

Daybreak Oil and Gas, Inc. Continues Success with Ninth Oil Well in Kentucky

SPOKANE, Washington, May 16, 2014 -- Daybreak Oil and Gas, Inc. (OTCQB:DBRM) (“Daybreak” or the “Company”), a Washington corporation, is pleased to announce the successful drilling of its ninth consecutive successful oil well at the Twin Bottoms Field in Lawrence County, Kentucky. The Gerald Grove H-10 well was drilled to a measured depth (“MD”) of 4,512 feet. Logs and other measurement data indicate that the horizontal section of the wellbore encountered 3,000 feet of oil-bearing sandstone. The drilling rig has been released to another operator whereby that company will use the rig to drill four wells. At the end of their four-well drilling cycle, Daybreak and App Energy LLC (“App”) will regain use of the rig to drill another series of wells at the Twin Bottoms Field.

James F. Westmoreland, President and Chief Executive Officer, commented, “Completion operations are underway on all the recently drilled oil wells. The Company and App have hydraulically fractured the Gerald Grove H-7, H-8 and H-9 oil wells and final completion operations are ongoing on these wells. The Gerald Grove H-10 oil well is scheduled to be hydraulically fractured the week of May 19, 2014. We expect to put all these wells on production during June 2014. Location work has also begun on the next series of wells that the Company and App plan to drill in their ongoing 20-well development drilling program.”

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. The Company operates production from 20 wells in our East Slopes project area, Kern County, California. Daybreak also owns an average 25% working interest in nine oil wells and has approximately 6,400 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.

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