US ENERGY CORP
Form 4
September 26, 2008

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
OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 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)
09/26/2008

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ 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			
Common Stock								137,772	D (1)	
Common Stock								155,811	I (2)	By Trust
Common Stock								4,600	I (3)	By Custodian For Child
Common Stock								52,272	I (4)	By Esop
Common Stock								134,281	I (5)	By Immediate

Family

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

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)	$ 2.88	09/26/2008		J(6)			27,782	12/04/1998	09/25/2008	Common Stock	27,782
Stock Options (Right to Buy)	$ 3.9							12/07/2001	12/06/2011	Common Stock	100,000
Stock Options (Right to Buy)	$ 2.4							01/10/2001	01/09/2011	Common Stock	41,248
Stock Options (Right to Buy)	$ 2.46							07/01/2004	06/30/2014	Common Stock	98,519
Stock Options (Right to Buy)	$ 3.86							10/14/2005	10/13/2015	Common Stock	100,000
Stock Options (Right to Buy)	$ 2.25							08/08/2002	12/07/2011	Common Stock	52,556
Stock Options	$ 4.97							01/01/2008	07/26/2017	Common Stock	200,000

(Right to Buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LARSEN MARK J 877 N 8TH ST W RIVERTON, WY 82501	X		PRESIDENT & COO	

Signatures

/s/ Robert Scott Lorimer, attorney-in fact for Mr. Larsen	09/26/2008
**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) 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.

(3) 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.

(5) Includes 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) Options expired 09/25/2008

(7) Includes stock options granted under the Issuer's 1998 Incentive Stock Option Plan and exempt under Rule 16b-3.

(8) Includes stock options granted under the Issuer's 2001 Incentive Stock Option Plan and exempt under Rule 16b-3.

(9) Stock options granted under the Issuer's 2001 Incentive Stock Option Plan with a 5 year vesting schedule 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.