

1  
FORM 4  
[ ] CHECK THIS BOX IF NO LONGER  
SUBJECT TO SECTION 16. FORM 4  
OR FORM 5 OBLIGATIONS MAY  
CONTINUE. SEE INSTRUCTION 1(b).

U.S. SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(1) OF THE  
INVESTMENT COMPANY ACT OF 1940

OMB APPROVAL  
OMB NUMBER 3235-0287  
EXPIRES: FEBRUARY 1, 2001  
ESTIMATED AVERAGE BURDEN  
HOURS PER RESPONSE.....0.5

1. Name and Address of Reporting Person

CLEMENS	PETER	A.
(LAST)	(FIRST)	(MIDDLE)
C/O HALSEY DRUG CO., INC. 695 N. PERRYVILLE RD. BLDG. 2		
(STREET)		
ROCKFORD	ILLINOIS	61107
(CITY)	(STATE)	(ZIP)

2. ISSUER NAME AND TICKER OR TRADING SYMBOL

HALSEY DRUG CO., INC.	HDG
-----------------------	-----

3. IRS OR SOCIAL  
SECURITY NUMBER OF  
REPORTING PERSON  
(VOLUNTARY)

4. STATEMENT FOR MONTH/YEAR

4/99

5. IF AMENDMENT, DATE OF  
ORIGINAL (MONTH/YEAR)

6. RELATIONSHIP OF REPORTING PERSON TO ISSUER  
(CHECK ALL APPLICABLE)

X	DIRECTOR	10% OWNER
--	--	--
X	OFFICER (GIVE	OTHER (SPECIFY
--	--	--
	TITLE	BELOW)
	BELOW)	

VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

TABLE I-- NON-DERIVATIVE SECURITIES ACQUIRED, DISPOSED OF, OR BENEFICIALLY OWNED

1. TITLE OF SECURITY (INSTR. 3)	2. TRANS- ACTION DATE  (MONTH/ DAY/ YEAR)	3. TRANS- ACTION 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 MONTH (INSTR. 3 AND 4)	6. OWNER SHIP FORM: DIRECT (D) OR INDIRECT (I) (INSTR. 4)	7. NATURE OF INDIRECT BENEFICIAL OWNERSHIP (INSTR. 4)
COMMON STOCK	10/1/98	A*	842	A*	\$1.8406	D
COMMON STOCK	1/1/99	A*	1,333	A*	\$1.1625	D

2,175

REMINDER: REPORT ON A SEPARATE LINE FOR EACH CLASS OF SECURITIES BENEFICIALLY

OWNED DIRECTLY OR INDIRECTLY.

\* SEE FOOTNOTE (2) TO TABLE II.

(OVER)

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)	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)	DATE EXERCISABLE-	EXPIRATION DATE
			CODE V	(A) (D)			
5% CONVERTIBLE SENIOR SECURED DEBENTURES	\$1.404	3/10/98	A	(1)	3/10/98	3/15/03	
WARRANTS	\$1.404	3/10/98	A	(1)	3/10/98	3/15/05	
WARRANTS	\$2.279	3/10/98	A	(1)	3/10/98	3/15/05	
5% CONVERTIBLE SENIOR SECURED DEBENTURES	\$1.404	6/12/98	A4	(2)	6/12/98	3/15/03	
WARRANTS	\$1.404	6/12/98	A4	(2)	6/12/98	3/15/05	
WARRANTS	\$2.279	6/12/98	A4	(2)	6/12/98	3/15/05	
NON-QUALIFIED STOCK OPTIONS	\$2.375	2/19/98	A4		(3)	2/19/08	
5% CONVERTIBLE SENIOR SECURED DEBENTURES	\$1.1312	4/1/99	A	(2)	4/1/99	3/15/03	
NON-QUALIFIED STOCK OPTIONS	\$1.125	4/12/99	A	(4)	3/8/00	3/8/09	

7. TITLE AND AMOUNT OF UNDERLYING SECURITIES (INSTR. 3 AND 4)	8. PRICE OF DERIVATIVE SECURITY (INSTR. 5)	9. NUMBER OF DERIVATIVE SECURITIES BENEFICIALLY OWNED AT END OF MONTH (INSTR. 4)	10. OWNER-SHIP FORM OF DERIVATIVE SECURITY: DIRECT (D) OR INDIRECT (I) (INSTR. 4)	11. NATURE OF INDIRECT BENEFICIAL OWNERSHIP (INSTR. 4)
TITLE	AMOUNT OR NUMBER OF SHARES			
COMMON STOCK	71,225	71,225	D	
COMMON STOCK	10,101	10,101	D	
COMMON STOCK	10,101	10,101	D	
COMMON STOCK	17,121	17,121	D	
COMMON STOCK	2,428	2,428	D	
COMMON STOCK	2,428	2,428	D	
COMMON STOCK	300,000	300,000	D	
COMMON STOCK	1,370	1,370	D	
COMMON STOCK	100,000	100,000	D	

EXPLANATION OF RESPONSES:

(1) PURCHASED IN CONNECTION WITH A PRIVATE OFFERING ON MARCH 10, 1998

CONSISTING OF A CONVERTIBLE DEBENTURE CONVERTIBLE AT ANY TIME AND STOCK PURCHASE WARRANTS (10,101 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$1.404 PER SHARE AND 10,101 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$2.279 PER SHARE).

- (2) ACQUIRED PURSUANT TO AN OPTION EXERCISE IN JUNE 1998, CONSISTING OF: (i) A CONVERTIBLE DEBENTURE, CONVERTIBLE AT ANY TIME; (ii) WARRANTS TO PURCHASE SHARES OF COMMON STOCK (2,428 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$1.404 PER SHARE AND 2,428 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$2.279 PER SHARE); AND (iii) CERTAIN INTEREST PAYMENTS PAYABLE QUARTERLY WHICH ARE PAID IN THE FORM OF SHARES OF COMMON STOCK OF THE ISSUER (SEE TABLE I).
- (3) OPTIONS VEST QUARTERLY, WITH 25,000 OPTIONS VESTING EVERY QUARTER EFFECTIVE MAY 1, 1998.
- (4) OPTIONS VEST 25% ANNUALLY, WITH 25,000 OPTIONS VESTING EVERY MARCH 8, BEGINNING MARCH 8, 2000.

/s/ Peter A. Clemens  
-----  
NAME: PETER A. CLEMENS  
SIGNATURE OF REPORTING PERSON

May 6, 1999  
-----  
DATE

INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS CONSTITUTE FEDERAL CRIMINAL VIOLATIONS.

See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

NOTE: FILE THREE COPIES OF THIS FORM, ONE OF WHICH MUST BE MANUALLY SIGNED. IF SPACED PROVIDED IS INSUFFICIENT, SEE INSTRUCTION 6 FOR PROCEDURE.