

GOLSEN STEVEN
Form 4
September 21, 2009

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
GOLSEN STEVEN

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

P O BOX 705

3. Date of Earliest Transaction
(Month/Day/Year)
09/17/2009

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

(Street)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)

__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

OKLAHOMA, OK 73102

(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					263,915	I	By Trust (1)
Common Stock	09/17/2009		S		583	D	\$ 16 42,570 (4)
Common Stock	09/17/2009		S		4,675	D	\$ 16 319,264 (4)
Common Stock	09/18/2009		S		53	D	\$ 16.25 42,517 (4)
Common Stock	09/18/2009		S		425	D	\$ 16.25 318,839 (4)

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

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SEC 1474
(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
5.5% Convertible Debentures	<u>(5)</u>					<u>(5)</u> 07/01/2012	Common Stock	1,939
5.5% Convertible Debentures	<u>(5)</u>					<u>(5)</u> 07/01/2012	Common Stock	24,752
Series B Preferred	<u>(6)</u>					<u>(6)</u> <u>(6)</u>	Common Stock	10,727
Series B Preferred	<u>(6)</u>					<u>(6)</u> <u>(6)</u>	Common Stock	90,666
Series D Preferred	<u>(7)</u>					<u>(7)</u> <u>(7)</u>	Common Stock	42,500
Series D Preferred	<u>(7)</u>					<u>(7)</u> <u>(7)</u>	Common Stock	3,329
Nonqualified Stock Option <u>(8)</u>	\$ 2.73					<u>(8)</u> 11/29/2011	Common Stock	11,250

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Reporting Owners

GOLSEN STEVEN
P O BOX 705
OKLAHOMA, OK 73102

X

Signatures

Jack E Golsen,
Attorney-in-Fact

09/21/2009

__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 owned of record by a revocable trust of which the reporting person is the settlor and trustee, with voting and dispositive power over the securities held in the trust.
- Golsen Family, L.L.C. ("GFLLC") is owned by Jack E. Golsen, chief executive officer and chairman of the board of the Issuer, through his revocable trust (45.923%), his spouse, Sylvia Golsen through her revocable trust (45.923%), his sons, Barry H. Golsen, director and the president of the Issuer (2.718%), and Steven J. Golsen, executive officer of a subsidiary of the Issuer (2.718%), and his daughter, Linda F. Rappaport (2.718%). The reporting person disclaims beneficial ownership of the Issuer securities held by GFLLC, except to the extent of his pecuniary interest therein.
- SBL, LLC ("SBL") is owned by GFLLC (49%), Barry Golsen (17%), Linda Rappaport (17%), and the reporting person (17%). Golsen Petroleum Corporation ("GPC") is a wholly owned subsidiary of SBL. Voting and dispositive power over the securities held by SBL and
- (3) 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 reporting person disclaims beneficial ownership of the Issuer securities held by SBL, except to the extent of his pecuniary interest therein.
- The amount of Issuer securities shown as beneficially owned by the reporting person is based on the reporting person's proportionate ownership in (1) GFLLC, which is comprised of (a) GFLLC's direct ownership of Issuer securities and (b) GFLLC's indirect ownership of Issuer securities through its proportionate ownership in SBL, and (2) SBL, which is comprised of SBL's direct ownership of Issuer securities.
- (4) The Issuer's 5.5% Convertible Senior Subordinated Debentures due 2012 (the "Debentures") are convertible at the option of the holder in whole or in part into the Issuer's common stock prior to their maturity. The conversion rate of the Debentures is 36.4 shares of the Issuer's common stock per \$1,000 principal amount of debentures (representing a conversion price of \$27.47 per share of common stock), subject to adjustment under certain conditions as set forth in the Indenture, dated June 28, 2007 (the "Indenture"), by the Issuer in favor of UMB Bank, N.A., as Trustee, filed as Exhibit 4.2 to the Issuer's Form 8-K on June 29, 2007. The Debentures bear interest at the rate of 5.5% per year and mature on July 1, 2012.
- (5) Each share of the Issuer's Series "B" 12% Cumulative Preferred Stock is convertible, at the option of the holder into 33.3333 shares of the Issuer's common stock. Each share is convertible as long as such is outstanding.
- The Issuer's Series "D" 6% Cumulative, Convertible Class C Preferred Stock is convertible at the option of the holder into the Issuer's common stock at the rate of four shares of Preferred "D" for one share of common stock. Each share is convertible as long as such is outstanding.
- (6) Nonqualified Stock Options ("NQSO") granted by the Issuer to the reporting person. All NQSOs held by the reporting person are
- (8) currently exercisable. As of the date of this report, the total number of shares underlying the NQSOs held by the reporting person is 11,250.

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.