US ENERGY CORP
Form 4
October 03, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
LARSEN MARK J

(Last) (First) (Middle)

877 NORTH 8TH WEST

(Street)

RIVERTON, WY 82501

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
US ENERGY CORP [USEG]

3. Date of Earliest Transaction (Month/Day/Year)
10/03/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
PRESIDENT & COO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 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)
			Code	V	Amount	(A) or (D)	Price			
U.S. Energy Common Stock	10/03/2005		J		2,500	A (1)	$ 0	29,578	D (2)	
U.S. Energy Common Stock								4,600	I (3)	By Custodian For Child
U.S. Energy Common Stock								37,434	I (4)	By ESOP

U.S. Energy Common Stock		100,518	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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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

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. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. D Se (I
				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	

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

By: Robert Scott Lorimer Attorney in Fact	10/03/2005
**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 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 fourth quarter of the calendar year ending December 31, 2005. 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 29,578 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.

(4) 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. 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.
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