FRASER H RUSSELL
Form 4
February 15, 2011

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 *
FRASER H RUSSELL

(Last) (First) (Middle)

877 N 8TH ST W

(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)
02/14/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

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			
Common Stock	02/14/2011		M		10,000	A	$ 3.9	31,363	D (1) (2) (3)	
Common Stock	02/14/2011		D(4)		10,000	D	$ 6.5	21,363	D (1) (2) (3)	
Common Stock								1,300	I (5)	By Spouse

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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	$ 3.9	02/14/2011		M			10,000	12/07/2001	12/07/2011	Common Stock	10,000
Stock Options (Right to Buy)	$ 2.25							08/08/2002	12/06/2011	Common Stock	10,000
Stock Options (Right to Buy)	$ 2.46							07/01/2005	06/30/2014	Common Stock	50,000
Stock Options (Right to Buy)	$ 3.86							10/14/2005	10/13/2015	Common Stock	25,000
Director/ Option(rtb)	$ 2.52							09/22/2009	09/21/2018	U.S. Energy Common Stock	30,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRASER H RUSSELL 877 N 8TH ST W RIVERTON, WY 82501	X			

Signatures

/s/ Robert Scott Lorimer, attorney-in-fact	02/15/2011
**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) Includes shares held directly by the Reporting Person.

(2) Includes 1,000 shares held in joint tenancy with the Reporting Person's wife.

(3) Includes 4,000 shares held in an Individual Retirement Account (IRA) for the benefit of the Reporting Person.

(4) Options purchased and sold under the Reporting Person's 10(b) 5-1 Plan dated November 15, 2010.

(5) Includes 1,300 shares held in an IRA established for the benefit of the Reporting Person's wife. The Reporting Person disclaims any beneficial interest in these shares.

(6) Options issued to Reporting Person as a member of the Issuer's Board of Directors.

(7) Stock options granted under the Issuer's 2008 SOP for the Independent Directors and Advisory Board Members granted on June 25, 2010 which vest in three (3) equal annual installments beginning June 25, 2011.

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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