

## **Daybreak Announces Successful Completion of Two Oil Wells at its California East Slopes Oil Project**

SPOKANE, Washington, December 4, 2013 -- Daybreak Oil and Gas, Inc. (OTCQB:DBRM) ("Daybreak" or the "Company"), a Washington corporation, is pleased to announce the production results from its fall drilling program at the East Slopes Project located in Kern County, California. The Bear #8 well has been successfully completed and is producing an average of 22 barrels of oil per day (seven barrels of oil net to the Company). The Bear #9 well was successfully completed and is producing an average of 25 barrels of oil per day (eight barrels of oil per day net to the Company).

An acid stimulation has been recently completed on the Black #2 well, which was drilled during the spring 2013 drilling program. The well was producing one barrel of oil per day before the acid stimulation and is now producing 15 barrels of oil per day (four barrels of oil per day net to the Company).

James F. Westmoreland, President and Chief Executive Officer, commented, "We are now planning the 2014 drilling program for California. Our development activities this spring will focus on the Ball property where we plan to drill several oil wells beginning in early March 2014. We are also performing a reservoir study utilizing the information we gathered on the wells drilled on our Bear property. This study will assist us in determining optimal placement for the next set of drilling locations that we will drill in 2014 to efficiently drain the Bear reservoir. The Company is continuing to explore ways to increase production from our existing wells, such as increasing the speed of our pumps. We are very pleased with our recent success from the acid stimulation on our Black #2 well which was designed to clear the formation to allow the oil to flow into the well bore."

Daybreak Oil and Gas, Inc. is an independent oil and gas company currently engaged in the exploration, development and production of oil and gas in California and Kentucky. The Company is headquartered in Spokane, Washington with an operations office in Friendswood, Texas. Daybreak owns a 3-D seismic survey that encompasses 20,000 acres over 32 square miles with approximately 13,000 acres under lease in the San Joaquin Valley of California. Daybreak also owns a 25% working interest in approximately 6,100 acres under lease in the Appalachian Basin in Lawrence County, Kentucky.

More information about Daybreak Oil and Gas, Inc. can be found at [www.daybreakoilandgas.com](http://www.daybreakoilandgas.com).

Contact:

Ed Capko Telephone: 815-942-2581

Investor Relations Email: [edc@daybreakoilandgas.com](mailto:edc@daybreakoilandgas.com)

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