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

OMB APPROVAL
OMB Number 3235-0257
Expires: February 1, 2001
Estimated average burden
hours per response1.0
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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(f) of the Investment Company Act of 1940

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1. Name and	Address of Rep	Issuer Name and Ticker or Trading Symbol  Halsey Drug Co., Inc. Symbol: HDGC					j to	6. Relationship of Reporting Person   to Issuer (Check all applicable)   X Director 10% Owner							
Skelly William G.   (Last) (First) (Middle)   C/o Halsey Drug Co., Inc. 695 N.   Perryville Rd. Bldg. 2			3. IRS or Soc Security N of Reporti Person (Vo		Statement Month/Year 02/01	for		Officer (giveOther (specify title below) below)							
Rockford,	(Street)		'	. If Ameno Date of Or (Month/Yea	iginal		1 								
(City)	(State)	(Zip)	Table I -	NonDeriva	tive S	ecurities	Acquire	d, Disposed	Disposed of, or Beneficially Owned						
	le of Security (Instr. 3)	         	2.Transaction Date (Month/Day/ Year)	Code	r. 8)	or dis	(A)   (D)	f (D)	5.Amount of     Securities     Beneficially    Owned at End    of Month     (Instr. 3     and 4)	ship Form:	ship				
	Common Stock			 		 			10,000		   				
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. (over)
(Print or Type Responses) SFC 1474 (3/91)

<sup>\*</sup>See footnote 2 on Table II

FORM 4 (CONTINUED)

TABLE II - DERIVATIVE SECURITIES ACQUIRED, DISPOSED OF, OR BENEFICIALLY OWNED (e.g., PUTS, CALLS, WARRANTS, OPTIONS, CONVERTIBLE SECURITIES)

1.Title of Derivative Securit (Instr. 3)			y   2.Conversion   or Exercise   Price of   Derivative   Security		3.Transaction   Date     (Month/Day/   Year)		4	4.Transaction     Code     (Instr. 8)   			Derivative Securities Acquired (A) or Disposed of (D)			6.Date Exer-   cisable and   Expiration Date     (Month/Day/Year)		
					     		     (	 Code	   V		Inst 4, a  A)	nd 	5) 	İΕ	ate xer- isable	   Expir-   ation   Date
Non-qualified St			\$2.375	· I	 	2/19/98	 	Α	 			 		 	(1)	   2/19/08
Non-qualified St			   \$1.1875	 I	 	2/19/99	·   	 A	 			 		 		   2/19/09
Non-qualified St			   \$1.875	 I	 	2/17/00	·   	 A	 			 				   2/17/10
Non-qualified St			   \$1.1125	 I	 	6/29/00	  -	 A	 			 		 		   6/29/10
Non-qualified St			   \$1.140	 I	-   I	2/15/01	 	 A	 I			-   		 		   2/15/11
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7.Title and Amo of Underlying Securities (Instr. 3 and	)	8.	Price of Derivative Security (Instr. 5)	9.	[ 5	Number of   Derivative   Securities   Beneficially		Der Sec	ership of ivativurity;	 ''e		 Na In Be Ow	ture direc nefic nersh nstr.	of t ial		I
of Underlying Securities	] 1 4)      Amount or		Derivative Security	9.	[ 5 E (	Derivative   Securities   Beneficially		For Der Sec Dir	n of ivativ urity;	re o) or it (I)	11.     	 Na In Be Ow	ture direc nefic	of t ial		I
of Underlying Securities	3 1 4) 	8.      	Derivative Security	9.	[ 5 E (	Derivative   Securities   Beneficially   Owned at End   of Month		For Der Sec Dir	n of ivativ urity; ect (E ndirec	re o) or it (I)	11.     	 Na In Be Ow	ture direc nefic	of t ial		I
of Underlying Securities (Instr. 3 and Title	Amount or Number of Shares	              	Derivative Security (Instr. 5)	 	[	Derivative   Securities   Beneficially   Owned at End   of Month (Instr. 4)	1	For Der Sec Dir I (In	n of ivativativativativativativativativativat	re () or (I)	11.               	Na In Be Ow (I	ture direc nefic nersh nstr.	of t ial ip 4)		I
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(1) Options vest 25% quarterly

By: /s/ William Skelly March 2, 2001

\*Signature of Reporting Person

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 space provided is insufficient, see Instruction 6 for procedure.