# Daybreak Continues Drilling Anadarko Leasehold

Spokane, Washington – September 6, 2007 - Daybreak Oil and Gas, Inc. (OTC Pink Sheets: DBRM. PK) a Washington Corporation, today announced that it has spudded the Tensas Farms et al "A-1" well in Tensas Parish, located in northeast Louisiana. The well was spudded August 27, and is currently drilling below 5,000 feet with an expected target depth of approximately 8,200 feet. The A-1 is located approximately 2 miles northwest of the initial discovery well (F-1) which was completed and placed on production in 2006. The current well is the fourth in the Company's Basal Tuscaloosa play and is located within Daybreak's leasehold of over 20,000 acres in Tensas and Franklin Parishes. The targets for drilling are based on a 55,000 acre 3-D seismic survey which encompasses the entire leasehold area.

The A-1 location is part of a 5,680 acre leasehold obtained through an earn-in agreement with Anadarko E&P Company, L.P., a subsidiary of Anadarko Petroleum Corporation, in November, 2006 and local land owners.

Following the drilling and evaluation of the A-1 well, Daybreak will continue its current multi-well drilling program by drilling the Tensas Farms et al "F-2" prospect located approximately 3/4 mile south of the F-1 discovery. The F-2 well is expected to test the oil leg of the Basal Tuscaloosa Formation that Daybreak encountered in each of the initial three wells drilled in this field; and, which has been productive in both the F-1 and F-3 wells.

Daybreak Oil and Gas, Inc. is the Operator of this project and controls pipeline infrastructure in the immediate area for economic hookup into local sales lines.

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