

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person
 HARTMEYER, JOHN W.
 2100 EAST WILLARD STREET
 MUNCIE, IN 47302
2. Issuer Name and Ticker or Trading Symbol
 FIRST MERCHANTS CORPORATION
 FRME
3. IRS or Social Security Number of Reporting Person (Voluntary)
 ###-##-####
4. Statement for Month/Year
 July 1997
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
 Director 10% Owner Officer (give title below) Other (specify below)
 First Merchants Bank, N.A.
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	2. Transaction Date	3. Transaction Code	4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned at End of Month	6. Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership	
			Amount	A/D	Price			Director	Beneficial Ownership
Common Stock						840	D		
Common Stock						105	I	Spouse-Cust.	Son Dean Stutz
Common Stock						105	I	Spouse-Cust.	Son Wm. Stutz
Common Stock						1,850	I	Spouse	
Common Stock						1,800	I	Hartmeyer Inc.	
Common Stock						25,875	I	Al Pete Meats, Inc.	
Common Stock						4,050	I	Al Pete Enter.	Inc.
Common Stock						675	I	Cust.-Step	Son Dean Stutz
Common Stock						675	I	Cust.-Step	Son Wm. Stutz
Common Stock						1,350	I	Cust.-Grandson	Andrew Lutz

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)		6. Date Exercisable and Expiration Date		7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Nature of Indirect or Beneficial Ownership		
				Amount	A/D	Exercisable Date	Expiration Date				Director	Beneficial Ownership	
Non-Employee Director Stock Option (Right to Buy)	31.25	07-01-97	A	V	600	A	01-01-98	06-30-07	Common	600	2,400	D	

Explanation of Responses:
 Reporting person resigned as a director of First Merchants Corporation effective midnight December 31, 1996.

SIGNATURE OF REPORTING PERSON
 John W. Hartmeyer (Confirming Statement on File)
 DATE
 July 31, 1997