HERRON HAROLD F

Check this box

if no longer

subject to

Section 16.

Form 4

February 09, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

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Form 4 or Form 5 obligations may continue.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

U.S. Energy

Common Stock U.S. Energy

Common

Stock

02/08/2006

(Print or Type Responses)

See Instruction

(Print or Type	Responses)								
HERRON HAROLD F S			2. Issuer Name and Ticker or Trading Symbol US ENERGY CORP [USEG]				5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last) 877 NORT	(First) (Mi	3. Date of (Month/E) 02/08/2	•	ransaction		_X_ Director _X_ Officer (below)	1	10% Owner Other (specify	
			mendment, Date Original Month/Day/Year)			6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person			
RIVERTO	N, WY 82501					Form filed l Person	by More than One	Reporting	
(City)	(State) (Z	Zip) Tabl	e I - Non-D	Derivative	Securities A	cquired, Dispose	d of, or Benefic	cially Owned	
1.Title of Security (Instr. 3)		2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	Disposed (Instr. 3,	(A) or l of (D) 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
U.S. Energy Common Stock	02/08/2006		J	Amount 5,000	(D) Price D (1) \$ 0	141,365	D (2) (3) (4)		

4,608

30,306

812,915

I (6)

I (7) (8) (9)

Corporation

By ESOP

By

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U.S. Energy Common Stock	4,500	I (10)	By Custodian For Child
U.S. Energy Common Stock	155,811	I (11)	By Trust
Reminder: Report on a separate line for each class of securities benefi	Persons who respond to the colle information contained in this for required to respond unless the foliables a currently valid OMB conumber.	m are not orm	SEC 1474 (9-02)

 $\label{thm:convertible} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (\emph{e.g.}, puts, calls, warrants, options, convertible securities) \\ \end{tabular}$

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Dr.Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercis Expiration Dat (Month/Day/Y	e	7. Title and A Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Option 1a (Right to Buy)	\$ 2					12/04/1998	09/25/2008	U.S. Energy Common Stock	20,109
Employee Option 2 (Right to Buy)	\$ 2.4					01/10/2001	01/09/2011	U.S. Energy Common Stock	27,617
Employee Option 3 (Right to Buy)	\$ 3.9					12/07/2001	12/06/2011	U.S. Energy Common Stock	50,000
Employee Option 4 (Right to Buy)	\$ 2.25					08/08/2002	12/07/2011	U.S. Energy Common Stock	26,278
	\$ 2.46					07/01/2004	06/30/2014		125,000

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Employee Option 5 (Right to Buy)			U.S. Energy Common Stock	
Employee Option 6 (Right to Buy)	\$ 3.86	10/14/2005 10/13/2015	U.S. Energy Common Stock	100,000

Reporting Owners

Reporting Owner Name / Address	Relationships						
Fg	Director	10% Owner	Officer	Other			
HERRON HAROLD F 877 NORTH 8TH WEST RIVERTON, WY 82501	X		SR VICE PRESIDENT				
<u> </u>							

Signatures

/s/ HERRON, HAROLD F (HAL) 02/09/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares transfered to U.S. Energy Corp. as payment of note dated October 5, 1998.
- (2) Includes 90,915 shares held directly by the Reporting Person.
- (3) Includes 11,000 shares held in an Individual Retirement Account (IRA) for the benefit of the Reporting Person.
 - Includes 9,450 shares issued under the Restricted Stock Bonus Plan and 30,000 shares issued under the 1996 Stock Award program all of which are subject to forfeiture by the Reporting Person. Shares issued under the 1996 Stock Award program vest over a 5-year period at the rate of 20% per year, The forfeitable shares issued under both plans are deemed 'earned out' by the Reporting Person: (i) if he is continuously employed by USEG until he retires; (ii) if he becomes disabled; (iii) upon his death, or (iv) if the shares are claimed within
- continuously employed by USEG until he retires; (ii) if he becomes disabled; (iii) upon his death, or (iv) if the shares are claimed within three years following the occurrence of (i) (ii) (iii). The treasurer of USEG holds the shares in trust for the benefit of the Reporting Person, while non-employee directors of USEG exercise shared voting and dispositive rights over all forfeitable shares. Distributions to the Reporting Person will not be separately reported. The acquisitions of the shares by the Reporting Person from both the Bonus Plan and the Award Program are exempt under Rule 16
- (5) Shares issued in the U.S. Energy Corp. Employee Stock Ownership Plan (the 'ESOP') in an account established for the benefit of the Reporting Person.
- (6) Shares held in the U.S. Energy Corp. Employee Stock Ownership Plan (the 'ESOP') in an account established for the benefit of the Reporting Person.
- Includes 512,359 shares held by Crested Corp. (Crested), a majority-owned subsidiary of USEG. The Reporting Person is an Officer and/or Director of both USEG and Crested and is not a controlling shareholder and does not have or share investment controll over these shares, and therefore does not have a pecuniary interest in the USEG shares held by Crested, under rule 16a-1(a)(2)(iii).
- Includes 175,000 shares held by Sutter Gold Mining Company (SGMC), a subsidiary of USEG. The Reporting Person is an Officer and/or Director of both USEG and SGMC and is not a controlling shareholder and does not have or share investment controll over these shares, and therefore does not have a pecuniary interest in the USEG shares held by SGMC, under rule 16a-1(a)(2)(iii).
- (9) Includes 125,556 shares held by Plateau Resources Limited (Plateau), a wholly owned subsidiary of USEG. The Reporting Person is an Officer and/or Director of both USEG and Plateau and is not a controlling shareholder and does not have or share investment controll

Reporting Owners 3

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over these shares, and therefore does not have a pecuniary interest in the USEG shares held by Plateau, under rule 16a-1(a)(2)(iii).

- (10) Includes 4,500 shares indirectly held by the Reporting Person as Custodian for minor children under the Wyoming Uniform Transfers to Minors Act. The Reporting Person disclaims beneficial and pecuniary interest in these shares.
- (11) Includes shares held in the ESOP which are not allocated to accounts established for the benefit of specific plan participants. The Reporting Person, as an ESOP Trustee, exercises the voting powers with respect to such unallocated shares.
- (12) Includes stock options granted under the Issuer's 1998 Incentive Stock Option Plan and exempt under Rule 16b-3.
- (13) Includes stock options granted under the Issuer's 2001 Incentive Stock Option Plan and exempt under Rule 16b-3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.