GOSS DAVID R Form 4 June 28, 2006

FORM 4

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number: 3235-0287

if no longer subject to Section 16. Form 4 or

Check this box

Washington, D.C. 20549

Expires: January 31, 2005 Estimated average

Form 4 or Form 5 obligations may continue.

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

burden hours per response... 0.5

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person ** GOSS DAVID R	2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First) (Middle)	LSB INDUSTRIES INC [LXU] 3. Date of Earliest Transaction	(Check all applicable)		
16 SOUTH PENNSYLVANIA AVENUE	(Month/Day/Year) 06/26/2006	X Director 10% OwnerX Officer (give title Other (specify below) Ex VP-Operations/Asst Sec		
(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		
OKLAHOMA CITY, OK 73107		Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Tabl	e I - Non-I	Derivative	Secu	rities Acq	uired, Disposed o	of, or Beneficia	lly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactio Code (Instr. 8)	4. Securities Acquired etion(A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Ownership Beneficially Form: Direct Owned (D) or Following Indirect (I) Reported (Instr. 4) Transaction(s)		7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)		
Common Stock	06/26/2006		F	2,994	D	\$ 8.14	108,878	D	
Common Stock	06/26/2006		M	5,000	A	\$ 4.875	113,878	D	
Common Stock							400	I	As UGMA Custodian

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

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displays a currently valid OMB control number.

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. Transacti Code (Instr. 8)	5. Number on f Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exer Expiration D (Month/Day)	ate	7. Title and a Underlying S (Instr. 3 and	Securities
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Incentive Stock Option	\$ 4.875	06/26/2006		M	5,000	(2)	06/27/2006	Common Stock	5,000 (2)

Reporting Owners

Reporting Owner Name / Address	Relationships				
	Director	10% Owner	Officer	Other	

GOSS DAVID R

16 SOUTH PENNSYLVANIA AVENUE X Ex VP-Operations/Asst Sec

OKLAHOMA CITY, OK 73107

Signatures

David R. Goss 06/28/2006

**Signature of Person Date

**Reporting Person

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) Mr. Goss is the custodian of the trusts established for the benefit of his children. The shares held by the trusts were received via gift under the U.G.M.A. As custodian of the trusts, Mr. Goss reports indirect beneficial ownership of the shares held by the trusts.
- Incentive Stock Options ("ISO") granted by the Issuer to Mr. Goss under the Issuer's Stock Option Plan. The ISO is for a term of ten years from the grant date. The ISO vests at the end of years one through four in the following amounts: 20%, 20%, 30% and 30%. The ISOs were fully vested as of December 31, 2005. As of the date of this report, there are a total of 160,000 shares of common stock underlying options granted to Mr. Goss.

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.

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