

Foothills Resources, Inc. Announces Preparation for Production Testing on the First Well in the Grizzly Bluff Drilling Program

Bakersfield, California, July 10, 2006 – Foothills Resources, Inc. (OTCBB: FTRS) today announced that its first well in the previously announced drilling program in the Grizzly Bluff natural gas field in the Eel River Basin in Humboldt County, California has reached a total depth of 4,815 feet and preparation for production testing is being completed.

Preliminary results obtained from the Foothills California, Inc. Christiansen 3-15 well, together with an in-depth analysis of electric log data and surveys obtained from the well, indicate the well has encountered natural gas from the primary objective zones between 3600 and 3900 feet. Well completion and production equipment are being sourced and it is expected that the well will be ready for production testing in the next several weeks.

Foothills Resources, Inc., Chief Executive Officer, Dennis Tower stated “I am very pleased with the results from the well that we have seen so far and I am looking forward to getting this first Foothills-operated well on commercial production”.

Two wells will be drilled in this initial program which is expected to be completed in July. The second well, Foothills Vicenus 1-3, will be drilled to a depth of 5,900 feet and will be situated about one mile west of the Foothills Christiansen 3-15 well. The Vicenus well will be located about 1,000 feet southeast of a well that was drilled in 1964 and that tested 2.5 million cubic feet of gas per day. The Vicenus 1-3 will test the same zones as this old abandoned well (which was never produced commercially because of the lack of a gas market) plus prospective deeper zones.

Both of the Foothills wells will be drilled from existing well pads from which gas pipeline connections are already in place. Natural gas sales are expected to commence almost immediately after the wells are tested and completed.

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.