

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65285 / September 7, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14538

In the Matter of

W. TODD SMITH,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING**

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 W. Todd Smith (“Respondent” or “Smith”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Between October 2008 and January 2009, W. Todd Smith offered for sale and sold securities without having a securities license or being associated with a registered broker or dealer. Smith, age 42, resided in Corona, California during this period.

B. ENTRY OF THE INJUNCTION

1. On July 11, 2011, a final judgment by default was entered against Smith, 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. Rockwell Energy of Texas, LLC, et al., Civil Action Number 4:09-CV-4080, in the United States District Court for the Southern District of Texas.

2. The Commission's complaint alleged that Smith sold limited partnership interests in fraudulent and unregistered oil-and-gas offerings based in Texas. According to the Complaint, Smith received, directly or indirectly, sales or other promotional commissions as high as 40%, and pocketed approximately \$990,000 in investor proceeds. The Complaint alleges he solicited investors through cold calls, and was neither licensed nor associated with a registered broker or dealer.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act;

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

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

Elizabeth M. Murphy
Secretary