

1-31398
(Commission File
Number)

75-2811855
(IRS Employer
Identification No.)

2911 South County Road 1260 Midland, Texas
(Address of Principal Executive Offices)

79706
(Zip Code)

432-563-3974
(Registrant's telephone number, including area code)

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Item 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) Financial Statements

None

(b) Pro Forma Financial Information

None

(c) Exhibits

Exhibit 99 News Release issued by Natural Gas Services
Group, Inc. on August 3, 2004.

Item 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 3, 2004, Natural Gas Services Group, Inc. issued a news release announcing its unaudited financial results for the second quarter and the six months ended June 30, 2004. This news release is being furnished pursuant to Item 12.

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.

NATURAL GAS SERVICES GROUP, INC.

By: /s/ Wallace C. Sparkman

Wallace C. Sparkman, President

Dated: August 3, 2004

Exhibit Number

99

Exhibit

News Release dated August 3, 2004

NGSG
NATURAL GAS SERVICES GROUP, INC.

FOR IMMEDIATE RELEASE
July 21, 2004

For More Information, Contact:
Wallace Sparkman, CEO
800-580-1828
Jim Drewitz, Investor Relations
972-355-6070

NATURAL GAS SERVICES GROUP ANNOUNCES
PRIVATE PLACEMENT FOR \$5 MILLION

MIDLAND, Texas, July 21, 2004 - Natural Gas Services Group, Inc. (AMEX:NGS), a leading provider of equipment and services to the natural gas and oil industry, announces the Company has entered into a definitive agreement to sell 649,574 shares of its restricted common stock to an accredited private investor at a price slightly below market value in a private placement that will raise approximately \$5 million in net proceeds to the Company.

The private placement includes restricted common stock and does not include any warrants. These shares represent approximately 11% of the outstanding common stock. The closing, which is subject to customary closing conditions, is scheduled to occur on or before August 4, 2004.

NGS plans to use the net proceeds of the offering to further advance the growth of the Company's rental fleet of natural gas compressors, working capital and general corporate purposes, including possible acquisition of strategically located compressor companies. The Company has agreed to file a registration statement with the SEC for the resale of common stock within the next sixty days.

Wallace Sparkman, President and CEO said, "This is an outstanding opportunity with a private investor we have a continuing relationship with. The placement includes only restricted common stock and does not include any warrants or any additional fees other than legal fees. This gives us additional capital to meet anticipated needs resulting from future business expansion and provide working capital. It will facilitate our ability to complete future business opportunities as they become available."

About Natural Gas Services Group, Inc NGS manufactures, fabricates, sells, leases and services natural gas compressors that enhance the production of oil and gas wells. The Company also manufactures and sells flare systems and flare ignition systems for plant and production facilities.

For more information visit the Company's website at www.ngsgi.com .

Certain statements contained herein are "forward looking" statements as such term is defined in the Private Securities Litigation Reform Act of 1995. Because statements include risks and uncertainties, actual results may differ materially from those expressed or implied and include, but are not limited to, those discussed in filings by the Company with the Securities and Exchange Commission.

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