

FOOTHILLS RESOURCES, INC.

**NEWS RELEASE
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FOOTHILLS RESOURCES, INC. ANNOUNCES OPERATIONS UPDATE

*Company on Schedule to Complete
2007 Drilling Program*

BAKERSFIELD, Calif. – (PR Newswire) – June 18, 2007 – Foothills Resources, Inc. (OTCBB: FTRS) today announced an operations update in its core operations in California, the Texas Gulf Coast and Oklahoma.

Total production from Foothills' two core operations in California and Texas is currently averaging about 900 gross barrels of oil equivalent per day (675 net). Although no wells have been drilled in the second quarter, Foothills is on schedule to drill 6 to 8 gross wells (5.5 to 7.5 net) in the second half of 2007. Management anticipates that these new wells, combined with the continuing recompletion program in Texas and production from currently shut-in wells, will significantly increase overall Company production in 2007.

California

Natural gas production from the Grizzly Bluff Field in the Eel River Basin of northwest California remains strong, with the Company's current net production totaling approximately 395,000 cubic feet per day. Production efficiency has been enhanced by the installation of additional compression facilities. Natural gas prices have also been firm, with the Company receiving \$7.04 per MMBtu for its April 2007 production.

Processing of the 3D seismic data acquired in January of this year has required more time than expected due to the intense effort required to achieve the best overall results. The processing is nearly complete and the Company expects to begin interpretation of the data set shortly.

A drilling rig has been secured for the 2007 drilling program and the detailed pre-drill planning is underway. The drilling equipment is expected to arrive in the Eel River Basin area in mid-August, and we anticipate sharing rig moving expenses with another operator in the area.

The current plans are to drill three wells: one to the shallow Anderson sand objective, one to the intermediate depth Lower Rio Dell objective, and one to test the deeper Grizzly Bear exploratory prospect. The Company also plans to conduct a re-entry and deepening of the Vicenus 1-3 well that Foothills drilled last year. As previously reported, the primary objective in this well had to be cemented off after encountering a highly productive overpressured gas zone in the Lower Rio Dell formation. The well was subsequently completed in the gas-bearing Rio Dell sands above this zone.

A high quality DHI (Direct Hydrocarbon Indicator) supported prospect has been identified on 2D seismic in the Table Bluff area about seven miles northwest of Grizzly Bluff, and Foothills has accumulated a controlling leasehold position over this area. The Company is integrating its geologic mapping with 2D seismic and data from wells drilled in this area. Public records indicate that two wells in the nearby Table Bluff Field produced natural gas for a short period of time during the 1960s during a time of low commodity prices.

John Moran, President of Foothills said, “The first six months of 2007 have been a very exciting time here at Foothills. We have further developed our projects, gained access to a rig and equipment needed for our planned activities, and laid the groundwork for continued growth that will enable us to complete our 2007 drilling plans.”

Texas Gulf Coast

The Company has maintained a very active recompletion, workover and field servicing program in its Texas oil fields since Foothills’ previous report. Significant progress has also been made in improvements to the field infrastructure. Some older oil flowlines have been replaced, higher capacity and more efficient pumping units have been installed, and field personnel have been redeployed to run the operations more efficiently.

Mike Moustakis, Foothills Vice President of Engineering, commented, “Oil field infrastructure improvements may not be the most glamorous projects, but they are a critical component in the oil and natural gas industry. At Foothills, they continue to provide a strong payback in terms of enhanced production reliability and optimum well-by-well performance.”

Natural gas production has been initiated from a previously inactive well in the Goose Creek Field and additional wells have been identified as potential future producers. Currently, the Company is repositioning compressors and adding in-field flowlines to take advantage of an asset that was not producing when Foothills purchased the field last year.

Current net daily production is stable at about 620 BOE from the Texas assets; however an estimated 60 to 75 barrels of additional daily net oil production is presently shut-in or restricted. Foothills is waiting for a barge-mounted workover rig, expected in approximately three weeks, to finish the recompletion and hook-up of several wells that are in the shallow-water portion of the Goose Creek Field.

The Company's production volumes from Goose Creek are expected to get a substantial boost in the second half of this year as a result of new drilling to develop PUD (Proved Undeveloped) reserves. Three to five new wells are expected to be drilled with drilling anticipated to commence in August.

"Overall, the recompletion program has exceeded our expectations with 18 successful results out of 20 projects undertaken so far. Foothills has a substantial inventory of recompletions and major workovers that will keep us busy well into the future," noted Mr. Moran.

At the Cleveland Field, oil and natural gas production has been enhanced and field operational reliability improved by redesigning the gas lift system and removing certain bottlenecks to parts of the production infrastructure.

Planning is continuing for a 3D seismic survey to be conducted over the Goose Creek and Goose Creek East Fields in 2008. This seismic survey is expected to provide significant data for the evaluation of the deeper Vicksburg gas potential under the core of the Goose Creek Field.

Oklahoma

Geophysical and geologic mapping of the reprocessed West Cheyenne 3D data set in the Anadarko Basin is expected to be completed within the next week. Several prospects have been identified in the deep Morrow formation as well as the deeper Hunton formation. These prospects will be high-graded and leasing is expected to begin this summer.

Foothills has initiated efforts to secure partners on a promoted basis as the Company moves forward on this project. Morrow wells in this area typically produce at rates of up to 10 MMCFPD with ultimate reserves in many of the wells in excess of 20 BCF per well. As a result, interest in this project by prospective partners is high. Due to the nature of the land situation in this part of Oklahoma, leasing efforts are expected to take the rest of the year with drilling to start in 2008.

About Foothills Resources, Inc.

Foothills Resources, Inc. is a growth-oriented independent energy company engaged in the acquisition, exploration, exploitation and production of oil and natural gas opportunities in California, Texas and Oklahoma. 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. 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 develop the Company. Additional information on Foothills Resources is available at <http://www.foothills-resources.com>.

SEC Filings and Forward-Looking Statements

Several of the matters discussed in this press release contain forward-looking statements that involve risks and uncertainties. Our actual results may differ substantially from those discussed in these 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.

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