

LSB INDUSTRIES INC
Form 4
August 29, 2007

FORM 4

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

OMB APPROVAL

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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 *
SHEAR HEIDI L BROWN

(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)
01/15/2007

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/Managing Counsel/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) | (A) or (D) | 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|---|--|---|
| Common Stock | 08/27/2007 | | S | 2,000 | D | \$ 22.45 57,212 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | | S | 1,000 | D | \$ 22.46 56,212 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | | S | 1,000 | D | \$ 22.47 55,212 | I | By Trust and Spouse's Trust ⁽¹⁾ |

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| | | | | | | | | |
|--------------|------------|---|-------|---|----------|--------|---|--|
| Common Stock | 08/27/2007 | S | 1,000 | D | \$ 22.48 | 54,212 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 474 | D | \$ 2,251 | 53,738 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 900 | D | \$ 22.52 | 52,838 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 700 | D | \$ 22.54 | 52,138 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 1,900 | D | \$ 22.55 | 50,238 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 2,300 | D | \$ 22.56 | 47,938 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 126 | D | \$ 22.57 | 47,812 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 100 | D | \$ 22.6 | 47,712 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 2,300 | D | \$ 22.65 | 45,412 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 500 | D | \$ 22.66 | 44,912 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | S | 3,300 | D | \$ 22.67 | 41,612 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| | 08/27/2007 | S | 2,200 | D | | 39,412 | I | |

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| | | | | | | | | | |
|--------------|------------|--|------------------|-----------|------------------|----------|--------|---|--|
| Common Stock | | | | | \$ 22.68 | | | | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | 08/27/2007 | | S | 200 | D | \$ 22.69 | 39,212 | I | By Trust and Spouse's Trust ⁽¹⁾ |
| Common Stock | | | | | | | 22,988 | I | As Trustee ⁽³⁾ |
| Common Stock | 01/15/2007 | | J ⁽⁴⁾ | V 263,320 | D ⁽⁴⁾ | \$ 0 | 0 | I | As Trustee ⁽⁴⁾ |

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

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(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 (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 |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Nonqualified Stock Option | \$ 1.25 | | | | | ⁽²⁾ 07/08/2009 | Common Stock | 26,000 |
| Incentive Stock Option | \$ 1.25 | | | | | ⁽²⁾ 07/08/2009 | Common Stock | 50,544 |
| Incentive Stock Option | \$ 2.73 | | | | | ⁽²⁾ 11/29/2011 | Common Stock | 15,000 |
| Incentive Stock Option | \$ 1.25 | | | | | ⁽⁵⁾ 07/08/2009 | Common Stock | 12,760 |

| | | | | | |
|------------------------------|---------|-----|------------|-----------------|--------|
| Nonqualified Stock Option | \$ 2.73 | (5) | 11/29/2011 | Common Stock | 10,000 |
|------------------------------|---------|-----|------------|-----------------|--------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SHEAR HEIDI L BROWN 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107 | | | VP/Managing Counsel/Asst Sec | |

Signatures

Heidi L. Brown
Shear

08/29/2007

**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) These shares are held in a jointly owned account by Ms. Shear's revocable trust (the "Shear Trust"), of which Ms. Shear is the grantor and trustee, and the revocable trust of Ms. Shear's husband, David M. Shear (the "Spouse Trust"). David M. Shear is the grantor and trustee of the Spouse Trust.
 - (2) Incentive Stock Options ("ISO") and Nonqualified Stock Options (NQSO) granted by the Issuer to Ms. Shear's spouse. All ISOs and NQSO held by Ms. Shear's spouse are currently exercisable. As of the date of this report, the total number of shares underlying the ISOs and NQSOs held by Ms. Shear's spouse is 91,544.
 - (3) These shares are held by two trusts established for the benefit of each of the reporting person's children, of which the reporting person is the trustee.

These shares are held by three trusts (the "Children's Trusts") established for the benefit of each of the children of Jack E. Golsen and Sylvia H. Golsen, of which the reporting person was the trustee, until her resignation as trustee on January 15, 2007. The reporting person held no pecuniary interest in the securities held by the Children's Trusts and disclaimed beneficial ownership of the shares held in the Children's Trusts.
 - (5) Incentive Stock Options ("ISO") and Nonqualified Stock Options (NQSO) granted by the Issuer to the reporting person. All ISOs and NQSOs held by the reporting person are currently exercisable. As of the date of this report, the total number of shares underlying the ISOs held by the reporting person is 22,760.

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