U.S. ENERGY CORP.

Corporate Overview & 2Q 2024 Results

August 2024

DISCLAIMER & FORWARD-LOOKING STATEMENTS

U.S. ENERGY CORP.

Forward Looking Statements

The information in this presentation includes "forward-looking statements" that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact included in this presentation, regarding our strategy, future operations, financial position, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this presentation, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "may," "continue," "predict," "potential," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on U.S. Energy Corp. ("USEG" or the "Company") current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. We caution you that these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond our control, incident to the exploration for and development, production, gathering and sale of oil and natural gas. These risks include, but are not limited to, variations in the market demand for, and prices of, crude oil, NGLs and natural gas, lack of proved reserves, estimates of crude oil, NGLs and natural gas data, the adequacy of our capital resources and liquidity including, but not limited to, access to additional borrowing, borrowing capacity under our credit facilities, general economic and business conditions, failure to realize expected value creation from property acquisitions, uncertainties about our ability to replace reserves and economically develop our reserves, risks related to the concentration of our operations, drilling results, potential financial losses or earnings reductions from our commodity price risk management programs, potential adoption of new governmental regulations, our ability to satisfy future cash obligations and environmental costs and the risk factors discussed in or referenced in our filings with the United States Securities and Exchange Commission ("SEC"), including our 2023 Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, and our Current Reports on Form 8-K in each case as amended.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this presentation. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this presentation.

Our production forecasts and expectations for future periods are dependent upon many assumptions, including estimates of production decline rates from existing wells and the undertaking and outcome of future drilling activity, which may be affected by significant commodity price declines or cost increases.

Industry and Market Data

This presentation has been prepared by USEG and includes market data and other statistical information from third-party sources, including independent industry publications, government publications or other published independent sources. Although USEG believes these third-party sources are reliable as of their respective dates, USEG has not independently verified the accuracy or completeness of this information. Some data are also based on the USEG's good faith estimates, which are derived from its review of internal sources as well as the third-party sources described above.

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A Differentiated Small-Cap E&P Investment

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Greater Efficiency from Increased Critical Mass

Eight acquisitions since 2020 increased production by ~4x and improved cost and operating efficiencies

Top Basins / Long Life Reserves

Rockies, Mid-Con, and Texas assets featuring low decline oil-weighted production

Free Cash Flow Generation with Low Reinvestment Needs

Mature asset base reduces capital needs to maintain production levels; creates robust free cash flow generation

Low Leverage

Net Debt / Adj EBITDA ratio of 0.0x(1)

Focused on Shareholder Returns

Approved shareholder repurchase program accelerates shareholder returns

Committed to Environmental Excellence

Minimizing fugitive emissions through connecting of pipelines and new facility construction

1. The Company paid down approximately $5.0 million of the credit facility post-quarter end with proceeds from the South Texas asset sale. The Net Debt assumes $2.0 million debt outstanding and $2.0 million cash balance.

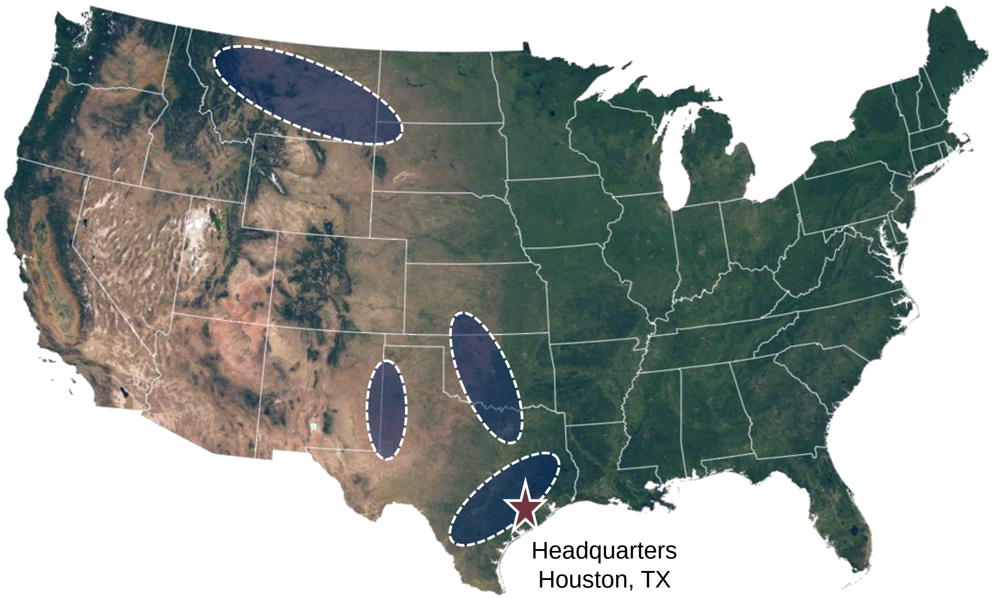
U.S. ENERGY OVERVIEW

U.S. Energy operates a portfolio of high-quality producing oil and gas assets that allows the Company to execute on an attractive capital returns program to shareholders.

Company Overview

NASDAQ	USEG
Shares Outstanding	28.1 million
Share Price	$0.97
Market Cap	$27 million
Enterprise Value[1]	$27 million
Proved Reserves, 2Q 2024[2]	3.5 MMBOE (100% PDP)
Proved PV-10[2]	$50.9 million
Average Daily Production	1,221
% Oil	62%
Net Debt	$0.0 million
2Q 2024 Adjusted EBITDA[3]	$1.1 million

Where We Operate



1. Enterprise Value is calculated as Market Cap ($27 million) at August 7, 2024 plus Net Debt ($0.0 million) at August 7, 2024.
2. See Appendix slide: Reserves Summary for additional details. The reserves exclude the divested South Texas assets.
3. See Appendix slide: Reconciliation of GAAP “Net Income” to Non-GAAP “Adjusted EBITDA”.

Significant Growth through Acquisition

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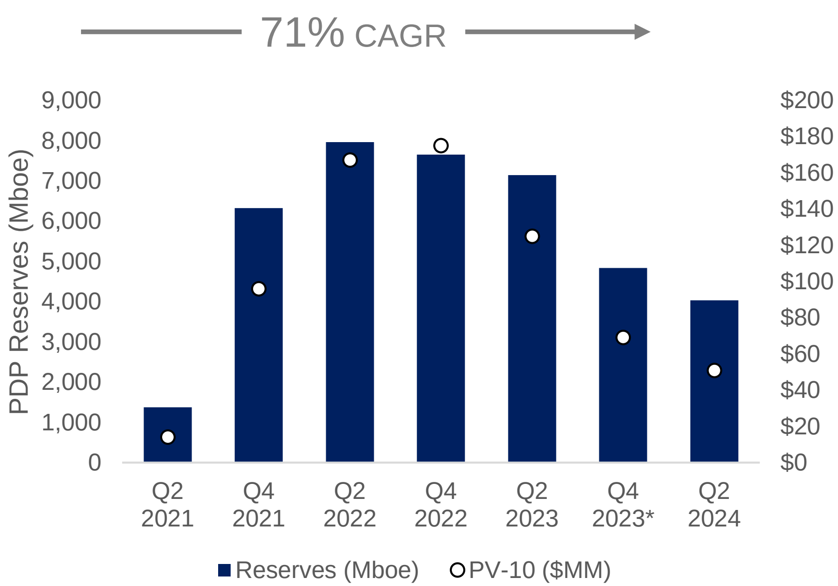
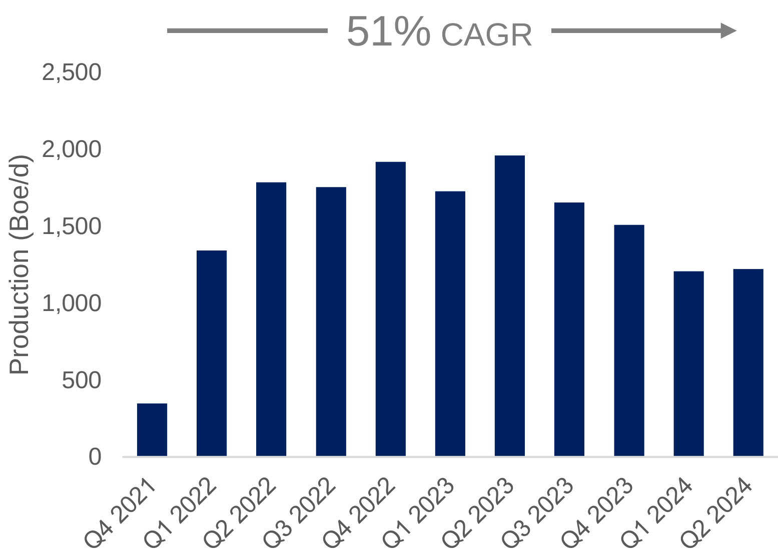
Net PDP Reserves



Net Production (Boe/d)



Est. Proved Producing Reserves Value

$50.9 Million

Current PDP reserves significantly higher than enterprise value

Proved Producing PV-10 Increase from Q2 2021

~4x

Proved Producing reserves comprise 100% of the total proved reserves value

1. From the Q4 2023 and forward, the reserves exclude assets divested during the quarter, while prior periods include these divested assets.
2. The divested South Texas assets are excluded from the 2Q 2024 reserve information/

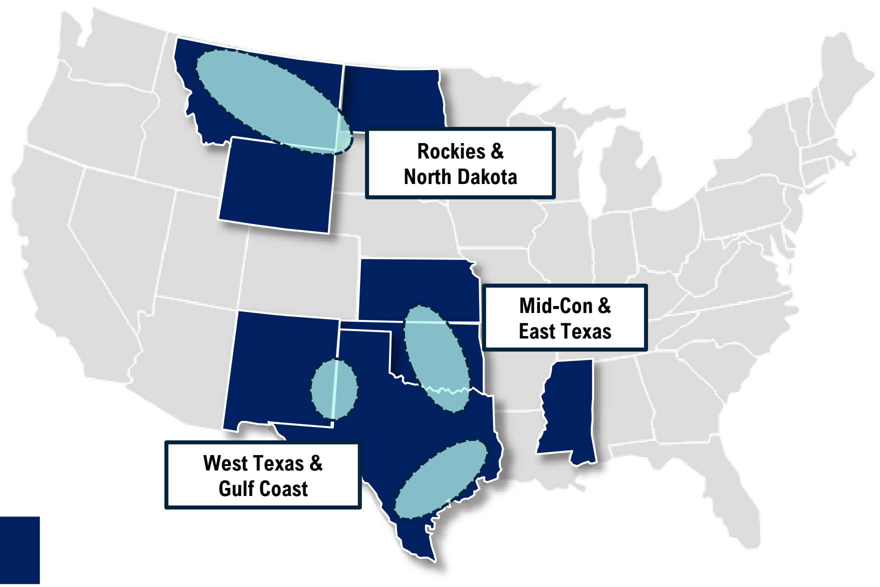
Asset Overview

Asset Overview

- **Long-Life Reserves:** Mature production profile with an approximate 50-year production life of proved producing reserves.
- **Balanced Product Mix:** Current production mix of 64% oil and 36% natural gas allows for the realization of increased commodity prices across the entire sector.
- **Basin Diversification:** With operations in multiple producing areas, we can mitigate concentration risk from regional pricing and operational disturbances.

	Production	Reserves		
Asset	Q2 2024 (Boe/d)	PD[(1)] Reserves (Mboe)	PD[(1)] PV-10 ($MM)	% Oil
Rockies & ND	332	1,469	$28.0	98%
Mid-Con & East TX	609	1,658	$16.4	38%
West TX & Gulf Coast	280	416	$6.5	94%
Total	**1,221**	**3,542**	**$50.9**	**64%**

Asset Regions



1. See Appendix slide: Reserves Summary for additional details.

PRODUCING ASSET VALUE UP 9X SINCE 2020

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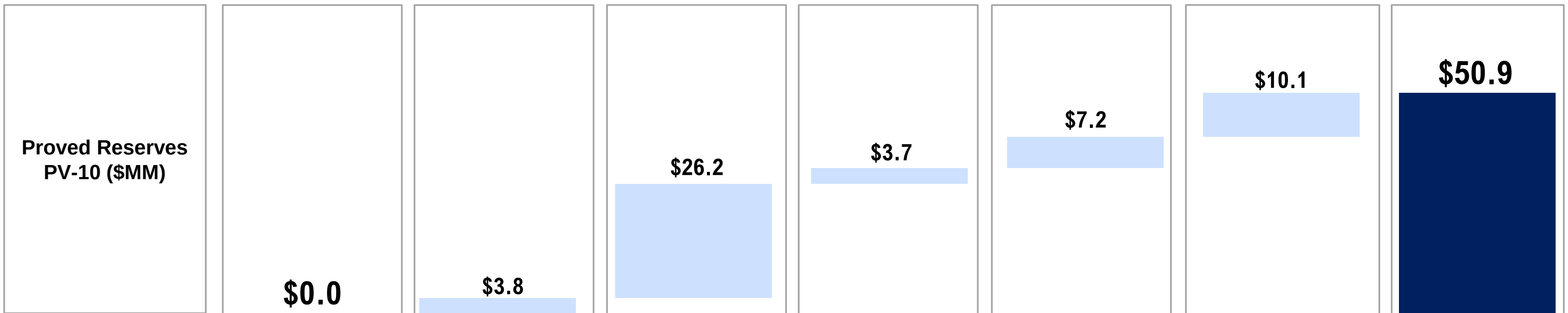
- **Eight highly accretive transactions from private sellers since 2020**
- **Prioritized strong balance sheet using equity, free cash flow and low-cost bank capital**



	U.S. Energy Legacy	Transactions in FY 2020	Rockies (Q1 2022)	West Texas (Q1 2022)	Mid-Con (Q1 2022)	Gulf Coast & ETX (Q2-Q3 2022)	U.S. Energy Combined
Acquisition Price	-	$0.9 million	$21.9 million	$21.1 million	$29.6 million	$13.1 million	$86.6 million
% Oil Reserves	-	99%	98%	95%	38%	41%	69%
Proved Reserves	-	198 MBOE	1,386 MBOE	237 MBOE	792 MBOE	929 MBOE	3,542 MBOE

1. See Appendix slide: Reserves Summary for additional details.
2. West Texas acquisition previously included the South Texas assets which were divested and excluded from these reserves.

U.S. ENERGY INVESTMENT THESIS

U.S. Energy management has consistently shown conservatism and success in executing a corporate strategy of acquiring quality assets, managing its balance sheet, and returning capital to shareholders, offering investors commodity exposure and an opportunity to invest in a predictable and growing small-cap operator.

High-Quality Low-Decline Asset Base

11% PDP decline in prolific U.S. oil basins

High Margins and Low Capex Provides Sustainable Free Cash Flow

Mature production requires little reinvestment

Focused and Disciplined Capital Allocation

Two major priorities:

- Grow by acquisition
- Return capital to shareholders

FINANCIAL REVIEW

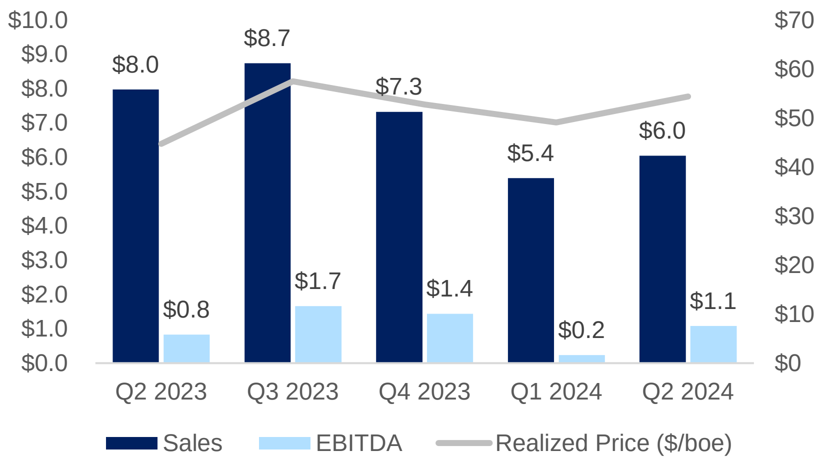
Q2 2024 Key Company Highlights

	Q2 2024	Q2 2023
Production (Boe/d)[(1)]	**1,221** *64% oil*	**1,959** *64% oil*
Oil & Gas Revenues ($MM)	**$6.0** *91% oil*	**$8.0** *88% oil*
Net Income ($MM)[(2)]	**$(2.0)** *$(0.08) EPS*	**$(2.5)** *$(0.10) EPS*
Adjusted EBITDA ($MM)	**$1.1**	**$0.8**
Operating Cash Flow ($MM)	**$0.9**	**$1.2**

1. During Q2 2024, weather related downtime, primarily attributed to hurricane driven flooding throughout the Gulf Coast temporarily shut-in production during the quarter. The Company has returned a significant amount of offline production since these weather events.
2. The net loss in Q2 2023 was largely due to an impairment of oil and natural gas properties. The impairment was driven by a reduction in SEC reserve pricing.

QUARTERLY FINANCIAL RESULTS

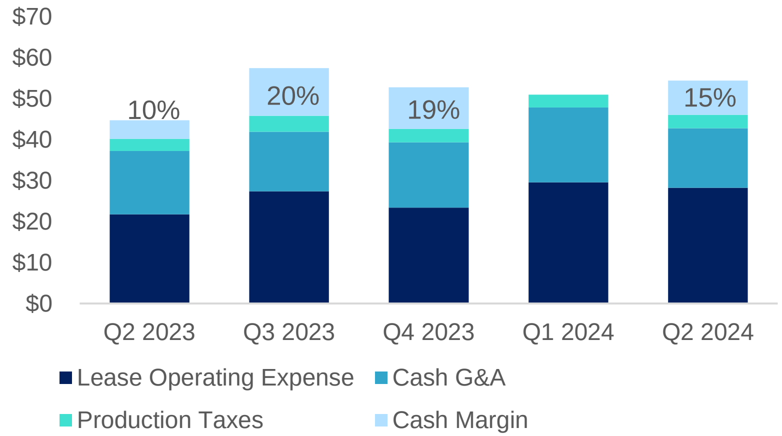
Sales / EBITDA & Realized Price[1]



Realized Prices

	Oil ($/bbl)	Gas ($/mcf)	BOE ($/boe)
Q2 2023	$61.17	$2.50	$44.74
Q3 2023	$78.06	$2.98	$57.50
Q4 2023	$75.18	$2.83	$52.78
Q1 2024	$68.91	$2.69	$49.10
Q2 2024	$76.39	$2.42	$54.42

Cash Operating Margin (per Boe) [1]



Q2 2024 Financial Highlights[1]

- Total net sales of $6.0 million
- Gross profit of $2.5 million; 42% of net sales
- Total adjusted EBITDA of $1.1 million
- Net Debt / LTM Adjusted EBITDA of 0.0x[2]

1. During Q2 2024, weather related downtime, primarily attributed to hurricane driven flooding throughout the Gulf Coast temporarily shut-in production during the quarter. The Company has returned a significant amount of offline production since these weather events.
2. The Company paid down approximately $5.0 million of the credit facility post-quarter end with proceeds from the South Texas asset sale. The Net Debt assumes $2.0 million debt outstanding and $2.0 million cash balance.

Hedging Summary

	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Crude Hedges						
WTI Swaps						
Total Volumes (Bbl)	45,000	40,720	45,000	43,225	39,100	36,800
Daily Volumes (Bbl/d)	489	443	500	475	425	400
Fixed Price ($/Bbl)	$79.80	$78.15	$75.73	$74.19	$72.82	$71.64

APPENDIX

Committed to ESG Initiatives

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Performance

- Continually improve operational performance of all owned assets throughout their lifespan by prioritizing ESG initiatives in our decision making.
- Dedicated to the environmental, health and safety performance, workplace diversity / inclusion, and community relations in our footprint of operations.

Transparency

- Always be transparent to our shareholders concerning our performance and environmental footprint as we continue to operate and grow into the future.
- We will use performance indicators to track our success actively pursue opportunities to improve our performance.

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Strategy

- Always implement these principles, be mindful of new initiatives, and prioritize our corporate responsibility to the communities we touch.
- Set internal targets concerning green house gas emissions, implement policies concerning flaring and methane management, and identify potential liabilities of future operations.

Q2 2024 PROVED RESERVES SUMMARY

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Reserves Summary

- U.S. Energy operates 99% of its asset base.
- Oil makes up 69% of total proved reserves.
- 100% of U.S. Energy's booked reserves are proved developed producing.
- The reserves exclude the divested South Texas assets.

	Oil (MBBL)	Gas (MMCF)	Total (MBOE)	% of Total Reserves	% Oil	PV-10 ($MM)
PDP	2,453	6,533	3,542	100%	69%	$50.9
PDNP	0	0	0	0%	0%	$0.0
Total PD	**2,453**	**6,533**	**3,542**	**100%**	**69%**	**$50.9**

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Reconciliation of GAAP "Net Income (loss)" to Non-GAAP "Adjusted EBITDA"

Adjusted EBITDA is a "non-GAAP financial measure" presented as supplemental measures of the Company's performance. It is not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company defines Adjusted EBITDA as net income (loss), plus net interest expense, unrealized loss (gain) on change in fair value of derivatives, income tax (benefit) expense, depreciation, depletion, accretion and amortization, one-time costs associated with completed transactions and the associated assumed derivative contracts, share-based compensation, and changes in the value held on marketable securities. Company management believes this presentation is relevant and useful because it helps investors understand U.S. Energy's operating performance and makes it easier to compare its results with those of other companies that have different financing, capital and tax structures. EBITDA is presented because we believe it provides additional useful information to investors due to the various noncash items during the period. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are: Adjusted EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments; Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs; Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments; although depreciation and amortization are noncash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and other companies in this industry may calculate Adjusted EBITDA differently than the Company does, limiting its usefulness as a comparative measure.

The Company's presentation of these measure should not be construed as an inference that future results will be unaffected by unusual or nonrecurring items. We compensate for these limitations by providing a reconciliation of this non-GAAP measure to the most comparable GAAP measure, below. We encourage investors and others to review our business, results of operations, and financial information in their entirety, not to rely on any single financial measure, and to view this non-GAAP measure in conjunction with the most directly comparable GAAP financial measure.

($ in thousands)	Q2 2024	Q2 2023
Adj EBITDA Recon		
Net Income	$ (1,974)	$ (2,515)
Depreciation, depletion, accretion and amortization	2,206	2,936
Non cash loss (gain) on commodity derivatives	233	(377)
Interest Expense, net	131	289
Income tax expense (benefit)	(4)	(209)
Non-cash stock based compensation	476	607
Transaction related acquired realized derivative losses	-	89
Loss (gain) on marketable securities	19	16
Total Adjustments	3,061	3,351
Total Adjusted EBITDA	**$ 1,087**	**$ 836**