

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number: 3235-0287

Estimated average burden hours per response: 0.5

1. Name and Address of Reporting Person* <u>Preston Michael L.</u> (Last) (First) (Middle) <u>27200 TOURNEY ROAD, SUITE 200</u> (Street) <u>SANTA CLARITA</u> <u>CA</u> <u>91355</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>California Resources Corp [CRC]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>02/18/2020</u> 4. If Amendment, Date of 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) <u>Sr EVP, Chief Admin Ofcr & GC</u> 6. Individual or Joint/Group Filing (Check Applicable Line) ☒ Form filed by One Reporting Person Form filed by More than One Reporting Person
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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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/18/2020		M ⁽¹⁾		6,603	A	(1)	59,962	D	
Common Stock	02/18/2020		D		3,301	D	\$6.2	56,661	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Restricted Stock Unit	(1)	02/18/2020		M ⁽¹⁾			6,603	(2)	(2)	Common Stock	6,603	\$0	13,204	D	
Restricted Stock Unit	(3)	02/18/2020		A ⁽³⁾		69,355		(4)	(4)	Common Stock	69,355	\$0	69,355	D	
Employee Stock Option (Right to Buy)	\$6.82	02/18/2020		A		32,478		(5)	02/17/2027	Common Stock	32,478	\$0	32,478	D	

Explanation of Responses:

1. Vesting of Restricted Stock Unit (RSU) award granted on February 19, 2019.
2. One-third of the RSUs vested on February 18, 2020; the remaining RSUs vest in two equal annual installments beginning February 18, 2021.
3. Grant of Restricted Stock Units (RSUs) pursuant to the California Resources Corporation Long-Term Incentive Plan. Upon vesting, the RSUs will be settled 50% in shares of common stock and 50% in cash.
4. The RSUs vest in three equal annual installments beginning February 17, 2021.
5. The options vest in three equal annual installments beginning February 17, 2021.

Remarks:

/s/ Ulrik Damborg, Attorney-in-Fact for Michael L. Preston 02/20/2020

** Signature of Reporting Person Date

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

* 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).

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

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 Number.