

LSB INDUSTRIES INC  
Form 4  
May 12, 2006

**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 \*  
**SHEAR HEIDI L BROWN**

(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)  
**05/10/2006**

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)  
VP/Managing Counsel/Asst Sec

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) | (A) or (D) | 5. Amount or Price | 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|--------------------|---|--|-----------------------------------|
| Common Stock                    | 05/10/2006                           |  | F                              | 1,094   | D          | \$ 8.91            | 11,146  | I  | As Trustee (1)                    |
| Common Stock                    | 05/10/2006                           |  | M                              | 2,000   | A          | \$ 4.895           | 13,146  | I  | As Trustee (1)                    |
| Common Stock                    | 05/10/2006                           |  | F                              | 2,295   | D          | \$ 8.91            | 6,161   | I  | By Husband (2)                    |
| Common Stock                    | 05/10/2006                           |  | M                              | 4,000   | A          | \$ 4.875           | 10,161  | I  | By Husband (2)                    |

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

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(9-02)

**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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Incentive Stock Option                     | \$ 4.875   | 05/10/2006                           |  | M                              | 2,000   | <sup>(3)</sup> 06/27/2006                                | Common Stock  | 2,000 <sup>(3)</sup>          |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                              |       |
|--|---------------|-----------|------------------------------|-------|
|  | Director      | 10% Owner | Officer                      | Other |
| SHEAR HEIDI L BROWN<br>16 SOUTH PENNSYLVANIA AVENUE<br>OKLAHOMA CITY, OK 73107 |               |           | VP/Managing Counsel/Asst Sec |       |

## Signatures

Heidi L. Brown  
Shear  
05/12/2006  
\*\*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) These shares are held by Heidi Brown Shear as the trustee of the Heidi Brown Shear Revocable Trust.
- (2) These shares are owned by her husband's revocable trust, the beneficial ownership of which is disclaimed by Heidi Brown Shear.
- (3) Incentive Stock Options ("ISO") granted by LSB Industries, Inc. (the "Company") under the Company's Incentive Stock Option Plans (the "Plans") for the purchase of shares of common stock of the Company. Each ISO is exercisable for a period of ten years from the date of grant and was fully vested on or before December 31, 2005. As of the date of this report, the total number of shares underlying the ISOs held by Heidi Brown Shear is 12,760.

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