

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

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935  
 or Section 30(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person  
 Shaffer, Jerome D.  
 (Last) (First) (Middle)  
 208 N.W. 40th  
 (Street)  
 Oklahoma City, Oklahoma 73118  
 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 LSB Industries, Inc. (LSB)

3. IRS or Social Security No. of Reporting Person (Voluntary)  
 ###-##-####

4. Statement for Month/Year: November, 1996

5. If Amendment, Date of Original (Month/Year):

6. Relationship of Reporting Person to Issuer Check all applicable)  
 Director  10% Owner  Officer (give title below)  
 Other (specify below)

Table I - Non-Derivative Securities Acquired, Disposed Of, or Beneficially Owned

1. Title of Security	2. Transaction Date (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D)(Instr. 3, 4, 5)		
		Code	V	Amount	(A) or (D)	Price
Common Stock	11/15/96	M	-	10,000	A	\$3.125

5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 & 4)  
 120,034

6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)  
 D

7. Nature of Indirect Beneficial Ownership (Instr. 4)  
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FORM 4 (continued) Table II - Derivative Securities Acquired, Disposed  
of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed	
			Code	V	(A)	(D)
Nonqualified Stock Option	\$ 3.125	-	M	-	-	10,000
Nonqualified Stock Option	\$ 9.00	-	-	-	-	-
Nonqualified Stock Option	\$ 5.375	-	-	-	-	-
Preferred "C" Stock	\$11.55	-	-	-	-	-

6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)
Date Exercisable	Expiration Date	Title	Amount or No. of Shares	(Instr. 5)
6/1/92	6/1/97	Common Stock	5,000	-
10/31/94	4/30/99	Common Stock	5,000	-
10/31/95	4/30/00	Common Stock	5,000	-
(2)	(2)	Common Stock	4,329	-

9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
(1)	D	-
(1)	D	-
(1)	D	-
1,000	D	-

Explanation of Responses:

- (1) Nonqualified Stock Option ("NQS0") to purchase the Company's Common Stock granted pursuant to the Company's 1993 Non-Employee Director Stock Option Plan (the "1993 Plan"). NQS0's granted under the 1993 Plan may be exercised at any time after six months from the date the NQS0 was granted. To the extent not exercised, the NQS0 terminates upon the fifth anniversary of the date the NQS0 was granted or upon the cessation of the optionee as a member of the Board of Directors of the Company.
- (2) Each share of the Company's \$3.25 Convertible Exchangeable Class C Preferred Stock, Series 2 is convertible at the option of the holder into 4.329 shares of the Company's Common Stock. Each share is convertible as long as such is outstanding.

\*\*Intentional misstatements or omissions constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/ Jerome D. Shaffer	December 8, 1996
_____ **Signature of Reporting Person Jerome D. Shaffer	_____ Date

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.