

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 70152 / August 9, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-15273

In the Matter of

JOSEPH HILTON,
a/k/a JOSEPH YURKIN

Respondent.

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

I.

On April 11, 2013, the Securities and Exchange Commission (“Commission”) instituted public administrative proceedings pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Joseph Hilton, a/k/a Joseph Yurkin (“Hilton” or “Respondent”).

II.

In response to 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, Respondent consents to the entry of this Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Order”), as set forth below.

III.

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

1. Hilton, who is 51 years of age, resides in Boca Raton, Florida. From no later than March 2011 until January 2012, Hilton sold securities in the form of limited partnership units in at least three oil drilling projects in Tennessee sponsored by United States Energy Corporation (“U.S. Energy”). In connection with these sales, Hilton managed a boiler room and

sales agents to assist him in soliciting contributions and paid these sales agents transaction-based commissions in exchange for finding investors and selling U.S. Energy securities.

2. In 2008, the Commission entered an order barring Hilton, a/k/a Joseph Yurkin, from associating with a broker-dealer. In the Matter of Joseph Yurkin, Exchange Act Release No. 58768 (Oct. 10, 2008).

3. Hilton, who has never been registered as or with a licensed broker-dealer, and who is barred from associating with a broker-dealer, participated in unregistered broker-dealer conduct in connection with the U.S. Energy offerings.

4. In September 2012, the Commission filed a complaint against Hilton in Securities and Exchange Commission v. Joseph Hilton, et al. (Civil Action Number 12-CV-81033 (S.D. Fla.)). On February 28, 2013, the Court entered a judgment, to which Hilton consented, permanently enjoining Hilton from violating Sections 15(a)(1) and 10(b) and Rule 10b-5 of the Exchange Act, and Sections 5(a) and (c) and 17(a) of the Securities Act of 1933.

5. The Commission's complaint alleged, among other things, that from no later than March 2011 until January 2012, in connection with the sale of U.S. Energy securities, Hilton misrepresented his identity, the risks associated with the investment, the anticipated dividends due to investors, the amount of oil U.S. Energy's wells produced, and otherwise engaged in a variety of conduct that operated as a fraud and deceit on investors. The complaint also alleged that Hilton sold unregistered securities.

6. The complaint also alleged that in a second series of offerings from February 2012 until the date of filing the complaint, Hilton made numerous misrepresentations and omissions in connection with the offer and sale of unregistered securities in the form of units consisting of partnership shares in Rock Castle Drilling Fund I LP and Rock Castle Drilling Fund II LP (collectively, the "Companies"). These included false claims about the Companies' oil drilling success and omissions about Hilton's background and history with regulatory agencies.

IV.

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

Accordingly, pursuant to Section 15(b)(6) of the Exchange Act, it is hereby ORDERED that Respondent Hilton be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

By the Commission.

Elizabeth M. Murphy
Secretary