

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) <u>16 SOUTH PENNSYLVANIA AVENUE</u> (Street) <u>OKLAHOMA OK 73107</u> (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 X Officer (give title below) Other (specify below) <u>Senior VP/General Counsel/Sec</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/30/2007</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) X 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			
Common Stock	10/30/2007		A ⁽¹⁾		26,000	A	\$1.25 ⁽¹⁾	26,000	D	
Common Stock	10/30/2007		G ⁽²⁾	V	26,000	D	⁽²⁾	0	D	
Common Stock	10/30/2007		G ⁽²⁾	V	26,000	A	⁽²⁾	65,212	I	By Trust and Spouse's Trust ⁽³⁾
Common Stock	10/30/2007		A ⁽⁴⁾		10,000	A	\$2.73 ⁽⁴⁾	10,000	I	By Spouse
Common Stock	10/30/2007		G ⁽²⁾	V	10,000	D	⁽²⁾	0	I	By Spouse
Common Stock	10/30/2007		G ⁽²⁾	V	10,000	A	⁽²⁾	75,212	I	By Trust and Spouse's Trust ⁽³⁾

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
Nonqualified Stock Option	\$1.25	10/30/2007		M ⁽¹⁾			26,000	⁽¹⁾	07/08/2009	Common Stock	26,000	⁽¹⁾	0	D	
Incentive Stock Option	\$1.25							⁽¹⁾	07/08/2009	Common Stock	50,544		50,544	D	
Incentive Stock Option	\$2.73							⁽¹⁾	11/29/2011	Common Stock	15,000		15,000	D	
Incentive Stock Option	\$1.25							⁽⁴⁾	07/08/2009	Common Stock	12,760		12,760	I	By Spouse
Nonqualified Stock Option	\$2.73	10/30/2007		M ⁽⁴⁾			10,000	⁽⁴⁾	11/29/2011	Common Stock	10,000	⁽⁴⁾	0	I	By Spouse

Explanation of Responses:

1. Incentive Stock Options ("ISO") and Nonqualified Stock Options ("NQSO") granted by the Issuer to the reporting person. As of the date of this report and following the exercise of 26,000 NQSOs by the reporting person as reported herein, the reporting person has exercised all remaining NQSOs held by the reporting person. All ISOs held by the reporting person are currently exercisable. As of the date of this report, the total number of shares underlying the ISOs held by the reporting person is 65,544.

2. The reporting person and his spouse contributed the shares reported herein as acquired upon exercise of the NQSOs to his and her respective revocable trust. See footnote (3) for a description of the revocable trusts.

3. These shares are held in a jointly owned account by the reporting person's revocable trust, of which he is trustee, and the revocable trust of the reporting person's spouse, of which she is trustee. This amount does not include, and the reporting person disclaims beneficial ownership of 22,988 shares held by two trusts established for the benefit of each of the reporting person's children of which the reporting person's spouse is trustee and exercises investment control over the trusts' portfolio securities.

4. ISOs and NQSOs granted by the Issuer to the reporting person's spouse. As of the date of this report and following the exercise of 10,000 NQSOs by the reporting person's spouse as reported herein, the reporting person's spouse has exercised all remaining NQSOs held by the reporting person's spouse. All ISOs 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 held by the reporting person's spouse is 12,760.

David M. Shear

11/01/2007

** 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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