

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(h) 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*

Feinberg, Larry N.

(Last) (First) (Middle)

c/o Oracle Strategic Partners, L.P.
200 Greenwich Avenue, 3rd Floor

(Street)

Greenwich, CT 06830

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Halsey Drug Co., Inc. ("HDGC")

3. IRS Identification Number of Reporting Person, if an entity (Voluntary)

4. Statement for Month/Day/Year

February 25, 2003

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

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

[] Director [X] 10% Owner
[] Officer (give title below) [] Other (specify below)

7. Individual or Joint/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)	2A. Deemed Execution Date, if any (Month/ Day/ Year)	3. Trans- action Code (Instr. 8) ----- Code V	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Owner- ship Form: Direct (D) or Indirect (I) (Instr.4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D) Price			
Common Stock	2/25/03		P(2)	3,649,461	A	22,605,245	I	(1)

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 Reporting Person, see Instruction 4(b)(v).

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form
displays a currently valid OMB control number.

(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conver- sion or Exercise Price of Derivative Security	3. Trans- action Date (Month/ Day/Year)	3A. Deemed Execution Date, if any (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 Date	7. Title and Amount of Underlying Securities (Instr. 3 and 4) ----- Amount or Number of Shares
Warrants to purchase Common Stock	\$0.59	02/25/03		X(2)	2,393,478	Immed. 7/27/06	Common Stock 1,895,824
Warrants to purchase Common Stock	\$0.96	02/25/03		X(2)	2,393,478	Immed. 7/27/06	Common Stock 1,753,637
5% Convertible Senior Secured Debentures	See Note (3) under Explana- tion of Responses below.	02/25/03		J(3)	13	Immed. 3/31/06	Common Stock 18,925,784

[TABLE CONTINUED BELOW]

[CONTINUATION OF TABLE FROM ABOVE]

8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Follow- ing Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
See Note (2) under Explanation of Responses below.	0	I	See Note (1) under Explanation of Responses below.
See Note (2) under Explanation of Responses below.	0	I	See Note (1) under Explanation of Responses below.
See Note (3) under Explanation of Responses below.	13	I	See Note (1) under Explanation of Responses below.

Explanation of Responses:

- (1) The securities of Halsey Drug Co., Inc. (the "Company") to which this note relates are held directly by Oracle Strategic Partners, L.P. ("Strategic Partners"). Strategic Partners holds, as of the date of this Form 4, 3,649,461 shares of Common Stock of the Company ("Common Stock") as well as Options for Common Stock ("Options") and 5% Convertible Senior Secured Debentures ("Debentures") of the Company, presently convertible into 30,000 shares and 18,925,784 shares of Common Stock, respectively. Oracle Strategic Capital, L.L.C. ("Strategic Capital") serves as the general partner of Strategic Partners. The undersigned is the managing member of Strategic Capital. The undersigned does not directly own any warrants for Common Stock ("Warrants"), Debentures, Options or Common Stock of the Company. In accordance with Instruction 4(b)(iv), the entire number of such Debentures, Warrants, Options and Shares of Common Stock, held by Strategic Partners, related to the transactions reported on this Form 4, is reported herein. The undersigned disclaims any beneficial ownership of the securities to which this Form 4 relates for purposes of Section 16 of the Securities Exchange Act of 1934, except as such securities representing the undersigned's pro rata interest in, and interest in the profits of, Strategic Partners.
- (2) A series of transactions involving the Company were described in the Company's Current Report on Form 8-K, filed on December 27, 2002 (the "Form 8-K") In connection with these transactions, Strategic Partners received certain anti-dilution adjustments with respect to Warrants that it directly owned. Specifically, Warrants for 1,010,100 shares of Common Stock, with an exercise price of \$1.404, were adjusted to represent Warrants for 2,393,478 shares of Common Stock with an exercise price of \$0.59. In addition, Warrants for 1,010,100 shares of Common Stock, with an exercise price of \$2.285 were adjusted to represent Warrants for 2,393,478 shares of Common Stock with an exercise price of \$0.96. These two sets of Warrants were then exchanged, in a cashless exercise (as valued pursuant to a Black-Scholes model), for 1,895,824 and 1,753,637 shares of Common Stock, respectively, or 3,649,461 shares in the aggregate. Strategic Partners received the documentation formalizing these transactions on February 25, 2003. As per Rule 16a-4(b) of the Securities Exchange Act of 1934, the exercise of the Warrants reported herein is set forth as a purchase of the underlying Common Stock and a closing of a derivative security position.
- (3) In connection with the transaction described in the Form 8-K, existing Debentures held by Strategic Partners were amended to extend their maturity date until March 31, 2006 and their applicable conversion prices for conversion into Common Stock were revised in accordance with their anti-dilution provisions. Strategic Partners holds Debentures in the principal amounts of:

\$10,000,000; \$125,000; \$126,562; \$128,144; \$129,746; \$131,368; \$133,010; \$134,672; \$136,356; \$138,060; \$139,786; \$141,534; and \$143,302. The conversion prices for such Debentures per share of Common Stock are, respectively, \$0.6135, \$0.7525, \$0.4862, \$0.3964, \$0.2735, \$0.4501; \$0.9701, \$0.9701; \$0.8128; \$0.8827; \$0.7516; \$0.7667; and \$1.0200. The Debentures are therefore convertible, respectively, into the following amounts of Common Stock: 16,298,644; 166,110; 260,238; 323,268; 474,436; 291,858; 137,104; 138,818; 167,756; 156,400; 185,974; 184,598; and 140,492. The foregoing Debentures, except for the \$10,000,000 initial Debenture, were received by Strategic Partners as interest payments. Interest on all the Debentures held by Strategic Partners is paid quarterly on each January 1, April 1, July 1 and October 1.

/s/ Larry N. Feinberg

March 3, 2003

**Signature of Reporting Person

Date

Larry N. Feinberg, as managing member of
Oracle Strategic Capital, L.L. C., the
general partner of Oracle Strategic Partners, L.P.

** 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.