

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>PALEFSKY HOWARD D</u>  (Last) (First) (Middle) <u>2500 SAND HILL ROAD, SUITE 215</u>  (Street) <u>MENLO PARK CA 94025</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>QUESTCOR PHARMACEUTICALS INC [ QSC ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>05/17/2004</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		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. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

**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)	3A. Deemed Execution Date, if any (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)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series B Convertible Preferred Stock <sup>(1)</sup>	\$0.9412	05/17/2004 <sup>(1)</sup>		J		2,124,947 <sup>(1)(1)</sup>		(2)	01/01/2006 <sup>(3)</sup>	Common Stock	2,124,947 <sup>(1)</sup>	(1)	2,124,947	I <sup>(4)</sup>	By Montreux Equity Partners II SBIC, L.P.
Warrants <sup>(1)</sup>	\$0.9412	05/17/2004 <sup>(1)</sup>		J		679,982 <sup>(1)(1)</sup>		(2)	01/15/2007	Common Stock	679,982 <sup>(1)</sup>	(1)	679,982	I <sup>(4)</sup>	By Montreux Equity Partners II SBIC, L.P.
Stock Option (Right to Buy) <sup>(5)</sup>	\$0.84	05/17/2004		A		25,000		(6)	05/16/2014	Common Stock	25,000	(5)	25,000	D	
Stock Option (Right to Buy) <sup>(5)</sup>	\$0.84	05/17/2004		A		10,000		(7)	05/16/2014	Common Stock	10,000	(5)	10,000	D	

**Explanation of Responses:**

- The reporting person may previously have been deemed to be a member of a Section 13(d) group that beneficially owned more than 10% of the Issuer's outstanding common stock. The filing of this Form 4 serves to note the reporting person's termination of such status as of May 17, 2004, which occurred simultaneously with the reporting person's election to the Issuer's Board of Directors. This reported holding reflects the reporting person's beneficial ownership immediately prior to such termination of status and election to the Issuer's Board of Directors.
- Immediately.
- The shares are redeemable by the Issuer commencing January 1, 2006. In addition, upon the occurrence of certain events, each holder of the shares has the right to require the issuer to redeem its shares.
- The reported securities are owned directly by Montreux Equity Partners II SBIC, L.P., and may be deemed to be beneficially owned indirectly by Howard D. Palefsky, as a managing member of Montreux Equity Management II SBIC, LLC, the general partner of Montreux Equity Partners II SBIC, L.P. Mr. Palefsky disclaims any beneficial ownership of the reported securities except to the extent of any pecuniary interest he may have therein.
- Options granted under the Questcor Pharmaceuticals, Inc. 2004 Non-Employee Director Equity Incentive Plan.
- Options vest monthly over 48 months from the date of grant.
- Options vest 100% at time of grant.

/s/ Howard D. Palefsky

05/19/2004

\*\* Signature of Reporting Person

Date

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).

\*\* 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 is insufficient, see Instruction 6 for procedure.

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