

**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
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1. Name and Address of Reporting Person* <b>JAYHAWK CAPITAL MANAGEMENT LLC</b>  (Last) (First) (Middle) <b>8201 MISSION ROAD SUITE 110</b>  (Street) <b>PRAIRIE VILLAGE KS 66208</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>LSB INDUSTRIES INC [ LXU ]</b>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <b>12/27/2005</b>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

**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			

**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 Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Class C Preferred Series 2	\$0 <sup>(1)</sup>	12/27/2005		P		200		12/27/2005	(2)	Common Stock	865.8	\$49.5	291,550	I	By Jawhawk Investments L.P. and Jayhawk Institutional Partners, L.P. <sup>(3)</sup>
Class C Preferred Series 2	\$0 <sup>(1)</sup>	12/27/2005		P		2,100		12/27/2005	(2)	Common Stock	9,090.9	\$51	293,650	I	By Jawhawk Investments L.P. and Jayhawk Institutional Partners, L.P. <sup>(3)</sup>
Class C Preferred Series 2	\$0 <sup>(1)</sup>	12/28/2005		P		700		12/28/2005	(2)	Common Stock	3,030.3	\$52	294,350	I	By Jawhawk Investments L.P. and Jayhawk Institutional Partners, L.P. <sup>(3)</sup>
Class C Preferred Series 2	\$0 <sup>(1)</sup>	12/28/2005		P		3,000		12/28/2005	(2)	Common Stock	12,987	\$53	297,350	I	By Jawhawk Investments L.P. and Jayhawk Institutional Partners, L.P. <sup>(3)</sup>
Class C Preferred Series 2	\$0 <sup>(1)</sup>	12/28/2005		P		300		12/28/2005	(2)	Common Stock	1,298.7	\$54.65	297,650	I	By Jawhawk Investments L.P. and Jayhawk Institutional Partners, L.P. <sup>(3)</sup>

**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 Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Class C Preferred Series 2	\$0 <sup>(1)</sup>	12/28/2005		P		1,000		12/28/2005	(2)	Common Stock	4,329	\$55	298,650	I	By Jawhawk Investments L.P. and Jayhawk Institutional Partners, L.P. <sup>(3)</sup>

**Explanation of Responses:**

- Each share of Class C Preferred Series 2 Stock is convertible into 4.329 shares of Common Stock.
- Does not expire.
- As of December 28, 2005, the reporting person is the indirect beneficial owner of 168,250 shares of Class C Preferred Series 2 Stock directly owned by Jayhawk Institutional Partners, L.P. and 130,400 shares of Class C Preferred Series 2 Stock directly owned by Jayhawk Investments, L.P.

Kent C. McCarthy

12/29/2005

\*\* 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.

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