

Foothills Resources, Inc. Agrees to Acquire Producing Oil Fields in Texas for \$62 Million

Bakersfield, California, June 22, 2006 – Foothills Resources, Inc. (OTCBB: FTRS) today announced that it has entered into an agreement with TARH E&P Holdings, L.P. (“TARH”), an affiliate of Texas American Resources Company, to acquire TARH’s interests in four oil fields in southeastern Texas for a total consideration of approximately \$62 million, comprised of a cash payment of approximately \$57.5 and the issuance of \$4.5 million of Foothills’ common stock. The closing of the transaction is subject to customary conditions. The Company plans to fund most of the cash portion of the purchase price through senior and mezzanine debt to be secured by the properties.

Dennis Tower, the Company’s Chief Executive Officer, stated, “the opportunity to acquire the Goose Creek oil field and other properties from TARH is a valuable first addition to the Foothills portfolio. The field was discovered by Humble Oil Co., now ExxonMobil Corp., and has produced over 150 million barrels of oil. We are acquiring 5.1 million barrels of long-lived proven reserves with expectations of substantial upside potential. The current gross production of 820 barrels of oil per day complements our existing gas portfolio in the Eel River Basin of California. Foothills will have the opportunity to build value in the assets through our ability to apply our technical expertise to development and exploration drilling, recompletions, workovers, water floods, and other operations. We expect that this undeveloped potential will be reflected in increased production before the end of the year.”

The acquisition includes working interests ranging from 95% to 100% in the four fields, which contain more than 30 productive reservoirs between 800 ft. and 4,500 ft., and approximately 4,000 gross acres of leasehold or fee interests. The Company will operate the four fields, and will immediately begin planning and permitting for a 3D seismic survey at Goose Creek and Goose Creek East oil fields. The 3D seismic is expected to result in much more accurate mapping of the oil reservoirs and lead to the identification of undeveloped opportunities and deeper oil prospects. In addition, the seismic in this area shows a strong gas signature over gas reservoirs, a Direct Hydrocarbon Indicator, or “DHI”.

This “DHI” effect directly contributed to the discovery of two nearby natural gas fields from the Vicksburg reservoirs. To date, the Hematite Field, which is located immediately adjacent to Goose Creek East, has produced 22 billion cubic feet of gas equivalent (“bcfe”) from eight wells and the Eagle Bay Field has produced 156 bcfe from 15 wells. We believe that the deeper Vicksburg reservoirs offer significant upside potential in the Goose Creek area where old wellbores encountered gas shows in the Vicksburg but were not produced at the time. A gas pipeline to market runs through the eastern part of the property allowing for early monetization of the gas.

About Foothills Resources, Inc.

Foothills Resources, Inc. is an oil and gas acquisition, exploration and production company, headquartered in Bakersfield, California. Its present business activities commenced in April 2006, following the concurrent completion of a reverse merger transaction and a private placement financing.

Our business strategy is to identify and exploit low-to-moderate risk resources in and adjacent to existing or indicated producing areas that can be quickly developed and put on production, including the acquisition of producing properties with exploitation and exploration potential in these areas. We will also take advantage of our expertise to develop exploratory projects in focus areas and to participate with other companies in those areas to explore for oil and natural gas using state-of-the-art 3D seismic technology. Our management will use its extensive domestic and international oil and gas experience and our relationship with the well known energy consulting group Moyes and Co., Inc. (<http://www.moyesco.com>) to establish and grow the Company.

Additional information concerning Foothills is available at <http://www.foothills-resources.com>.

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SEC Filings and Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect or anticipate will or may occur in the future are forward-looking statements. The words “will,” “should,” “believe,” “intend,” “expect,” “anticipate,” “project,” “estimate,” “predict,” “plan” and similar expressions are also intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding business strategy and expansion and growth of our business and operations. Such forward-looking statements involve assumptions and are subject to known and unknown risks and uncertainties that could cause actual results or performance to differ materially from those expressed or implied by such forward-looking statements. Although we believe that the assumptions reflected in such forward-looking statements are reasonable, we can give no assurance that such assumptions will prove to have been correct. You should also know that such statements are not guaranties of future performance and are subject to risks, uncertainties and assumptions, including, but not limited to, failing to discover reserves that may be extracted on a commercially viable basis, inaccurately estimating oil and gas reserves, intense competition, environmental risks and general economic conditions including the price of oil and gas. Readers are urged not to place undue reliance on these forward-looking statements, which speak only

as of the date of this release. Should any of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may differ materially from those included within these forward-looking statements. We undertake no obligation to publicly release the result of any revision to these forward-looking statements to reflect events or circumstances occurring after the date of this release or to reflect the occurrence of unanticipated events. Readers are urged to carefully review and consider the various disclosures made by us in our reports filed with the Securities and Exchange Commission, which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and cash flows.