

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

**SCHEDULE 13G**

Under the Securities Exchange Act of 1934

Donegal Group Inc.

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(Name of Issuer)

Common Stock

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(Title of Class of Securities)

257701201

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(CUSIP Number)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)  
 Rule 13d-1(c)  
 Rule 13d-1(d)

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

Wells Fargo & Company  
 Tax Identification No. 41-0449260

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b) 

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

5 SOLE VOTING POWER

840,226

NUMBER OF  
 SHARES  
 BENEFICIALLY  
 OWNED BY  
 EACH  
 REPORTING  
 PERSON  
 WITH

6 SHARED VOTING POWER

0

7 SOLE DISPOSITIVE POWER

830,226

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

867,226

10 CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

Not applicable

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

8.5%

12 TYPE OF REPORTING PERSON

HC

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1 NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON (ENTITIES ONLY)

Wells Capital Management Incorporated  
Federal ID No. 95-3692822

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2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

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3 SEC USE ONLY

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4 CITIZENSHIP OR PLACE OF ORGANIZATION

California

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5 SOLE VOTING POWER

803,226

---

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

6 SHARED VOTING POWER

0

---

7 SOLE DISPOSITIVE POWER

830,226

---

8 SHARED DISPOSITIVE POWER

0

---

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

830,226

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10 CHECK IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

Not applicable

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11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

8.2%

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12 TYPE OF REPORTING PERSON

IA

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

SCHEDULE 13G  
Under the Securities Exchange Act of 1934

**DISCLAIMER:** Information in this Schedule 13G is provided solely for the purpose of complying with Sections 13(d) and 13(g) of the Act and regulations promulgated thereunder, and is not to be construed as an admission that Wells Fargo & Company or any of its subsidiaries is the beneficial owner of the securities covered by this Schedule 13G for any purpose whatsoever.

- Item 1 (a) Name of Issuer:  
Donegal Group Inc.
- Item 1 (b) Address of Issuer's Principal Executive Offices:  
1195 River Road  
Marietta, PA 17547-0302
- Item 2 (a) Name of Person Filing:  
Wells Fargo & Company  
Wells Capital Management Incorporated
- Item 2 (b) Address of Principal Business Office or if none, Residence:  
1. Wells Fargo & Company  
420 Montgomery Street  
San Francisco, CA 94104  
2. Wells Capital Management Incorporated  
525 Market Street, 10th Floor  
San Francisco, CA 94105
- Item 2 (c) Citizenship:  
1. Wells Fargo & Company: Delaware  
2. Wells Capital Management Incorporated: California
- Item 2 (d) Title of Class of Securities:  
Common Stock
- Item 2 (e) CUSIP Number:  
257701201
- Item 3 The person filing is a:  
1. Wells Fargo & Company: Parent Holding Company in accordance with 240.13d-1(b)(1)(ii)(G)  
2. Wells Capital Management Incorporated: Registered Investment Advisor in accordance with Regulation 13d-1(b)(1)(ii)(E)

Item 4 Ownership:

See 5-11 of each cover page. Information as of December 31, 2004.

Item 5 Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following  .

Item 6 Ownership of More than Five Percent on Behalf of Another Person:

Not applicable.

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company:

See Attachment A

Item 8 Identification and Classification of Members of the Group:

Not Applicable

Item 9 Notice of Dissolution of Group:

Not Applicable

Item 10 Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Date: January 21, 2005

WELLS FARGO & COMPANY

By: /s/ Laurel A. Holschuh,

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Laurel A. Holschuh, Senior Vice President  
and Secretary

ATTACHMENT A

The Schedule 13G to which this attachment is appended is filed by Wells Fargo & Company on behalf of the following subsidiaries:

Wells Capital Management Incorporated (1)

Wells Fargo Bank, National Association (2)

(1) Classified as a registered investment advisor in accordance with Regulation 13d-1(b)(1)(ii)(E).

(2) Classified as a bank in accordance with Regulation 13d-1(b)(1)(ii)(B).

AGREEMENT

The undersigned hereby agree that the statement on Schedule 13G to which this Agreement is attached shall be filed by Wells Fargo & Company on its own behalf and on behalf of Wells Capital Management Incorporated.

Dated: January 21, 2005

WELLS FARGO & COMPANY

By: /s/ Laurel A. Holschuh,

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Laurel A. Holschuh, Senior Vice President  
and Secretary

WELLS CAPITAL MANAGEMENT INCORPORATED

By: /s/ Monica Poon,

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Monica Poon, Senior Vice President and  
Chief Compliance Officer