

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, 2000
ESTIMATED AVERAGE BURDEN:
0.5 HOURS

1. Name and Address of Reporting Person*

REICHER MICHAEL K.

(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. SYMBOL: 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
X DIRECTOR 10% OWNER X OFFICER

(GIVE TITLE BELOW) OTHER (SPECIFY BELOW)
CHIEF EXECUTIVE OFFICER

7. INDIVIDUAL OR GROUP FILING (CHECK APPLICABLE
LINE)
X 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. 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)
		CODE V	AMOUNT (A) OR (D)	PRICE		
COMMON STOCK	10/1/98	A*	2,186	A* \$1.8406		D
COMMON STOCK	1/1/99	A*	3,462	A* \$1.1625		D
				5,648		

(OVER)

REMINDER: REPORT ON A SEPARATE LINE FOR EACH CLASS OF SECURITIES BENEFICIALLY
OWNED DIRECTLY OR INDIRECTLY.

* IF THIS FORM IS FILED BY MORE THAN ONE PERSON, SEE INSTRUCTION 4(b)(v)

* SEE FOOTNOTE 2 TO TABLE II.

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	213,675	213,675	D	
COMMON STOCK	30,303	30,303	D	
COMMON STOCK	30,303	30,303	D	
COMMON STOCK	51,363	51,363	D	
COMMON STOCK	7,284	7,284	D	
COMMON STOCK	7,284	7,284	D	
COMMON STOCK	1,000,000	1,000,000	D	
COMMON STOCK	4,111	4,111	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 (30,303 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$1.404 PER SHARE AND 30,303 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 (7,284 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$1.404 PER SHARE AND 7,284 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 62,500 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/ Michael K. Reicher

NAME: MICHAEL K. REICHER
SIGNATURE OF REPORTING PERSON

May 7, 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.