

LORIMER R SCOTT
Form 4
January 05, 2011

FORM 4

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

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).

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
LORIMER R SCOTT

(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)
01/03/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

TREASURER & CFO

6. Individual or Joint/Group Filing(Check Applicable Line)

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 | 01/03/2011 | | M | | 100,000 | A | \$ 3.9 |
| | | | | | | | 584,492 |
| | | | | | | | D ⁽²⁾ |
| Common Stock | 01/03/2011 | | M | | 100,000 | A | \$ 3.86 |
| | | | | | | | 684,492 |
| | | | | | | | D ⁽²⁾ |
| Common Stock | 01/03/2011 | | M | | 59,640 | A | \$ 4.97 |
| | | | | | | | 744,132 |
| | | | | | | | D ⁽²⁾ |
| Common Stock | 01/03/2011 | | M | | 2 | A | \$ 2.52 |
| | | | | | | | 744,134 |
| | | | | | | | D ⁽²⁾ |
| Common Stock | 01/03/2011 | | F | | 199,140 | D | \$ 6.21 |
| | | | | | ⁽¹⁾ | | 544,994 |
| | | | | | | | D ⁽²⁾ |

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Common Stock 92,864 I ⁽³⁾ By Esop

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 Number of Shares |
| Stock Options (Right to Buy) | \$ 3.9 | 01/03/2011 | | M | 100,000 | 12/07/2001 | 12/06/2011 | Common Stock | 100,000 |
| Stock Options (Right to Buy) | \$ 3.86 | 01/03/2011 | | M | 100,000 | 10/14/2005 | 10/13/2015 | Common Stock | 100,000 |
| Stock Options (Right to Buy) | \$ 4.97 | 01/03/2011 | | M | 59,640 | 01/01/2008 | 07/26/2017 | Common Stock | 59,640 |
| Stock Option (Right to Buy) | \$ 2.52 | 01/03/2011 | | M | 2 | 09/22/2009 | 09/21/2018 | Common Stock | 2 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| LORIMER R SCOTT 877 N 8TH ST W RIVERTON, WY 82501 | X | | TREASURER & CFO | |

Signatures

/s/ Robert Scott
Lorimer

01/04/2011

__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).

- Received 60,502 net shares from the exercise of 259,642 options at strike prices ranging from \$2.52 to \$4.97 per share. Sufficient shares
- (1) were withheld from the option exercise to cover the cost of the exercise, federal income taxes, and all statutory payroll taxes. Shares withheld were valued at the market close price on the date of exercise, January 3, 2011, of \$6.21 per share.
 - (2) Includes shares held directly by the Reporting Person.
 - (3) 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.
 - (4) Includes stock options granted under the Issuer's 2001 Incentive Stock Option Plan and exempt under Rule 16b-3.
 - (5) Stock options granted under the Issuer's 2001 Incentive Stock Option Plan with a 5 year vesting schedule and exempt under Rule 16b-3.
 - (6) Stock options granted under the Issuer's 2001 Incentive Stock Option Plan which vest in three (3) equal annual installments beginning September 22, 2009.

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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