

## **Daybreak Announces Results of Bear #7 Well in Successful Drilling Program at California Oil Project**

SPOKANE, Washington, June 20, 2013 -- Daybreak Oil and Gas, Inc. (OTCBB: DBRM) (“Daybreak” or the “Company”), a Washington corporation, is pleased to announce the results of the final well in the current drilling program at the East Slopes Project in Kern County, California. The Bear #7 well was drilled to 2,146 feet and encountered approximately 20 feet of oil pay in the Vedder Sand. The well is currently being completed, and production results will be announced following production testing. The Company owns a 37.5% working interest in this well.

James. F. Westmoreland, President and Chief Executive Officer, commented, “The Bear #7 well was the final well in a successful drilling program in which the Company drilled seven productive wells. We are very pleased with the results of this drilling program, which resulted in more oil being sold in the first 17 days of this month than in the full month of May 2013; this being done without all of our newly completed wells producing at full capacity. As we complete each well, we bring them on production at reduced rates which are gradually increased over time to find an optimum production rate. All of the East Slopes area development wells in this drilling campaign have been successful and final production rates for each well will be reported following completion of the testing programs. In addition to substantially increasing our production, we have proved up additional drilling locations and added new oil reserves. We are currently planning and permitting for our fall drilling program; which includes drilling at least five wells at our Bear and Ball locations. We expect to begin drilling in late October or early November 2013.”

Daybreak Oil and Gas, Inc. is an independent oil and gas company engaged in the exploration, development and production of oil and gas in California. 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.

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

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