SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)
[**X**] Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **March 31, 2006**.

[ ] Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ______ to _______.

Commission file number: **000-29325**

STAR ENERGY CORPORATION

(Exact name of small business issuer as specified in its charter)

NEVADA	**87-0643634**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1403 East 900 South, Salt Lake City, Utah 84105
(Address of principal executive office) (Zip Code)

(801) 582-9609
(Registrant's telephone number)

Check whether the registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes _X_ No ___

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ___ No _X_____

The number of outstanding shares of the registrant's common stock, $0.001 par value (the only class of voting stock), as of May 11, 2006 was 31,562,500.

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PART I

ITEM 1. FINANCIAL STATEMENTS

As used herein, the terms “Star,” “we,” “our”, and “us” refer to Star Energy Corporation, a Nevada corporation, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in this Form 10-QSB reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

STAR ENERGY CORPORATION
BALANCE SHEETS

ASSETS		March 31, 2006 (Unaudited)	December 31, 2005 (Audited)
Current assets:			
Cash	$	21,736	13,975
Accounts receivable		12,497	8,291
Prepaid expense		-	1,900
Deposit - intent of business combination		25,000	-
Total current assets		59,233	24,166
Oil and gas properties, net (successful efforts method)		47,396	48,341
Total assets	$	106,629	72,507
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	$	14,448	1,565
Note payable		30,000	-
Total current liabilities		44,448	1,565
Asset retirement obligation		1,337	1,327
Commitments and contingencies			
Stockholders' equity:			
Preferred stock, $.001 par value, 5,000,000 shares authorized, no shares issued and outstanding		-	-
Common stock, $.001 par value, 225,000,000 shares authorized, 31,562,500 shares issued and outstanding		31,563	31,563
Additional paid-in capital		77,363	77,363
Accumulated deficit		(48,082)	(39,311)
Total stockholders' equity		60,844	69,615
Total liabilities and stockholders' equity	$	106,629	72,507

The accompanying notes are an integral part of these financial statements

STAR ENERGY CORPORATION

UNAUDITED CONDENSED STATEMENTS OF OPERATIONS

Three Months Ended March 31, 2006 and 2005

		2006	2005
Oil and gas revenues	$	14,576	10,093
Operating expenses:			
Production costs		3,989	3,764
Depletion and amortization expense		945	875
General and administrative costs		18,413	9,490
		23,347	14,129
Income (loss) from operations		(8,771)	(4,036)
Provision for income taxes		-	-
Net income (loss)	$	(8,771)	(4,036)
Income per common share - basic and diluted	$	-	-
Weighted average common shares - basic and diluted		31,562,500	31,562,500

The accompanying notes are an integral part of these financial statements

STAR ENERGY CORPORATION

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS

Three months ended March 31, 2006 and 2005

		2006	2005
Cash flows from operating activities:			
Net loss	$	(8,771)	(4,036)
Adjustments to reconcile net loss to			
net cash provided by (used in) operating activities:			
Depletion and amortization		945	875
Accretion expense		10	16
(Increase) decrease in:			
Accounts receivable		(4,206)	(1,532)
Prepaid expense		1,900	1,642
Increase in accounts payable		12,883	4,881
Net cash provided by operating activities		2,761	1,846
Cash flows from investing activities:			
Deposit - intent of business combination		(25,000)	-
Net cash used in investing activities		(25,000)	-
Cash flows from financing activities:			
Proceeds from note payable		30,000	-
Net cash provided by financing activities		30,000	-
Net increase in cash		7,761	1,846
Cash, beginning of period		13,975	17,542
Cash, end of period	$	21,736	19,388

The accompanying notes are an integral part of these financial statements

STAR ENERGY CORPORATION
NOTES TO UNAUDITED FINANCIAL STATEMENTS
March 31, 2006

Note 1 - Basis of Presentation

The accompanying unaudited condensed financial statements have been prepared by management in accordance with the instructions in Form 10-QSB and, therefore, do not include all information and footnotes required by generally accepted accounting principles and should, therefore, be read in conjunction with Star's Form 10-KSB for the year ended December 31, 2005, filed with the Securities and Exchange Commission. These statements do include all normal recurring adjustments which Star believes necessary for a fair presentation of the statements. The interim operations are not necessarily indicative of the results to be expected for the full year ended December 31, 2006.

Note 2 – Deposit - Intent of Business Combination

On March 24, 2006, Star entered into a letter of intent to purchase Terrabyte, LLC, a privately held company headquartered in Allegan, Michigan. The letter of intent anticipates an initial issuance of 5,000,000 shares of Star's common stock to the owners of Terrabyte to be increased to 10,000,000 shares should a pilot evaluation program determine that in excess of 1,000,000 barrels of recoverable oil exists in Terrabyte's underlying leasehold properties. Recoverable oil in excess of 1,000,000 barrels will further entitle the owners of Terrabyte to an additional 2½ shares for each barrel of oil over 1,000,000 barrels. Finally, the letter of intent also anticipates the grant of options to the owners of Terrabyte to purchase 3 additional shares of Star's common stock at an exercise price defined on the closing date of the definitive agreement for each barrel of oil in excess of that determined on completion of the pilot evaluation program.

Star has 90 days from the closing date, to satisfy financing obligations. Should Star fail to fulfill its financing obligations, ownership of Terrabyte will revert to the original owners. Further, should the pilot evaluation program fail to determine a minimum reserve of 1,000,000 barrels of recoverable oil, Star will have the option to either continue the development of Terrabyte leasehold interests or return Terrabyte to its original owners. Star is yet to sign a definitive agreement in connection with the letter of intent.

Note 3 – Note Payable

Note payable to an unrelated party is non-interest bearing, unsecured, and due on demand.

Note 4 – Additional Footnotes Included By Reference

Except as indicated in Notes above, there have been no other material changes in the information disclosed in the notes to the financial statements included in Star's Form 10-KSB for the year ended December 31, 2005, filed with the Securities and Exchange Commission. Therefore, those footnotes are included herein by reference.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis of Financial Condition and Results of Operations and other parts of this report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in the subsections entitled "Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition" and "Risk Factors" below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. Our fiscal year ends December 31.

Business

Star is an independent oil and natural gas producer involved in the exploration, development, production and sale of gas derived from properties located in Webb County, West Texas.

We currently realize production from a total of five oil and gas wells each with a 15% working interest and a 12% net revenue interest. The wells are on five separate parcels of land spread over 425 acres of the Galvan Ranch. Depth of the producing intervals varies from 5,800 to 6,800 ft within the Olmos sand reservoir. The producing interval within the Olmos sand reservoir where Star’s wells are located has an average thickness ranging from 75 to 100 feet with an average porosity ranging from 10 to 14%.

Strategy

Star’s short term strategy is to sustain a positive net cash flow from operations and debt or equity placements. Net cash flow will then be used to increase proved developed reserves and production. Star intends to focus on implementing improved production practices and recovery techniques in its efforts to sustain net cash flow from operations. Star believes that it can achieve reserve and production growth through the improved exploitation of its existing inventory of wells in Texas and through acquisition.

Once Star sustains positive net cash flow, its long term strategy is to pursue selective acquisitions of additional oil or gas properties or exploration projects. Star has considered opportunities located in proximity to its current operations as well as other projects in North America.

On March 24, 2006 Star executed a letter of intent to acquire Terrabyte, an oil and gas exploration company headquartered in Allegan, Michigan. Terrabyte is positioned to initiate an enhanced secondary recovery water flood development to produce oil from the Mohican River field located in the vicinity of the Perry Township, Ashland County, Ohio. The Mohican River field underlies 300 acres with a prospective pay zone that is up to 195 feet thick not more than 500 to 700 feet below the surface. Floodable oil in place is estimated to be 12.17 million barrels from which water flood calculations indicate that recovery should approximate 34.3% of that estimate or 4.17 million barrels. However, secondary recovery could range up to 7.3 million barrels dependent on the ultimate result of the water flood.

The letter of intent anticipates an initial issuance of 5,000,000 shares of Star's common stock to the owners of Terrabyte to be increased to 10,000,000 shares should a pilot evaluation program determine that in excess of 1,000,000 barrels of recoverable oil exists in Terrabyte's underlying leasehold properties. Recoverable oil in excess of 1,000,000 barrels will further entitle the owners of Terrabyte to an additional 2½ shares for each barrel of oil over 1,000,000 barrels. Finally, the letter of intent also anticipates the grant of options to the owners of Terrabyte to purchase 3 additional shares of the Star's common stock at an exercise price defined on the closing date of the definitive agreement for each barrel of oil in excess of that determined on completion of the pilot evaluation program.

Star has 90 days from the closing date, to satisfy financing obligations. Should Star fail to fulfill its financing obligations, ownership of Terrabyte will revert to the original owners. Further, should the pilot evaluation program fail to determine a minimum reserve of 1,000,000 barrels of recoverable oil, Star will have the option to either continue the development of Terrabyte leasehold interests or return Terrabyte to its original owners. Star is yet to sign a definitive agreement in connection with the letter of intent.

Star's business development strategy is prone to significant risks and uncertainties certain of which can have an immediate impact on its efforts to sustain a positive net cash flow and deter future prospects of production growth. Historically Star has not been able to generate sufficient cash flow from operations or financing efforts to sustain operations or fund exploration and development costs. Therefore, there can be no assurance that the wells currently producing will provide sufficient cash flows to maintain operations or that additional capital will be available to pursue our current strategy. Should we be unable to generate sufficient cash flow from existing properties or obtaining financing through alternative sources, Star may have to sell its properties or interests in order to remain in operation.

Star's financial condition, results of operations and the carrying value of its natural gas properties depends primarily upon the prices it receives for natural gas production and the quantity of that production. Natural gas prices historically have been volatile and are likely to continue to be volatile in the future. This price volatility can immediately affect Star's available cash flow which can in turn impact the availability of net cash flow for operations and future capital expenditures. A drop in oil and natural gas prices could also incur a write down of the carrying value of our properties as can a decrease in production. Star's future success will depend on the level of gas prices and the quantity of its production. Since production leads to the depletion of gas reserves, Star's ability to develop or acquire additional economically recoverable oil and gas reserves is vital to its future success. Unless Star can obtain such additional reserves, its current production will continue to decline which will lead to a significant reduction in revenue.

Further, estimates of reserves and of future net revenue may vary substantially depending, in part, on the assumptions made and may be subject to adjustment either up or down in the future. Actual amounts of production, revenue, taxes, development expenditures, operating expenses, and quantities of recoverable oil and gas reserves to be encountered may vary substantially from the engineer's estimates. Oil and gas reserve estimates are necessarily inexact and involve matters of subjective and engineering judgment. If these estimates of quantities, prices and costs prove inaccurate, and Star is unsuccessful in increasing its producing gas wells, and/or declines in and instability of gas prices occurs, then write downs in the capitalized costs associated with its gas assets may be required. While Star believes that the estimated proved gas reserves and estimated future net revenues are reasonable, there is no assurance that certain revisions will not be made in the future.

Star believes that the immediate key to its ability to achieve profitably over the near term is an increase in oil and gas production through exploration, development or acquisition.

Results of Operations

During the three month period ended March 31, 2006, Star was engaged in evaluating the operating efficiencies of the purchased wells, overseeing the operation of its gas assets, and involved in negotiating and drafting the letter of intent and an agreement pertaining to the intended acquisition of Terrabyte. The operation and maintenance of Star's gas operations is wholly dependent on the services provided by Lewis. While the services provided by Lewis have proven adequate, the fact that Star is dependent on the operations of a third party to maintain its operations and produce revenue can restrict its ability to sustain net income.

Three Months Ended March 31,		2006		2005	Change	% Change
Average Daily Production						
Oil (bbls/day)		-		-	-	0%
Natural gas (mcf/day)		19		18	1	6%
Barrels of oil equivalent (boe/day)		3		3	0	6%
Profitability						
Petroleum and natural gas revenue	$	14,576	$	10,093	4,483	44%
Production and operating costs		3,989		3,764	225	6%
Field netback		10,587		6,329	4,258	67%
G&A		18,413		9,490	8,923	94%
Financing		-		-	-	0%
Loss before depletion, amortization & income taxes		(7,826)		(3,161)	(4,665)	148%
Depletion, depreciation and other charges		945		875	70	8%
Future income taxes		-		-	-	0%
Net earnings from operations	$	(8,771)	$	(4,036)	(4,735)	117%
Profitability per boe						
Oil and gas revenue (average selling price)		50.72		36.68	14.04	38%
Production and operating costs		13.88		13.68	0.20	1%
Field netback ($/boe)		36.84		23.00	13.84	60%
Net earnings ($/boe)		(30.52)		(14.67)	(15.85)	108%
Loss before depletion, amortization & income taxes ($/boe)		(27.23)		(11.49)	(15.74)	137%

Three month periods ended March 31, 2006 and 2005

Gross Revenue

Gross revenue for the three month period ended March 31, 2006 was $14,576 as compared to $10,093 for the comparable period ended March 31, 2005, an increase of 44%. The increase in gross revenue over the comparative three and nine month periods can be attributed to an increase in the prices realized for gas production over the respective periods. Star expects to maintain relatively consistent gross revenues over future periods due to increases in gas prices which Star expects to offset decreasing production.

Net Losses

Net losses for the three month period ended March 31, 2006 were $8,771 as compared to a net loss of $4,036 for the comparable period ended March 31, 2005, an increase of 117%. The increase of net losses over the comparative three month periods can be attributed to an increase in general and administrative expenses. Star expects to continue to realize nets losses over future periods until such time as revenues increase through increases in current production or the acquisition of additional production.

Expenses

General and administrative expenses for the three month period ended March 31, 2006 increased to $18,413 from $9,490 for the comparable period ended March 31, 2005, an increase of 94%.The increase in general administrative expenses over the three month comparative periods is primarily attributed to consulting fees and professional fees in the current period. Star anticipates that general and administrative expenses will remain relatively consistent over the next three month period but does anticipate an increase in general and administrative expenses during the third quarter of this year in the event the acquisition of Terrabyte, LLC is concluded.

Production costs for the three month period ended March 31, 2006 increased to $3,989 from $3,764 for the comparable period ended March 31, 2005, an increase of 6%. Direct production expenses include the cost of maintaining the wells, access roads, miscellaneous expenses for soap, solvent, gasoline or electricity and expenses such as those incurred in swabbing, dozer work or rig time. The increase in production costs over the three month comparative periods can be attributed to inflationary pressures on services provided by Lewis. Star expects that productions costs will continue to increase in future periods.

Depletion expenses for the three month periods ended March 31, 2006, and March 31, 2005 were $945 and $875 respectively.

Income Tax Expense (Benefit)

Star has an income tax benefit resulting from operations that will offset any operating profit.

Impact of Inflation

Star believes that inflation has had a negligible effect on operations over the past three years. Star believes that it can offset inflationary increases in maintenance costs by increasing revenue and improving operating efficiencies.

Liquidity and Capital Resources

Cash flow provided by in operations for the three month period ended March 31, 2006 was $2,761 as compared to cash flow provided by operations of $1,846 for the comparable period ended March 31, 2005. The increase in cash flow provided by operations over the comparative three month periods is primarily attributed to an increase in accounts payable. Star expects that cash flow will be provided by operations in future periods.

Cash flow used in investing activities for the three month period ended March 31, 2006 was $25,000 as compared to $0 for the three month period ended March 31, 2005. Cash flow used in investing activities in the current three month period constituted a payment to Terrabyte under the terms and conditions of the letter of intent that will be credited against Star's financing obligations on closing a definitive agreement to acquire Terrabyte.

Cash flow provided by financing activities was $30,000 for the three month period ended March 31, 2006 as compared to cash flow provided by financing activities of $0 for the three month period ended March 31, 2005. The financing in the current three month period took the form of a loan payable to an unrelated party that is non-interest bearing, unsecured, and due on demand.

Star has a working capital surplus of $14,785 as of March 31, 2006 and has funded its cash needs since inception with revenues generated from operations, debt instruments and private placements. Existing working capital and anticipated cash flow are expected to be sufficient to fund current operations in 2006.

However, existing working capital and anticipated cash flow is not enough to satisfy those financing obligations incumbent on Star under the terms of the letter of intent. Star is committed to completing an equity placement of its common shares to satisfy financing commitments to Terrabyte but can offer no assurance that it will be able to realize sufficient capital to finance the acquisition.

Star had no lines of credit or other bank financing arrangements as of March 31, 2006. Since any earnings, if realized, are anticipated to be reinvested in operations, cash dividends are not expected to be paid in the foreseeable future. Commitments for future capital expenditures were not material at period end.

Star has no defined benefit plan or contractual commitment with any of its officers or directors.

Star has no current plans for the purchase or sale of any plant or equipment.

Star has no current plans to make any changes in the number of employees.

Critical Accounting Policies and Estimates

Accounting for Oil and Gas Property Costs. As more fully discussed in Note 1 to the Financial Statements, Star (i) follows the successful efforts method of accounting for the costs of its gas properties, (ii) amortizes such costs using the units of production method, and (iii) evaluates its proven properties for impairment whenever events or changes in circumstances indicate that their net book value may not be recoverable. Adverse changes in conditions (primarily gas price declines) could result in permanent write-downs in the carrying value of gas properties as well as non-cash charges to operations that would not affect cash flows.

Estimates of Proved Oil and Gas Reserves. An independent petroleum engineer annually estimates Star's proven reserves. Reserve engineering is a subjective process that is dependent upon the quality of available data and the interpretation thereof. In addition, subsequent physical and economic factors such as the results of drilling, testing, production and product prices may justify revision of such estimates. Therefore, actual quantities, production timing, and the value of reserves may differ substantially from estimates. A reduction in proved reserves would result in an increase in depreciation, depletion and amortization expense.

Estimates of Asset Retirement Obligations. In accordance with SFAS No 143, Star makes estimates of future costs and the timing thereof in connection with recording its future obligations to plug and abandon wells. Estimated abandonment dates will be revised in the future based on changes to related economic lives, which vary with product prices and production costs. Estimated plugging costs may also be adjusted to reflect changing industry experience. Increases in operating costs and decreases in product prices would increase the estimated amount of the obligation and increase depreciation, depletion and amortization expense. Cash flows would not be affected until costs to plug and abandon were actually incurred.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in sections titled "Management's Discussion and Analysis", with the exception of historical facts, are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These forward looking statements include, but are not limited to, statements concerning:

- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for future operations;
- our ability to maintain sufficient energy reserves to fund and maintain operations;
- uncertainties related to the Star's future business prospects with Terrabyte;
- the volatility of the stock market; and
- general economic conditions.

We wish to caution readers that the Star's operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other that is required by law.

Risks Related to Our Business

Our future operating results are highly uncertain. Before deciding to invest in us or to maintain or increase your investment, you should carefully consider the risks described below, in addition to the other information contained in this annual report. If any of these risks actually occur, our business, financial condition or results of operations could be seriously harmed. In that event, the market price for our common stock could decline and you may lose all or part of your investment.

We have a history of significant operating losses and such losses may continue in the future.

Since our inception in 1999, our expenses have often exceeded our income, resulting in losses and an accumulated deficit of $39,311 at December 31, 2005. During fiscal 2005, we recorded a net loss of $35,833 due to the abandonment of our interests in three gas wells. We may continue to incur operating losses as revenues are likely to decline from depleted gas resources and expenses are likely to increase with aging wells. Our only expectation of future profitability is dependent upon our ability to acquire additional production revenue through exploration, development or acquisition. Star's success in this endeavor can in no way be assured.

Natural gas prices are volatile. Any substantial decrease in prices would adversely affect our financial results.

Star's future financial condition, results of operations and the carrying value of its natural gas properties depend primarily upon the prices it receives for natural gas production. Natural gas prices historically have been volatile and are likely to continue to be volatile in the future. Star's cash flow from operations is highly dependent on the prices that it receives for natural gas. This price volatility also affects the amount of Star's cash flow available for capital expenditures and its ability to borrow money or raise additional capital. The prices for natural gas are subject to a variety of additional factors that are beyond Star's control. These factors include:
- the level of consumer demand for natural gas;
- the domestic supply of natural gas;
- domestic governmental regulations and taxes;
- the price and availability of alternative fuel sources;
- weather conditions;
- market uncertainty;

These factors and the volatility of the energy markets generally make it extremely difficult to predict future natural gas price movements with any certainty. Declines in natural gas prices would not only reduce revenue, but could reduce the amount of natural gas that Star can produce economically and, as a result, could have a material adverse effect on its financial condition, results of operations and reserves. Should the natural gas industry experience significant price declines, Star may, among other things, be unable to meet its financial obligations.

Star's future performance depends on its ability to find or acquire additional oil or natural gas reserves.

Unless Star successfully replaces the reserves that it produces, the defined reserves will decline, resulting in a decrease in natural gas production and lower revenues and cash flows from operations. Star has historically obtained reserves through acquisitions. The business of exploring for, developing or acquiring reserves is capital intensive. Star may not be able to obtain the necessary capital to acquire additional oil or natural gas reserves as cash flows from operations are reduced, and access to external sources of capital is unavailable. Should Star not make significant capital expenditures it will not be able to maintain its current production rates and expenses will overtake revenue which may lead to a cessation of operations.

The results of our operations are wholly dependent on the production and maintenance efforts of Lewis.

The operation and maintenance of Star's natural gas operations is wholly dependent on an independent local operator, Lewis. While the services provided by Lewis in the past have proven adequate for the successful operation of Star's natural gas wells, the fact that Star is dependent on operations of a third party to produce revenue from its natural gas assets could restrict its ability to generate a net profit on operations.

The market for our stock is limited and our stock price may be volatile.

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

We may incur significant expenses as a result of being quoted on the Over the Counter Bulletin Board, which may negatively impact our financial performance.

We may incur significant legal, accounting and other expenses as a result of being listed on the Over the Counter Bulletin Board. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission has required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in the following risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

Our internal controls over financial reporting may not be considered effective, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, beginning with our annual report for the year ending December 31, 2007, we may be required to furnish a report by our management on our internal controls over financial reporting. Such report will contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. The report will also contain a statement that our independent registered public accounting firm has issued an attestation report on management's assessment of internal controls. If we are unable to assert that our internal controls are effective as of December 31, 2007, or if our independent registered public accounting firm is unable to attest that our management's report is fairly stated or they are unable to express an opinion on our management's evaluation or on the effectiveness of our internal controls, investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

ITEM 3. CONTROLS AND PROCEDURES

The Star’s chief executive officer and the Star’s chief financial officer are responsible for establishing and maintaining disclosure controls and procedures for the Star.

(a) Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (“Exchange Act”), as of March 31, 2006. Based on this evaluation, our principal executive officer and our principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective and adequately designed to ensure that the information required to be disclosed by us in the reports we submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms and that such information was accumulated and communicated to our chief executive officer and chief financial officer, in a manner that allowed for timely decisions regarding required disclosure.

(b) Changes in Internal Controls

During the period ended March 31, 2006, there has been no change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

Star's management, including the chief executive officer and chief financial officer, do not expect that its disclosure controls or internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. In addition, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake.

Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management's override of the control. The design of any systems of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of these inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Individual persons perform multiple tasks which normally would be allocated to separate persons and therefore extra diligence must be exercised during the period these tasks are combined. Star has not designated an audit committee and no member of the board of directors has been designated or qualifies as a financial expert. Star should address these concerns at the earliest possible opportunity.

PART II

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES

None.

ITEM 3. DEFAULTS ON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-B are listed in the Index to Exhibits on page 19 of this Form 10-QSB, and are incorporated herein by this reference.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, this 12th day of May, 2006.

STAR ENERGY CORPORATION

/s/ Dr. Nafi Onat
Dr. Nafi Onat
Chief Executive Officer

/s/ Ruairidh Campbell
Ruairidh Campbell
Chief Financial Officer and Principal Accounting Officer

INDEX TO EXHIBITS

EXHIBIT NO.	PAGE NO.	DESCRIPTION
3(i)(a)	*	Articles of Incorporation of Star (incorporated by reference from the Form 10-SB filed with the Securities and Exchange Commission on February 3, 2000).
3(i)(b)	*	Amended Articles of Incorporation of Star (incorporated by reference from the Form 10-KSB filed with the Securities and Exchange Commission on March 11, 2003).
3(ii)	*	Bylaws of Star (incorporated by reference from the Form 10-SB filed with the Securities and Exchange Commission on February 3, 2000).
10(i)	*	Assignment and Bill of Sale between the Star and Monument Resources, Inc. in connection with that acquisition of the Galvan Ranch wells interest (incorporated by reference from the Form 10-QSB filed with the Securities and Exchange Commission on July 17, 2003).
14	*	Code of Ethics adopted March 1, 2004 (incorporated by reference from the 10-KSB filed with the Securities and Exchange Commission on April 14, 2004).
31(a)	19	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31(b)	20	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32(a)	21	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32(b)	22	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Incorporated by reference from previous filings of Star.

EXHIBIT 31(a)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dr. Nafi Onat, chief executive officer of Star Energy Corporation ("Registrant") certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB ("Report") of Registrant;

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant, is made known to me by others within those entities, particularly during the period in which this Report is being prepared;

b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

c) Disclosed in this Report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: May 12, 2006

/s/ Dr. Nafi Onat
Dr. Nafi Onat
Chief Executive Officer

EXHIBIT 31(b)

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Ruairidh Campbell, chief financial officer of Star Energy Corporation (“Registrant”) certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB (“Report”) of Registrant;

2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the Registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant, is made known to me by others within those entities, particularly during the period in which this Report is being prepared;

b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and

c) Disclosed in this Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: May 12, 2006

/s/ Ruairidh Campbell
Ruairidh Campbell
Chief Financial Officer

EXHIBIT 32(a)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-QSB of Star Energy Corporation (“Registrant”) for the quarterly period ended March 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (“Report”), I, Dr. Nafi Onat, chief executive officer, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) This Report complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this Report fairly represents, in all material respects, the financial condition of Registrant at the end of the period covered by this Report and results of operations of Registrant for the period covered by this Report.

/s/ Dr. Nafi Onat
Dr. Nafi Onat
Chief Executive Officer
May 12, 2006

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32(b)

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-QSB of Star Energy Corporation (“Registrant”) for the quarterly period ended March 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (“Report”), I, Ruairidh Campbell, chief financial officer, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) This Report complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) The information contained in this Report fairly represents, in all material respects, the financial condition of Registrant at the end of the period covered by this Report and results of operations of Registrant for the period covered by this Report.

/s/ Ruairidh Campbell
Ruairidh Campbell
Chief Financial Officer
May 12, 2006

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.