MURRAY JAMES WILLIAM III

Form 4

March 05, 2012

FORM 4

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

OMB Number: 3235-0287

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005

0.5

OMB APPROVAL

Form 4 or Form 5 obligations may continue.

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

burden hours per response...

Estimated average

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * MURRAY JAMES WILLIAM III	2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First) (Middle)	LSB INDUSTRIES INC [LXU] 3. Date of Earliest Transaction	(Check all applicable)		
16 SOUTH PENNSYLVANIA AVENUE	(Month/Day/Year) 03/05/2012	Director 10% Owner Officer (give title Other (specification) below) VP/Sr Assoc Gen Couns/Asst Sec		
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person		
OKLAHOMA CITY, OK 73107		Form filed by More than One Reporting Person		

(City)	(State) (Z	Zip) Table	e I - Non-Do	erivative Securities Acq	quired, Disposed o	f, or Beneficial	ly Owned
1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securities Acquired	5. Amount of	6. Ownership	7. Nature of
Security	(Month/Day/Year)	Execution Date, if	Transactio	n(A) or Disposed of	Securities	Form: Direct	Indirect
(Instr. 3)		any	Code	(D)	Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3, 4 and 5)	Owned	Indirect (I)	Ownership

		Code V	Amount	(A) or (D)	Price	Following Reported Transaction(s) (Instr. 3 and 4)	(Instr. 4)
Common Stock	03/05/2012	M	1,650	A	\$ 9.69	1,650	D
Common Stock	03/05/2012	S	1,650	D	\$ 39.6	0	D

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

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SEC 1474

(9-02)

(Instr. 4)

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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. Transacti Code (Instr. 8)	Secu Acqu (A) (Disp (D) (Inst	5. Number 6. Date Exercified Expiration Date E		ate	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
Incentive Stock Option (1)	\$ 9.69	03/05/2012		M		1,650	<u>(1)</u>	10/13/2018	Common Stock	1,650
Incentive Stock Option (1)	\$ 34.5						(1)	11/14/2021	Common Stock	5,000

Reporting Owners

Reporting Owner Name / Address		iciationships						
	Director	10% Owner	Officer	Other				

MURRAY JAMES WILLIAM III 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107 VP/Sr Assoc Gen Couns/Asst

Sec

Relationshine

Signatures

James W. Murray III 03/05/2012

**Signature of Date
Reporting Person

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).

vested at the end of year six. As of the date of this report, the total number of shares underlying the ISOs are 10,050.

Incentive Stock Option ("ISO") granted by the Issuer to the reporting person under the Issuer's Incentive Stock Option Plans. An ISO for 10,000 shares of the Issuer's common stock exercisable at \$9.69, with an expiration date of October 13, 2018, was granted to the reporting person on October 13, 2008. An ISO for 5,000 shares of the Issuer's common stock exercisable at \$34.50, with an expiration date of November 14, 2021, was granted to the reporting person on November 14, 2011. Each ISO is for a term of ten years and vests at the end of its respective years one through six in the following amounts: 16.5%, 16.5%, 16.5%, 16.5%, 16.5% and 17.5%. Each ISO will be fully

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Reporting Owners 2