

SHEAR HEIDI L BROWN
 Form 5
 February 14, 2007

FORM 5

**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).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

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. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2006

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 Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--|--|---|
| | | | | (A) Amount or (D) Price | | | |
| Common Stock | 05/10/2006 ⁽¹⁾ | Â | G | 13,146 ⁽¹⁾ D \$ 0 0 | | I | By Trust ⁽¹⁾ |
| Common Stock | 05/10/2006 ⁽²⁾ | Â | G | 66,000 ⁽²⁾ A \$ 0 66,000 | | I | By Trust and Spouse Trust ⁽²⁾ |
| Common Stock | 12/07/2006 | Â | G | 788 D \$ 0 65,212 | | I | By Trust and Spouse |

Trust ⁽²⁾

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. Price of Derivative Security (Instr. 5) | 9. of D |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|---------|
| | | | | | (A) (D) | Date Exercisable Expiration Date | Title | Amount or Number of Shares | |

Reporting Owners

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

Signatures

Heidi L. Brown
Shear 02/14/2007

__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) Includes gifts from Ms. Shear's revocable trust (the "Shear Trust"), of which Ms. Shear is the grantor and trustee, of (a) 2,000 shares on May 10, 2006, to the joint account described in footnote (2), below and of (b) 11,146 shares on August 25, 2006, to Ms. Shear's spouse. Includes shares acquired by gift to the joint account owned by the Shear Trust and the revocable trust of which Ms. Shear's spouse is the grantor and trustee. The gifts were received in the joint account on (a) May 10, 2006 as to 6,000 shares, (b) August 25, 2006 as to 42,385 shares and (c) on October 3, 2006 as to 17,615 shares.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.