

LSB INDUSTRIES INC
Form 4
December 06, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MUNSON DONALD W

(Last) (First) (Middle)

3 WILLOWBANK, LOWER HAMPTON ROAD

(Street)

SUNBURY-ON-THAMES, X0 TW165PQ

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
LSB INDUSTRIES INC [LXU]

3. Date of Earliest Transaction
(Month/Day/Year)
03/13/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/13/2007		A ⁽¹⁾		740	A	1,740
Common Stock	12/06/2007		A ⁽²⁾		15,000	A	\$ 1.25

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
\$3.25 Preferred Stock	\$ 11.55	03/13/2007		D ⁽¹⁾	100	<u>(1)</u> <u>(1)</u>	Common Stock	74
Nonqualified Stock Option ⁽²⁾	\$ 1.25	12/06/2007		M ⁽²⁾	15,000	07/08/1999 07/08/2009	Common Stock	15,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MUNSON DONALD W 3 WILLOWBANK LOWER HAMPTON ROAD SUNBURY-ON-THAMES, X0 TW165PQ		X		

Signatures

Donald W.
Munson 12/06/2007

^{**}Signature of Reporting Person Date

Explanation of Responses:

- * 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).

(1) The reporting person disposed of 100 shares of the Issuer's \$3.25 Class C Convertible Exchangeable Preferred Stock, Series 2 in exchange for 740 shares of common stock pursuant to the terms of an issuer tender offer. The exchange by the reporting person was pre-approved by the Issuer's board of directors.

(2) Nonqualified Stock Options ("NQSO") to purchase shares of Issuer's common stock granted pursuant to the Issuer's Outside Directors Stock Option Purchase Plan (the "1999 Plan"). NQSOs granted under the 1999 Plan may be exercised at any time after six months from the date the NQSO was granted. To the extent not exercised, the NQSOs granted under the 1999 Plan terminates upon the tenth anniversary of the date such NQSOs were granted.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.