

**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
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>TEPPER MICHAEL DAWE</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) Sr. VP-Int'l Operations
	3. Date of Earliest Transaction (Month/Day/Year) 12/19/2008	
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			
Common Stock								2,000	D	
Common Stock	12/19/2008		S		800	D	\$8.64 <sup>(1)</sup>	48,055	I	By Trust <sup>(2)</sup>
Common Stock	12/22/2008		S		4,727	D	\$7.29 <sup>(1)</sup>	43,328	I	By Trust <sup>(2)</sup>
Common Stock	12/23/2008		S		5,000	D	\$7.38 <sup>(3)</sup>	38,328	I	By Trust <sup>(2)</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 <sup>(4)</sup>	\$1.25							07/08/1999	07/08/2009	Common Stock		50,000 <sup>(4)</sup>	D	

**Explanation of Responses:**

- On December 19, 2008, the reporting person sold a total of 800 shares of the Issuer's common stock at the weighted average price per share of \$8.64, which is based on the following sales of the Issuer's common stock at the respective price per share: (a) \$8.54 - 200 shares, (b) \$8.55 - 200 shares, and (c) \$8.73 - 400 shares. On December 22, 2008, the reporting person sold a total of 4,727 shares of the Issuer's common stock at the weighted average price per share of \$7.29, which is based on the following sales of the Issuer's common stock at the respective price per share: (a) \$7.25 - 500 shares, (b) \$7.26 - 600 shares, (c) \$7.28 - 3,291 shares, and (d) \$7.49 - 336 shares.
- These shares are held by the reporting person's revocable trust, of which the reporting person is the trustee and exercises investment and dispositive control over the trust's portfolio securities.
- On December 23, 2008, the reporting person sold a total of 5,000 shares of the Issuer's common stock at the weighted average price per share of \$7.38, which is based on the following sales of the Issuer's common stock at the respective price per share: (a) \$7.34 - 1,100 shares, (b) \$7.35 - 1,200 shares, (c) \$7.36 - 200 shares, (d) \$7.37 - 400 shares, (e) \$7.38 - 300 shares, (f) \$7.39 - 400 shares, (g) \$7.40 - 400 shares, (h) \$7.41 - 100 shares, (i) \$7.42 - 200 shares, (j) \$7.43 - 100 shares, (k) \$7.44 - 300 shares, and (l) \$7.46 - 300 shares.
- Nonqualified Stock Option ("NQSO") granted by the Issuer to the reporting person. All NQSOs held by the reporting person are currently exercisable. As of the date of this report, the total number of shares underlying the NQSOs held by the reporting person is 50,000.

**Remarks:**

Michael Dawe Tepper 12/23/2008  
 \*\* 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.