SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

1. Name and Address of Reporting Person*	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
GOSS DAVID R	LSB INDUSTRIES INC [LXU]	X Director 10% Owner
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year)	X Officer (give title below) Other (specify below)
16 SOUTH PENNSYLVANIA AVENUE	10/06/2008	Ex VP-Operations/Asst Sec
(Street)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line)
OKLAHOMA CITY OK 73107		X Form filed by One Reporting Person Form filed by More than One Reporting Person
(City) (State) (Zip)		

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) Code	V	4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) Amount	(A) or (D)	Price	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	10/06/2008		M		35,000	A	$1.25	170,994	D	
Common Stock								600	I	As UGMA Custodian[1]

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) Code	V	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) (A)	(D)	6. Date Exercisable and Expiration Date (Month/Day/Year) Date Exercisable	Expiration Date	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) Title	Amount or Number of Shares	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)
Nonqualified Stock Option[2]	$1.25	10/06/2008		M			35,000	[2]	07/08/2009	Common Stock	35,000	[2]	0	D	
Incentive Stock Option[3]	$2.73							[3]	11/29/2011	Common Stock	15,000		15,000	D	
Incentive Stock Option[3]	$1.25							[3]	07/08/2009	Common Stock	65,000		65,000	D	

Explanation of Responses:

1. These shares are held by Mr. Goss as the custodian of the trusts established for the benefit of his grandchildren.

2. Nonqualified Stock Options (?NQSO?) granted by the Issuer to the reporting person. All NQSOs held by the reporting person were currently exercisable. As of the date of this report, the reporting person holds no NQSOs.

3. Incentive Stock Options ("ISO") granted by the Issuer to the reporting person. All ISOs the reporting person holds are currently exercisable. As of the date of this report, the total number of shares underlying the ISOs the reporting person holds is 80,000.

David R. Goss   10/07/2008
** 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.