LSB INDUSTRIES INC
Form 4
August 29, 2007

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
GOLSEN JACK E

(Last) (First) (Middle)

16 SOUTH PENNSYLVANIA AVENUE

(Street)

OKLAHOMA CITY, OK 73107

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
08/27/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director __X__ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chairman of the Board and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8 D S

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)							(I
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
$3.25 Preferred (3)	$ 11.55	08/27/2007	D(3)(4)			23,083	(3)	(3)	Common	99,926	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GOLSEN JACK E 16 SOUTH PENNSYLVANIA AVENUE OKLAHOMA CITY, OK 73107	X	X	Chairman of the Board and CEO	

Signatures

Jack E. Golsen	08/29/2007
**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)	Prior to the disposition of these shares as described in footnote (3) below, 9,050 of the shares were held by SBL Corporation ("SBL") and the remaining 14,033 shares were held by SBL's wholly-owned subsidiary, Golsen Petroleum Corp ("GPC"). On May 29, 2007, the former owners of SBL contributed 49% of the common stock of SBL to the Golsen Family LLC (the "LLC"), resulting in the SBL being currently owned by the LLC (49% owner), Barry Golsen (17% owner), Steven Golsen (17% owner), and the reporting person's daughter (17% owner).
(2)	The LLC is owned by Jack E. Golsen, chief executive officer and chairman of the board of the Issuer, through his revocable trust (45.9%), his spouse, Sylvia Golsen through her revocable trust (45.9%), his sons, Barry H. Golsen, director and the president of the Issuer (2.7%), and Steven J. Golsen, executive officer of a subsidiary of the Issuer 2.7%), and his daughter (2.7%). Jack E. Golsen and his spouse are the managers of the LLC and, in such capacity, share voting and dispositive power over the Issuer securities owned by the LLC. The reporting person disclaims beneficial ownership of the Issuer securities held by the LLC, except to the extent of his pecuniary interest therein.
(3)	Issuer's $3.25 Convertible Exchangeable Class C Preferred Stock, Series 2 ("$3.25 Preferred"). All outstanding shares of the Issuer's $3.25 Preferred, including 9,050 shares of $3.25 Preferred held by SBL and 14,033 held by GPC, were redeemed by the Issuer on August 27, 2007, pursuant to the notice of redemption mailed on July 12, 2007, to all holders of record of the Issuer's $3.25 Preferred. The redemption price was $50.00 per share of $3.25 Preferred, plus $26.25 per share in accrued and unpaid dividends pro-rata to the date of redemption. Pursuant to the terms of the $3.25 Preferred, the $3.25 Preferred was convertible at the option of the holder into 4.329 shares of the Company's common stock until 10 days prior to the redemption date.
(4)	Voting and dispositive power over the securities held by SBL and GPC is possessed by Jack E. Golsen, who is the chief executive officer and chairman of the board of the issuer, and Barry H. Golsen, a director and the president of the issuer. The redemption through SBL and GPC was preapproved by the issuer's board of directors.

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

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