

Securities To Be Sold	who is Acquiring the Securities	File Number	Sold (See instr. 3(c))	Value (See instr. 3(d))	Outstanding (See instr. 3(e))	instr. 3(f) (MO.DAY.YR)	Exchange (See instr. 3(g))
Common Stock	First Southwest Company 325 N. St. Paul Suite 800 Dallas, Texas 75201		Up to 50,000	\$2,033,000	48,946,049	01/05/05 and thereafter	NYSE

INSTRUCTIONS:

1. (a) Name of issuer.
 (b) Issuer's IRS Identification Number.
 (c) Issuer's SEC file number, if any.
 (d) Issuer's address, including zip code.
 (e) Issuer's telephone number, including area code.
2. (a) Name of person for whose account the securities are to be sold.
 (b) Such person's IRS identification number, if such person is an entity.
 (c) Such person's relationship to the issuer (e.g., officer, director, 10% stockholder, or member of immediate family of any of the foregoing).
 (d) Such person's address, including zip code.
3. (a) Title of the class of securities to be sold.
 (b) Name and address of each broker through whom the securities are intended to be sold.
 (c) Number of shares or other units to be sold (if debt securities, give the aggregate face amount).
 (d) Aggregate market value of the securities to be sold as of a specified date within 10 days prior to the filing of this notice.
 (e) Number of shares or other units of the class outstanding, or if debit securities the face amount thereof outstanding, as shown by the most recent report or statement published by the issuer.
 (f) Approximate date on which the securities are to be sold
 (g) Name of each securities exchange, if any, on which the securities are intended to be sold.

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 control number.

TABLE I - SECURITIES TO BE SOLD

Furnish the following information with respect to the acquisition of the securities to be sold and with respect to the payment of all or any part of the purchase price or other consideration therefor:

Title of the Class	Date You Acquired	Nature of Acquisition Transaction	Name of Person from Whom Acquired (If gift, also give date donor acquired)	Amount of Securities Acquired	Date of Payment	Nature of Payment
Common Stock	10/16/89	Initial capitalization of the issuer.	Issuer.	100% of the outstanding common stock	10/16/89	Cash

INSTRUCTIONS:

If the securities were purchased and full payment therefore was not made in cash at the time of purchase, explain in the table or in a note thereto the nature of the consideration given. If the consideration consisted of any note or other obligation, or if payment was made in installments describe the arrangement and state when the note or other obligation was discharged in full or the last installment paid.

TABLE II - SECURITIES SOLD DURING THE PAST 3 MONTHS

Furnish the following information as to all securities of the issuer sold during the past 3 months by the person for whose account the securities are to be sold.

Amount of Gross

Name and Address of Seller	Title of Securities Sold	Date of Sale	Securities	Proceeds
NL Industries, Inc. Three Lincoln Centre 5430 LBJ Freeway, Suite 1700 Dallas, Texas 75240	Common Stock	12/2/04 through 01/04/05	100,000	\$4.2 million

REMARKS:

INSTRUCTIONS:

See the definition of "person" in paragraph (a) of Rule 144. Information is to be given not only as to the person for whose account the securities are to be sold but also as to sales by all persons whose sales are required by paragraph (e) of Rule 144 to be aggregated with sales for the account of the person filing this notice.

ATTENTION:

The person for whose account the securities to which this notice relates are to sold hereby represents by signing this notice that he does not know any material adverse information in regard to the current and prospective operations of the Issuer of the securities to be sold which have not been publicly disclosed.

January 4, 2005	NL Industries, Inc. By: /s/ Gregory M. Swalwell, Vice President
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(DATE OF NOTICE)	(SIGNATURE)

The notice shall be signed by the person for whose account the securities are to be sold. At least one copy of the notice shall be manually signed.

Any copies not manually signed shall bear typed or printed signatures.

ATTENTION: Intentional misstatements or omission of facts constitute Federal Criminal Violations (See 18 U.S.C. 1001).