

**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	
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1. Name and Address of Reporting Person* <b>SBL CORP</b> _____ (Last) (First) (Middle) <b>16 SOUTH PENNSYLVANIA AVENUE</b> _____ (Street) <b>OKLAHOMA OK 73107</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>08/27/2007</b>			
			4. If Amendment, Date of Original Filed (Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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)			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
\$3.25 Preferred <sup>(1)</sup>	\$11.55	08/27/2007		D <sup>(1)(2)</sup>			14,033	(1)	(1)	Common	(1)	(1)	0	I	By GPC <sup>(1)</sup>
\$3.25 Preferred <sup>(1)</sup>	\$11.55	08/27/2007		D <sup>(1)(2)</sup>			9,050	(1)	(1)	Common	(1)	(1)	0	D	

**Explanation of Responses:**

- Issuer's \$3.25 Convertible Exchangeable Class C Preferred Stock, Series 2 ("3.25 Preferred"). All outstanding shares of the Issuer's \$3.25 Preferred, including 9,050 shares of \$3.25 Preferred held by SBL Corp ("SBL") and 14,033 held by SBL's wholly-owned subsidiary, Golsen Petroleum Corporation ("GPC") were redeemed by the Issuer on August 27, 2007, pursuant to the notice of redemption mailed on July 12, 2007, to all holders of record of the Issuer's \$3.25 Preferred. The redemption price was \$50.00 per share of \$3.25 Preferred, plus \$26.25 per share in accrued and unpaid dividends pro-rata to the date of redemption. Pursuant to the terms of the \$3.25 Preferred, each share of \$3.25 Preferred was convertible at the option of the holder into 4.329 shares of the Company's common stock until 10 days prior to the redemption date.
- On May 29, 2007, the former owners of SBL contributed 49% of the common stock of SBL to the Golsen Family LLC (the "LLC"), resulting in the SBL being currently owned by the LLC (49% owner), Barry Golsen (17% owner), Steven Golsen (17% owner), and the sister of Barry and Steven Golsen (17% owner). Voting and dispositive power over the securities held by SBL and GPC is possessed by Jack E. Golsen, who is the chief executive officer and chairman of the board of the issuer, and Barry H. Golsen, a director and the president of the issuer. The redemption by SBL and GPC was preapproved by the issuer's board of directors.

Jack E. Golsen, President      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.

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.