

OMB APPROVAL	
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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

1. Name and Address of Reporting Person* <u>MURRAY JAMES WILLIAM III</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 <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP/Sr Assoc Gen Couns/Asst Sec</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>05/11/2006</u>	
	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	05/11/2006		M		4,000	A	\$2.73	4,000	D	
Common Stock	05/11/2006		S		2,000	D	\$9.1	2,000	D	
Common Stock	05/11/2006		S		2,000	D	\$9.09	0	D	
Common Stock	05/12/2006		M		2,000	A	\$2.73	2,000	D	
Common Stock	05/12/2006		S		2,000	D	\$8.58	0	D	

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
Incentive Stock Option ⁽¹⁾⁽²⁾	\$2.73	05/11/2006		M			4,000	11/29/2005 ⁽¹⁾⁽²⁾	11/29/2011	Common Stock	4,000	\$0	2,000	D	
Incentive Stock Option ⁽¹⁾⁽²⁾	\$2.73	05/12/2006		M			2,000	11/29/2005 ⁽¹⁾⁽²⁾	11/29/2011	Common Stock	2,000	\$0	0	D	

Explanation of Responses:

1. Incentive Stock Option ("ISO") granted by LSB Industries, Inc. (the "Issuer") to James W. Murray, III under the Issuer's Incentive Stock Option Plans. Each ISO is for a term of ten years from the date of grant. Each ISO vests at the end of year one through year four in the following amounts: 20%, 20%, 30% and 30%. Each option is fully vested at the end of year four.

2. An ISO for 10,000 shares of Common Stock, exercisable at \$2.73, was granted to Mr. Murray on November 29, 2001, and Mr. Murray exercised such ISO for 4,000 underlying shares of common stock on May 11, 2006 and 2,000 underlying shares of common stock on May 12, 2006. Mr. Murray previously exercised such ISO for 4,000 underlying shares of common stock under separate transactions dated December 3, 2003, and December 4, 2003.

James W. Murray, III

05/15/2006

** 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.