

CASINO AIRLINES

1550 AIRPORT DRIVE
SUITE 155
SHREVEPORT, LA 71107

*Dockets OST-1997-2935
OST-1997-2401*

44039

September 28, 1998

OST-97-2935 - *3*
OST-97-2401 - *4*
OST-97-2402 - *4*

Mrs. Linda Prete
Department of Transportation
Washington, DC

OST-1997-2402
93 SEP 29 AM 9:46
DEPT OF TRANSPORTATION

Dear Mrs. Prete:

In response to Emergency Order 98-9-16, Casino Airlines would like to submit a bid for the Essential Air Service routes issued under orders 97-9-31 and 97-4-29. It is understood that these routes are scheduled to be abandoned by Aspen Mountain Air (AMA) about October 6, 1998.

Casino Airlines would like to replicate the route structure currently being operated by AMA, frequency will remain the same, however, departure and arrival times may vary slightly. Casino currently owns and operates two British Aerospace manufactured Jetstream 3101 Series airliners and would acquire the same type of equipment on lease from British Aerospace Asset Management-Turboprops (BAAM-T) in order to service the added routes. The route structure would require the addition of three more aircraft and possibly a fourth for additional reserve capabilities.

Casino has been involved in negotiations with BAAM-T concerning additional aircraft for markets in Louisiana. BAAM-T has stated that aircraft delivery could commence in 7-14 days after contracts have been finalized, and dependent upon FAA resources for conformity inspections, we can have the first aircraft on line in 30-45 days, with additional aircraft added every 20-30 days.

Because of the aircraft and flight crews available now, the Brownwood, El Dorado and Jonesboro routes can be absorbed immediately, with Enid and Ponca City next in line for service as soon as the first aircraft is ready for service. The cities currently being serviced in Arkansas into St. Louis would receive service by the end of November.

Casino currently operates at Dallas Love Field (DAL) out of Gate 21, the only ground gate suitable for commuter operations at Love Field, and would use this location as our hub of operations for Dallas, Texas. Station operations would remain at the same locations except for DFW, which would move to DAL, and the existing AMA outstation personnel would be hired as long as they meet employment criteria as set forth by Casino.

CASINO AIRLINES

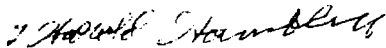
1550 AIRPORT DRIVE
SUITE 155
SHREVEPORT, LA 71107

Contact has been made with all of the EAS cities affected by this order with very positive feedback concerning operations to Love Field because of Southwest Airlines operations there. Additionally, American and Continental Airlines have started operations at Love Field with Legend Airlines slated to begin service after the first of the year, these carriers will provide a solid base of service with more economical fares as compared to DFW. There was also a very positive reception towards the Jetstream 3101 because of the 6' of headroom and three abreast seating provided, compared to the 4'6" of head room the Metro offers that AMA and other carriers operate.

I feel that because of our current operations at Dallas Love Field and the superior equipment Casino Airlines operates, we will provide a higher level of service in a shorter period of time than any other carrier can offer at this today.

If you have any further questions please feel free to call me at 318-227-2121.

Thank you,



Harold Hamblin
V.P./Director of Operations