

MURRAY JAMES WILLIAM III
 Form 4
 December 02, 2011

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

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 *
MURRAY JAMES WILLIAM III

(Last) (First) (Middle)

16 SOUTH PENNSYLVANIA AVENUE

(Street)

OKLAHOMA CITY, OK 73107

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LSB INDUSTRIES INC [LXU]

3. Date of Earliest Transaction (Month/Day/Year)
11/14/2011

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)
 VP/Sr Assoc Gen Couns/Asst Sec

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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
| | | | | (A) or (D) | Code V Amount (D) Price | | |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. ... |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|--------|

Edgar Filing: MURRAY JAMES WILLIAM III - Form 4

| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|---------------------------------------------|------------------------------------|------------------|------------|---------------------------------------------------------------------|------|---|-----|-----|---------------------|--------------------|-----------------|----------------------------------------|
| Incentive Stock Option ⁽¹⁾ | \$ 9.69 | | | | | | | | <u>(1)</u> | 10/13/2018 | Common Stock | 6,700 |
| Incentive Stock Option ⁽¹⁾ | \$ 34.5 | 11/14/2011 | A | 5,000 | | | | | <u>(1)</u> | 11/14/2021 | Common Stock | 5,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-------------------------------------------------------------------------------------|---------------|-----------|--------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| MURRAY JAMES WILLIAM III 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107 | | | VP/Sr Assoc Gen Couns/Asst Sec | |

Signatures

James Wm.
Murray III

12/02/2011

**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).

(1) 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 vested at the end of year six. As of the date of this report, the total number of shares underlying the ISOs are 11,700.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.