

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

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* <b>SHEAR DAVID MICHAEL</b>			2. Issuer Name and Ticker or Trading Symbol <b>LSB INDUSTRIES INC [ LXU ]</b>			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) <b>VP/General Counsel/Sec</b>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <b>01/30/2004</b>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
16 SOUTH PENNSYLVANIA AVENUE			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <b>OKLAHOMA CITY OK 73107</b>								
(City) (State) (Zip)								

**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	01/30/2004		F <sup>(5)</sup>		2,600	D	\$6.95	0	I	By Trust <sup>(1)</sup>
Common Stock	01/30/2004		M <sup>(5)</sup>		14,456	A	\$1.25	14,456	I	By Trust <sup>(1)</sup>
Common Stock	01/30/2004		S		2,000	D	\$7	12,456	I	By Trust <sup>(1)</sup>
Common Stock	01/30/2004		S		1,000	D	\$6.95	11,456	I	By Trust <sup>(1)</sup>
Common Stock	02/02/2004		S		2,000	D	\$6.88	9,456	I	By Trust <sup>(1)</sup>
Common Stock	02/02/2004		S		1,000	D	\$6.95	8,456	I	By Trust <sup>(1)</sup>
Common Stock	01/30/2004		F <sup>(6)</sup>		4,000	D	\$6.95	0	I	By Wife <sup>(2)</sup>
Common Stock	01/30/2004		M <sup>(6)</sup>		22,240	A	\$1.25	22,240	I	By Wife <sup>(2)</sup>
Common Stock	01/30/2004		S		2,000	D	\$7	20,240	I	By Wife <sup>(2)</sup>
Common Stock	01/30/2004		S		1,000	D	\$6.95	19,240	I	By Wife <sup>(2)</sup>
Common Stock	02/02/2004		S		2,000	D	\$6.88	17,240	I	By Wife <sup>(2)</sup>
Common Stock	02/02/2004		S		1,000	D	\$6.95	16,240	I	By Wife <sup>(2)</sup>
Common Stock								810	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)					
Incentive Stock Option	\$4.875						(3)	06/27/2006	Common Stock	2,000 <sup>(3)</sup>	2,000 <sup>(3)</sup>	D	
Incentive Stock Option	\$4.125						(3)	11/19/2006	Common Stock	60,000 <sup>(3)</sup>	60,000 <sup>(3)</sup>	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	\$1.25	01/30/2004		M <sup>(5)</sup>			14,456	(3)	07/08/2009	Common Stock	35,000 <sup>(3)</sup>	\$0	20,544 <sup>(3)(5)</sup>	D	
Incentive Stock Option	\$2.73							(3)	11/29/2011	Common Stock	15,000 <sup>(3)</sup>		15,000 <sup>(3)</sup>	D	
Nonqualified Stock Option	\$1.25							(4)	07/08/2009	Common Stock	35,000 <sup>(4)</sup>		35,000 <sup>(4)</sup>	D	

**Explanation of Responses:**

- These shares are held by Mr. Shear's revocable trust, of which he is trustee and beneficiary.
- These shares are owned by Mr. Shear's wife, the beneficial ownership of which is disclaimed by Mr. Shear. This amount does not include, and Mr. Shear disclaims beneficial ownership of shares held by two trusts established for the benefit of each of the son and daughter of Mr. Shear and Heidi Brown Shear for which Mrs. Shear is trustee and exercises investment control over the trusts' portfolio securities, and shares held by three trusts, each one established for the benefit of one of the three children of Jack E. Golsen and Sylvia H. Golsen for which Mrs. Shear is trustee and exercises investment control over the trusts' portfolio securities, and disclaims beneficial ownership in the trusts.
- Incentive Stock Options ("ISO") granted to Mr. Shear under the Incentive Stock Option Plans (the "Plans") of LSB Industries, Inc. (the "Company"). Each ISO allows the purchase of shares of the Company's common stock upon the exercise thereof. Each ISO is exercisable for a period of ten years from the date of grant and vests at the end of years one through four in the following amounts: 20%, 20%, 30% and 30%. Each ISO is fully vested at the end of year four. Mr. Shear acquired 14,456 shares under the ISO granted on July 8, 1999, leaving 20,544 shares remaining to be acquired under such ISO. Mr. Shear has acquired no shares under the ISOs granted on June 27, 1996, November 19, 1996, and November 9, 2001. As of the date of this report, the total number of shares underlying the ISOs held by Mr. Shear is 132,544.
- Nonqualified Stock Option ("NQSO") granted under the Company's Non-Qualified Stock Option Agreement - 1999, for the purchase of up to 35,000 shares of the Company's Common Stock at an option price of \$1.25 per share. The NQSO covering 35,000 shares provides that the NQSO vests and becomes exercisable at the end of years one through four in the following amounts: 20%, 20%, 30%, and 30%. The NQSO is fully vested at the end of year four. To the extent not exercised, the NQSO terminates upon the tenth anniversary of the date the NQSO was granted.
- Mr. Shear exercised his right to acquire shares of the Company's common stock under the Plans by acquiring 14,456 shares at an aggregate purchase price of \$18,070. The 14,456 shares were acquired at an option price per share of \$1.25 under the ISO granted to Mr. Shear on July 8, 1999. As consideration, Mr. Shear transferred to the Company 2,600 shares of the Company's common stock owned by him, having a value on January 30, 2004, the date the shares were delivered, of \$6.95, for an aggregate fair market value of \$18,070.
- Mr. Shear's spouse, Heidi Brown Shear, exercised her right to purchase 22,240 shares of the Company's common stock under the Plans by acquiring 22,240 shares at an aggregate purchase price of \$27,800. The 22,240 shares were acquired at an option price per share of \$1.25 under the ISO granted to Ms. Shear on July 8, 1999. As consideration for the acquisition of such shares, Ms. Shear transferred to the Company 4,000 shares of the Company's common stock owned by her, having a value on January 30, 2004, the date the 4,000 shares were delivered to the Company, of \$6.95, for an aggregate fair market value of \$27,800.

David M. Shear

02/03/2004

\*\* 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.**