

OMB APPROVAL

OMB Number 3235-0287
 Expires: February 1, 2000
 Estimated average burden: 0.5 hours

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(f) of the Investment Company Act of 1940

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

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, if an Entity (Voluntary)

4. Statement for Month/Year

7/99

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

6. Relationship of Reporting Person to Issuer

<input checked="" type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
<input checked="" type="checkbox"/> Officer (give title below) Chief Executive Officer	<input type="checkbox"/> Other (specify below)

7. Individual or Joint/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 Indirect Beneficial Ownership (Instr. 4)
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		

- - - - -
- - - - -
- - - - -
- - - - -
- - - - -
- - - - -
- - - - -
- - - - -

Reminder: Report on a separate line for each class of securities beneficially
owned directly or indirectly.

* If the Form is filed by more than one Person, see Instruction
4(b)(v).

* See Footnote 2 to Table II.

(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	213,675	213,675	D	
Warrants	\$1.404	3/10/98	A	(1)	3/10/98 3/15/05	Common Stock	30,303	30,303	D	
Warrants	\$2.279	3/10/98	A	(1)	3/10/98 3/15/05	Common Stock	30,303	30,303	D	
5% Convertible Senior Secured Debentures	\$1.404	6/12/98	A4	(2)	6/12/98 3/15/03	Common Stock	51,363	51,363	D	
Warrants	\$1.404	6/12/98	A4	(2)	6/12/98 3/15/05	Common Stock	7,284	7,284	D	
Warrants	\$2.279	6/12/98	A4	(2)	6/12/98 3/15/05	Common Stock	7,284	7,284	D	
Non-qualified Stock Options	\$2.375	2/19/98	A4		(3) 2/19/08	Common Stock	1,000,000	1,000,000	D	
5% Convertible Senior Secured Debentures	\$1.1312	4/1/99	A	(2)	4/1/99 3/15/03	Common Stock	4,111	4,111	D	
Non-qualified Stock Options	\$1.125	4/12/99	A	(4)	3/8/00 3/8/09	Common Stock	100,000	100,000	D	
5% Convertible Senior Secured Debentures	\$2.4250	7/1/99	A	(2)	7/1/99 3/15/03	Common Stock	1,939	1,939	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

August 9, 1999
Date

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