

**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* <u>SHEAR DAVID MICHAEL</u>  (Last) (First) (Middle) 16 SOUTH PENNSYLVANIA AVENUE  (Street) OKLAHOMA OK 73107  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LSB INDUSTRIES INC [ LXU ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Senior VP/General Counsel/Sec
	3. Date of Earliest Transaction (Month/Day/Year) 08/27/2007	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/27/2007		S		2,000	D	\$22.45	57,212	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		1,000	D	\$22.46	56,212	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		1,000	D	\$22.47	55,212	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		1,000	D	\$22.48	54,212	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		474	D	\$22.51	53,738	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		900	D	\$22.52	52,838	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		700	D	\$22.54	52,138	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		1,900	D	\$22.55	50,238	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		2,300	D	\$22.56	47,938	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		126	D	\$22.57	47,812	I	By Trust and Spouse's Trust <sup>(1)</sup>

**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	08/27/2007		S		100	D	\$22.6	47,712	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		2,300	D	\$22.65	45,412	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		500	D	\$22.66	44,912	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		3,300	D	\$22.67	41,612	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		2,200	D	\$22.68	39,412	I	By Trust and Spouse's Trust <sup>(1)</sup>
Common Stock	08/27/2007		S		200	D	\$22.69	39,212	I	By Trust and Spouse's Trust <sup>(1)</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					
Nonqualified Stock Option	\$1.25							(2)	07/08/2009	Common Stock	26,000	26,000	D	
Incentive Stock Option	\$1.25							(2)	07/08/2009	Common Stock	50,544	50,544	D	
Incentive Stock Option	\$2.73							(2)	11/29/2011	Common Stock	15,000	15,000	D	
Incentive Stock Option	\$1.25							(3)	07/08/2009	Common Stock	12,760	12,760	I	By Spouse <sup>(3)</sup>
Nonqualified Stock Option	\$2.73							(3)	11/29/2011	Common Stock	10,000	10,000	I	By Spouse <sup>(3)</sup>

**Explanation of Responses:**

1. These shares are held in a jointly owned account by Mr. Shear's revocable trust, of which he is trustee, and the revocable trust of Mr. Shear's wife, of which she is trustee. This amount does not include, and Mr. Shear disclaims beneficial ownership of 22,988 shares held by two trust established for the benefit of Mr. Shear's son and daughter of which Mr. Shear's wife is trustee and exercises investment control over the trusts' portfolio securities.

2. Incentive Stock Options ("ISO") and Nonqualified Stock Options ("NQSO") granted by the Issuer to Mr. Shear. All ISOs and NQSOs held by Mr. Shear are currently exercisable. As of the date of this report, the total number of shares underlying the ISOs and NQSOs held by Mr. Shear is 91,544.

3. Incentive Stock Options ("ISO") and Nonqualified Stock Options ("NQSO") granted by the Issuer to the reporting person's spouse. All ISOs and NQSO's held by the reporting person's spouse are currently exercisable. As of the date of this report, the total number of shares underlying the ISOs and NQSO's held by the reporting person's spouse is 22,760.

David M. Shear

08/29/2007

\*\* 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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