US ENERGY CORP

Form 4 April 10, 2006

FORM 4

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

OMB Number: 3235-0287

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

0.5

OMB APPROVAL

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

response...

burden hours per

See Instruction 1(b).

(Print or Type Responses)

		1. Name and Address of Reporting Person * LARSEN MARK J			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer			
					US ENERGY CORP [USEG]			(Check all applicable)			
	(Last)	(First)	(Middle)	3. Date of	Earliest Tra	ansaction	`	**			
				(Month/D	ay/Year)		Director		0% Owner		
877 NORTH 8TH WEST				04/07/2006			_X_ Officer (pelow)	_X_ Officer (give title Other (specify below)			
							PR	RESIDENT & CO	00		
(Street)				4. If Amer	ndment, Da	te Original	al 6. Individual or Joint/Group Filing(Chec				
				Filed(Mon	th/Day/Year)		* *	Applicable Line) _X_ Form filed by One Reporting Person			
RIVERTON, WY 82501 (City) (State) (Zip)			Form filed by More than O Person					Reporting			
			(Zip)	Table	e I - Non-D	erivative Securities	cquired, Disposed of, or Beneficially Owned				
	1.Title of	2. Transaction Da	ate 2A. Deer	med	3.	4. Securities	5. Amount of	6. Ownership	7. Nature of		
	Security	(Month/Day/Yea	r) Executio	n Date, if		onAcquired (A) or	Securities	Form: Direct	Indirect		
	(Instr. 3)		any		Code	Disposed of (D)	Beneficially	(D) or	Beneficial		
			(Month/l	Day/Year)	(Instr. 8)	(Instr. 3, 4 and 5)	Owned	Indirect (I)	Ownership		
							Following Reported	(Instr. 4)	(Instr. 4)		

\$	1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Transaction Date 2A. Deemed Month/Day/Year) Execution Date, if any (Month/Day/Year)		4. Securities onAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5) (A) or			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
1	U.S.			Code V	Amount	(D)	Price	(Instr. 3 and 4)		
(Energy Common Stock	04/07/2006		J	2,500	A (1)	\$0	34,578	D (2)	
]	U.S. Energy Common Stock							4,600	I (3)	By Custodian For Child
]	U.S. Energy Common Stock							42,042	I (4)	By ESOP

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109,150 I (5)	By Immediate Family								
Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.									
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 $\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

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. onNumber 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 1 (Right to Buy)	\$ 2.875					12/04/1998	09/05/2008	U.S. Energy Common Stock	27,782
Employee Option 2 (Right to Buy)	\$ 2.4					01/10/2001	01/09/2011	U.S. Energy Common Stock	41,248
Employee Option 3 (Right to Buy)	\$ 3.9					12/07/2001	12/06/2011	U.S. Energy Common Stock	100,000
Employee Option 4 (Right to Buy)	\$ 2.25					08/08/2002	12/07/2011	U.S. Energy Common Stock	97,000
Employee Option 5 (Right to Buy)	\$ 2.46					07/01/2004	06/30/2014	U.S. Energy Common Stock	125,000
	\$ 3.86					10/14/2005	10/13/2015		100,000

Employee Option 6 (Right to Buy) U.S. Energy Common Stock

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

LARSEN MARK J 877 NORTH 8TH WEST RIVERTON, WY 82501

PRESIDENT & COO

Signatures

/s/ LARSEN, MARK J 04/10/2006

**Signature of Date
Reporting Person

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).
- Shares issued to the Reporting Person under the USEG 2001 Stock Compensation Plan. The issuance of these shares is for the funding obligation under the plan for the second quarter of the calendar year ending December 31, 2006. The Issuer has agreed under the terms of the Plan to pay all taxes due. The Reporting Person has agreed not to sell these shares to the market or pledge them on obligations until after his (i) retirement; (ii) total disability or (iii) in the case of the death of the Reporting Person his estate may sell the shares of stock.
- (2) Includes 34,578 shares held directly by the Reporting Person.
- (3) Includes 4,600 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.
- Shares held in the U.S. Energy Corp. Employee Stock Ownership Plan (the 'ESOP') in an account established for the benefit of the
- (4) Reporting Person. Subsequent to the final year end close the number of shares issued to the Reporting Person's ESOP account may be adjusted.
- (5) Includes a balance of shares held in ESOP accounts established to benefit members of the Reporting Persons 'Immediate Family', as that term is defined in Rule 16a-1(e), in accordance with Rule 16a-8(b)(2).
- (6) Includes stock options granted under the Issuer's 1998 Incentive Stock Option Plan and exempt under Rule 16b-3.
- (7) 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.

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