

OMB APPROVAL

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

FORM 4

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

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5
 obligations may continue. See Instruction 1(b).

1. Name and Address of Reporting Person*

Heitmeyer Stephanie K.
 (Last) (First) (Middle)

C/O HALSEY DRUG CO. 17759 STATE ROUTE 66

(Street)

FT. JENNINGS OHIO 45844
 (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

3/99

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer
(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
 Vice-President (Sales)

7. Individual or Group Filing (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)	3. Transaction Code (Instr. 8) ----- Code V	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) ----- Amount (A) or Price (D)	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 In-direct Beneficial Ownership (Instr. 4)
NONE						

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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).

(Over)
SFC 1474 (3/91)

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 Security (Instr. 3)	2. Conver- sion or Exer- cise Price of Deriv- ative Secur- ity	3. Trans- action Date (Month/ Day/ Year)	4. Trans- action Code (Instr. 8) Code V	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) ----- (A) (D)	6. Date Exercisable and Expiration Date (Month/Day/Year) ----- Date Expira- tion cisable Date	7. Title and Amount of Underlying Securities (Instr. 3 and 4) ----- Amount or Number of Shares	8. Price of Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Secur- ities Bene- ficially Owned at End of Month (Instr. 4)	10. Owner- ship Form of Deriv- ative Secur- ity: Direct (D) or In- direct (I) (Instr. 4)	11. Nature of In- direct Bene- ficial Owner- ship (Instr. 4)

5% CONVERTIBLE SENIOR SECURED DEBENTURES	\$1.404	3/10/98	A	(1)	3/10/98 3/15/03	COMMON STOCK 14,245		14,245	D	

WARRANTS	\$1.404	3/10/98	A	(1)	3/10/98 3/15/05	COMMON STOCK 2,020		2,020	D	

WARRANTS	\$2.279	3/10/98	A	(1)	3/10/98 3/15/05	COMMON STOCK 2,020		2,020	D	

5% CONVERTIBLE SENIOR SECURED DEBENTURES	\$1.404	6/12/98	A4	(2)	6/12/98 3/15/03	COMMON STOCK 3,424		3,424	D	

WARRANTS	\$1.404	6/12/98	A4	(2)	6/12/98 3/15/05	COMMON STOCK 485		485	D	

WARRANTS	\$2.279	6/12/98	A4	(2)	6/12/98 3/15/05	COMMON STOCK 485		485	D	

QUALIFIED STOCK OPTIONS	\$2.50	5/29/98	A4		(3) 5/29/98	COMMON STOCK 40,000		40,000	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 (2,020 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$1.404 PER SHARE AND 2,020 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 (485 SHARES OF WHICH ARE PRESENTLY EXERCISABLE AT \$1.404 PER SHARE AND 485 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 3,333 OPTIONS VESTING EVERY QUARTER EFFECTIVE MAY 1, 1998.

/s/ Stephanie K. Heitmeyer

April 7, 1999

Signature of Reporting Person

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 space provided is insufficient, see Instruction 6 for procedure.
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