

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 66009 / December 20, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14673

In the Matter of

PETER J. BROOKS,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Peter J. Brooks (“Brooks” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. From at least early 2008 through approximately August 2008, Brooks managed two sales offices in California that offered and sold securities issued by Delta Onshore Management, LLC. As the manager of these offices, he directed employees to sell the above-described securities, and he personally offered and sold them as well. In so doing, he participated at key points in the distribution of those securities and received compensation related to the transactions. No registration statement was filed with the Commission or in effect at the time of Respondent's offers or sales of the above-referenced securities; nor were the transactions exempt from registration. Further, Respondent was not registered with the Commission as a broker or dealer. Brooks, 66 years old, is a resident of Woodland Hills, California.

2. On December 6, 2011, a permanent injunction was entered by consent against Brooks, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933, and Section 15(a)(1) of the Exchange Act in the civil action entitled Securities and Exchange Commission v. Delta Onshore Management, LLC, et al., Civil Action Number 08-1278-MLB, in the United States District Court for the District of Kansas.

3. The Commission's complaint alleged that, in connection with the offering of the above-referenced securities, the named defendants collectively raised approximately \$2.8 million from investors nationwide, over half of whom were 60 years old or older. The complaint alleged that the promoters hired sales agents, such as Respondent, to market the offering, and falsely advised the sales agents that they had acquired two drilling rigs that were "ready to go to work" earning annual returns of 25% to 36%. The sales agents marketed the securities by including this false information in their sales pitches to investors. In fact, at the time of the offering, the Delta Onshore venture had not acquired any drilling rigs, and investors received none of the promised returns.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Brooks's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Brooks be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, or transfer agent; and

barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or

issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Elizabeth M. Murphy
Secretary