

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 79226 / November 3, 2016**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17660**

**In the Matter of**  
  
**PATRICK REAGAN BEASON,**  
  
**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 Patrick Reagan Beason (“Beason” 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 paragraph 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. Beason is the president and chief executive officer of Aegis Oil, LLC ("Aegis"), a Texas limited liability company established in August 2009. At all relevant times, Beason also acted as a broker but was not registered with the Commission in any capacity. Beason, 63 years old, is a resident of Fairview, Texas.

2. On October 11, 2016, a final judgment was entered by consent against Beason, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 15(a)(1) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. Aegis Oil, LLC, et al., Civil Action Number 16-cv-62335-BB, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that, among other things, from at least October 2010 through October 2015, Beason and Aegis sold unregistered securities and carried out an offering which misrepresented and omitted certain material facts. Beason and Aegis raised approximately \$35 million from approximately 250 investors nationwide. The purported purpose of the Aegis offerings was to fund oil and gas development projects that Beason and Aegis were to oversee. The complaint alleges that Beason and Aegis distributed offering materials to investors and prospective investors that contained false and misleading statements regarding the use of investor funds, including omitting to disclose that investor funds were paid out to sales agents for commissions as high as 35%, and a total of approximately 43% was spent on organizational, administrative, marketing expenses, including these payments to sales agents, which far exceeded what was stated in the offering materials. The complaint also alleges that the offering materials included projections regarding oil production and income for investors that did not have a reasonable basis in fact.

### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Beason 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.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields  
Secretary