

GOLSEN STEVEN
Form 4
July 14, 2011

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 *
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
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
07/12/2011

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

OKLAHOMA CITY, OK 73102

(City) (State) (Zip)

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

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | | | | | 248,915 | I | By Trust (1) |
| Common Stock | 07/12/2011 | | C | 1,542 (4) (5) A \$ 27.47 (5) | 56,795 (4) (5) | I | By GFLLC (2) |
| Common Stock | 07/12/2011 | | C | 12,376 (4) (5) A \$ 27.47 (5) | 333,005 (4) (5) | I | By SBL (3) |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474 (9-02)

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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 Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| 5.5% Convertible Debentures <u>(5)</u> | <u>(5)</u> | 07/12/2011 | | C | \$ 42,365 <u>(4)</u> <u>(5)</u> | <u>(5)</u> | <u>(5)</u> | Common Stock | 1,542 |
| 5.5% Convertible Debentures <u>(5)</u> | <u>(5)</u> | 07/12/2011 | | C | \$ 340,000 <u>(4)</u> <u>(5)</u> | <u>(5)</u> | <u>(5)</u> | Common Stock | 12,376 |
| Series B Preferred | <u>(6)</u> | | | | | <u>(6)</u> | <u>(6)</u> | Common Stock | 17,061 |
| 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 | 5,296 |
| Series D Preferred | <u>(7)</u> | | | | | <u>(7)</u> | <u>(7)</u> | Common Stock | 42,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| GOLSEN STEVEN P O BOX 705 OKLAHOMA CITY, OK 73102 | | X | | |

Signatures

Jack E Golsen,
Attorney-in-Fact
07/14/2011

__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 and possesses 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 (43.516%), his spouse, Sylvia Golsen through her revocable trust (43.516%), his sons, Barry H. Golsen, director and the president of the Issuer (4.323%), and Steven J. Golsen, executive officer of a subsidiary of the Issuer (4.323%), and his daughter, Linda F. Rappaport (4.323%). The reporting person disclaims beneficial ownership of the Issuer securities held by GFLLC, except to the extent of his pecuniary interest therein.
- (2) SBL, LLC ("SBL") is owned by GFLLC (49%), Barry Golsen (17%), Steven Golsen (17%), and Linda Rappaport (17%). Golsen Petroleum Corporation ("GPC") is a wholly owned subsidiary of SBL. The amount shown in Table I includes 1,674,899 shares owned by SBL and 283,955 shares owned directly by GPC, and the amount shown in Table II includes 12,000 shares of the Issuer's Series B Preferred owned by SBL and 4,000 shares of the Issuer's Series B Preferred owned directly by GPC. Voting and dispositive power over the securities held by SBL and GPC is shared by Jack E. Golsen, who is the chief executive officer and chairman of the board of the Issuer, and Barry Golsen, a director and the president of the Issuer.
- (3) 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 (a) SBL's direct ownership of Issuer securities and (b) SBL's indirect ownership of Issuer securities through GPC. The reporting person disclaims beneficial ownership of the Issuer securities held by GFLLC, except to the extent of his pecuniary intent therein.
- (4) The Issuer's 5.5% Convertible Senior Subordinated Debentures due in 2012 (the "Debentures") are convertible at any time 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), pursuant to 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. The Debentures were converted on July 12, 2011, into 72,800 shares of Common Stock.
- (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.
- (6) 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.
- (7)

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.