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**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

In re:) Chapter 11
)
ATA Holdings Corp., et al.,¹) Case No. 04-19866
) (Jointly Administered)
Debtors.)

**MOTION TO EXTEND TEMPORARY RESTRAINING ORDER
AND CONTINUE PRELIMINARY INJUNCTION HEARING**

(LAWA)

ATA Airlines, Inc. (“Reorganized ATA”) requests the Court to extend its Temporary Restraining Order announced from the bench on January 25, 2007 and entered January 26, 2007 (“Order”) (Docket No. 4621) enforcing this Court’s Order (“Confirmation Order”) confirming the chapter 11 reorganization plan of the Reorganizing Debtors² (Docket No. 3657) for an additional ten days through and including February 22, 2007 to provide time for exchange of information and/or expedited discovery related to the dispute underlying the Order

¹ The Debtors are the following entities: ATA Holdings Corp. (04-19866), ATA Airlines, Inc. (04-19868), Ambassador Travel Club, Inc. (04-19869), ATA Leisure Corp. (04-19870), Amber Travel, Inc. (04-19871), American Trans Air Execujet, Inc. (04-19872), ATA Cargo, Inc. (04-19873), and C8 Airlines, Inc. f/k/a Chicago Express Airlines, Inc. (04-19874).

² Capitalized terms not defined herein shall have the meanings associated in the First Amended Joint Chapter 11 Plan of Reorganization for Reorganizing Debtors, as immaterially modified (the “Plan”)

and to continue the hearing on the preliminary injunction to a time prior to the conclusion of the requested extension.

In support of its request Reorganized ATA states:

1. Following a hearing held at 5:00 p.m. EST on January 25, 2006, this Court issued its Order against the City of Los Angeles Department of Airports (“Los Angeles”) ordering it to cease its attempt to draw against a Letter of Credit SCL008692 (“Letter of Credit”) to collect an asserted prepetition debt against Reorganized ATA.

2. Reorganized ATA was informed by counsel for National City Bank that National City Bank received late in the evening of January 30, 2007, a memorandum from Los Angeles rescinding its attempted draw against the Letter of Credit.

3. Counsel for Reorganized ATA, contacted associate counsel for Los Angeles, on January 31, 2007 to discuss scheduling, information exchange and or discovery, and possible agreement to consolidate the hearing on the preliminary injunction, now scheduled for February 8, 2007, with a hearing on the merits that could be heard on March 8, 2007 depending on the Court’s schedule and availability.

4. Counsel for Los Angeles appeared amenable to a potential delay of the February 8, 2007 hearing, but expressed concern to counsel for Reorganized ATA of any continuation beyond or close to the current expiry date of the Letter of Credit which is stated as February 24, 2007. However, the Letter of Credit on its face states that it automatically renews for one year periods unless the beneficiary receives a written notice otherwise by certified mail no less than sixty days prior to the expiration date. As this dispute arose within the sixty days prior to the expiration date, the Letter of Credit has automatically renewed and remains in place.

Counsel for Los Angeles informed counsel for Reorganized ATA that he would consult with senior counsel and his client and respond to counsel for Reorganized ATA.

5. Unfortunately, counsel for Reorganized ATA did not hear again from associate counsel for Los Angeles and voice mails to him went unanswered. Counsel for Reorganized ATA faxed a letter to both senior and associate counsel for Los Angeles on Friday proposing an exchange of information and again proposing a consolidated hearing on the matter.

6. Counsel for Reorganized ATA reached senior counsel for Los Angeles on February 5, 2007 to discuss scheduling and again seek consent to a consolidated hearing. Senior counsel for Los Angeles, having only that day returned to his office, stated that he would consult with his client and respond.

7. Notwithstanding the legal dispute related to cure and assumption under the Confirmation Order, there is a dispute as to the amounts paid by Reorganized ATA to Los Angeles under the Operating Permit during the Chapter 11 Cases. If Los Angeles's accounting is mistaken, then the issue may be moot and no default would exist under the Operating Permit under any legal theory. To allow time to determine this accounting issue, Reorganized ATA requests that the Order be continued for an additional ten days and the hearing on the preliminary injunction be continued to a time just prior to the conclusion of the requested extension.

8. As the Letter of Credit remains in place and will automatically renew for an additional twelve months beyond February 24, 2007, there is no harm to Los Angeles in extending the Court's Order an additional ten days through and including February 22, 2007 to allow for expedited discovery and/or reach agreement on a consolidated hearing.

9. Counsel for ATA sent a proposed draft of this Motion to senior counsel for Los Angeles prior to filing to notify Los Angeles that ATA would be seeking such an

extension and to again seek consent for an agreed order extending the Order and continuing the hearing. Counsel for ATA did not receive a response.

WHEREFORE, Reorganized ATA requests that the Court extend its Order for an additional ten days through and including February 22, 2007, to continue the hearing on the preliminary injunction to a time just prior to the conclusion of the requested extension, and grant such other and further relief as is just.

Respectfully submitted,

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By: /s/Terry E. Hall

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served on this 5th day of February, 2007, by electronic mail transmission and/or overnight US express mail on all persons listed below:

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