

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> <hr/> (Last) (First) (Middle) 16 SOUTH PENNSYLVANIA AVENUE <hr/> (Street) OKLAHOMA OK 73107 <hr/> (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>Senior VP/General Counsel/Sec</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>01/24/2008</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	01/24/2008		A ⁽³⁾		24,152	A	\$1.25	24,152	D	
Common Stock	01/24/2008		G ⁽⁴⁾	V	24,152	D	\$0	0	D	
Common Stock	01/24/2008		A ⁽³⁾		15,000	A	\$2.73	15,000	D	
Common Stock	01/24/2008		G ⁽⁴⁾	V	15,000	D	\$0	0	D	
Common Stock	01/24/2008		G ⁽⁴⁾	V	39,152	A	\$0	105,581	I	By Trusts ⁽¹⁾
Common Stock								22,988	I	As Trustee ⁽²⁾

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	\$1.25	01/24/2008		M ⁽³⁾			24,152	07/08/1999	07/08/2009	Common Stock	24,152	(3)	0	D ⁽³⁾	
Incentive Stock Option	\$2.73	01/24/2008		M ⁽³⁾			15,000	11/29/2001	11/29/2011	Common Stock	15,000	(3)	0	D ⁽³⁾	

1. Name and Address of Reporting Person*
SHEAR DAVID MICHAEL

 (Last) (First) (Middle)
 16 SOUTH PENNSYLVANIA AVENUE

 (Street)
 OKLAHOMA OK 73107

 (City) (State) (Zip)

1. Name and Address of Reporting Person*
SHEAR HEIDI L BROWN

 (Last) (First) (Middle)

16 SOUTH PENNSYLVANIA AVENUE

(Street)

OKLAHOMA
CITY OK 73107

(City)

(State)

(Zip)

Explanation of Responses:

1. The designated reporting person is David M. Shear. Mr. Shear's spouse, Heidi L. Brown Shear, jointly files this report with Mr. Shear. Heidi Shear is Vice President, Managing Counsel and Assistant Secretary of the Issuer. These shares are held in an account jointly owned by David Shear's revocable trust, of which he is settlor and trustee, and Heidi Shear's revocable trust, of which she is settlor and trustee. This amount does not include, and David Shear disclaims beneficial ownership of 22,988 shares held by two trusts established for the benefit of each of the reporting persons' children. Please see footnote (2) for a description of the children's trusts.
2. These shares are held by two trusts established for the benefit of each of the reporting persons' children, of which Heidi Shear is the trustee and exercises investment and dispositive control over the trusts' portfolio securities.
3. On January 24, 2008, David Shear acquired in total 39,152 shares of common stock upon the exercise of Incentive Stock Options ("ISOs") owned directly by David Shear. As of the date of this report, and following the exercise reported herein, there are no shares of common stock remaining under these ISOs.
4. The reporting person contributed these shares acquired upon exercise of the ISOs to the reporting person's revocable trust. Immediately following such contribution, the shares were transferred into the joint account owned by the reporting person's revocable trust and the revocable trust of the reporting person's spouse. Please see footnote (1) for a description of the revocable trusts and the joint account.

David M. Shear

01/28/2008

Heidi L. Brown Shear

01/28/2008

** 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.