

Daybreak Has Success in Louisiana Drilling

SPOKANE, Wash., Jan. 3 /PRNewswire-FirstCall/ -- Daybreak Oil and Gas, Inc. (OTC Bulletin Board: DBRM.OB) a Washington Corporation, today announced it has reached total depth of 8,267 feet on the Tensas Farms B No. 1 well located in Franklin Parish, Louisiana.

The B No. 1 well is located 3 miles west of the Tensas Farms F No. 1 well, which was the initial discovery well drilled in January of 2006. Casing has been set on the B No. 1 and the well will be completed in the near future and tied into a sales line for production.

Well logs indicate approximately 30 feet of natural gas pay at target depth. An additional uphole zone has been identified with a significant oil show that bears further investigation. Daybreak has an 88% working interest before payout in the B No. 1 well.

This is the third successful well to be drilled in the project area which encompasses Tensas and Franklin Parishes. The target for each well was the Basal Tuscaloosa Sand. Based on their drilling success, Daybreak has identified multiple drilling targets in the project area and will be exploring these targets throughout 2007.

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SOURCE Daybreak Oil and Gas, Inc.