

LORIMER R SCOTT
Form 4
October 01, 2008

FORM 4

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

OMB APPROVAL

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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)
09/29/2008

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | 10/01/2008 | | A ⁽¹⁾ | 5,000 A | \$ 0 334,958 | D ⁽²⁾ | |
| Common Stock | | | | | 73,977 | 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 or Number of Shares |
| Stock Option (Right to Buy) | \$ 2.52 | 09/29/2008 | | A ⁽⁴⁾ | | 75,000 | | 09/22/2009 | 09/21/2018 | Common Stock | 75,000 |
| Stock Options (Right to Buy) | \$ 3.9 | | | | | | | 12/07/2001 | 12/06/2011 | Common Stock | 100,000 |
| Stock Options (Right to Buy) | \$ 2.46 | | | | | | | 07/01/2004 | 06/30/2014 | Common Stock | 59,350 |
| Stock Options (Right to Buy) | \$ 2.4 | | | | | | | 01/10/2001 | 01/09/2011 | Common Stock | 80,233 |
| Stock Options (Right to Buy) | \$ 2.25 | | | | | | | 08/08/2002 | 12/07/2011 | Common Stock | 52,556 |
| Stock Options (Right to Buy) | \$ 4.97 | | | | | | | 01/01/2008 | 07/26/2017 | Common Stock | 150,000 |
| Stock Options (Right to Buy) | \$ 3.86 | | | | | | | 10/14/2005 | 10/13/2015 | Common Stock | 100,000 |

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,
attorney-in-fact

10/01/2008

__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) 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, 2008. 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 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) Stock options granted under the Issuer's 2001 Incentive Stock Option Plan which vest in three (3) equal annual installments beginning September 22, 2009.
- (5) Includes stock options granted under the Issuer's 2001 Incentive Stock Option Plan and exempt under Rule 16b-3.
- (6) Includes stock options granted under the Issuer's 1998 Incentive Stock Option Plan and exempt under Rule 16b-3.
- (7) 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.

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