

MURRAY JAMES WILLIAM III
 Form 4
 March 07, 2013

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 *
 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)
 03/05/2013

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)
 VP/Sr Assoc Gen Couns/Asst Sec

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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	03/05/2013		M	1,650 A \$ 9.69	1,650	D	
Common Stock	03/05/2013		S	1,650 D \$ 38.9	0	D	

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)	8. Amount or Number of Shares
Incentive Stock Option ⁽¹⁾	\$ 9.69	03/05/2013		M	1,650	<u>(1)</u> 10/13/2018	Common Stock	1,650
Incentive Stock Option ⁽¹⁾	\$ 34.5					<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 W. Murray, III 03/07/2013

 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 8,400.

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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