US ENERGY CORP
Form 4
July 18, 2006

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 *
SVILAR DANIEL P

(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)
07/17/2006

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)
SECRETARY/IN-HOUSE COUNSEL

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	07/17/2006		M		44,444	A	$ 2.25	277,204	D	
U.S. Energy Common Stock	07/17/2006		M		11,209	A	$ 2.4	288,413	D	
U.S. Energy Common Stock	07/17/2006		F		30,000	D	$ 4.23	258,413	D (1) (2) (3) (4)	

U.S. Energy Common Stock	817,915	I (5) (6) (7) (8)	By Corporation
U.S. Energy Common Stock	1,000	I (9)	By Custodian For Child

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 Shares
Employee Option 2 (Right to Buy)	$ 2.4	07/17/2006		M			11,209	01/10/2001	01/09/2011	U.S. Energy Common Stock	11,209
Employee Option 4 (Right to Buy)	$ 2.25	07/17/2006		M			44,444	08/08/2002	12/07/2011	U.S. Energy Common Stock	44,444
Employee Option 1 (Right to Buy)	$ 2.875							12/04/1998	09/05/2008	U.S. Energy Common Stock	34,782
Employee Option 1a (Right to Buy)	$ 2							12/04/1998	09/25/2008	U.S. Energy Common Stock	40,218
Employee Option 3 (Right to Buy)	$ 3.9							12/07/2001	12/06/2011	U.S. Energy Common Stock	100,00

Employee Option 5 (Right to Buy)	$ 2.46		07/01/2004	06/30/2014	U.S. Energy Common Stock	125,00
Employee Option 6 (Right to Buy)	$ 3.86		10/14/2005	10/13/2015	U.S. Energy Common Stock	100,00

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SVILAR DANIEL P 877 NORTH 8TH WEST RIVERTON, WY 82501			SECRETARY/IN-HOUSE COUNSEL	

Signatures

By: Robert Scott Lorimer Attorney in Fact	07/18/2006
**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 129,103 shares held directly by the Reporting Person.

(2) Includes 630 shares held in a street name account for the benefit of the Reporting Person.

(3) Includes 16,000 shares held in an Individual Retirement Account (IRA) for the benefit of the Reporting Person.

(4) Includes 22,680 shares issued under the USEG Restricted Stock Bonus Plan and 90,000 shares issued under the 1996 Stock Award program which are subject to forfeiture by the Reporting Person. Shares issued under the 1996 Stock Award program vest over a 5-year period at the rate of 20% per year, The forfeitable shares issued under both plans are deemed 'earned out' by the Reporting Person: (i) if he is continuously employed by USEG until he retires; (ii) if he becomes disabled; (iii) upon his death, or (iv) if the shares are claimed within three years following the occurrence of (i) (ii) (iii). The treasurer of USEG holds the shares in trust for the benefit of the Reporting Person, while non-employee directors of USEG exercise shared voting and dispositive rights over all forfeitable shares. Distributions to the Reporting Person will not be separately reported. The acquisitions of the shares by the Reporting Person from both the Bonus Plan and the Award Program are exempt under Rule 16b

(5) Includes 125,556 shares held by Plateau Resources Limited (Plateau), a wholly owned subsidiary of USEG. The Reporting Person is an Officer and/or Director of both USEG and Plateau and is not a controlling shareholder and does not have or share investment controll over these shares, and therefore does not have a pecuniary interest in the USEG shares held by Plateau, under rule 16a-1(a)(2)(iii).

(6) Includes 175,000 shares held by Sutter Gold Mining Company (SGMC), a subsidiary of USEG. The Reporting Person is an Officer and/or Director of both USEG and SGMC and is not a controlling shareholder and does not have or share investment controll over these shares, and therefore does not have a pecuniary interest in the USEG shares held by SGMC, under rule 16a-1(a)(2)(iii).

(7) Includes 512,359 shares held by Crested Corp. (Crested), a majority-owned subsidiary of USEG. The Reporting Person is an Officer and/or Director of both USEG and Crested and is not a controlling shareholder and does not have or share investment controll over these shares, and therefore does not have a pecuniary interest in the USEG shares held by Crested, under rule 16a-1(a)(2)(iii).

(8) Includes 5,000 shares held by Svilar, Inc. a private corporation of which the Reporting Person is a major shareholder, Officer and Director.

(9)

Includes 1,000 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.

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

(11) Includes stock options granted under the Issuer's 1998 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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