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Terri A. Lorenzon, Director
Environmental Quality Council

Delta Air Lines, Inc.
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Post Office Box 20574
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January 18, 2007

ALISON J. LATHROP
General Attorney, Department 981

VIA CERTIFIED MAIL 7004 0550 0001 2207 0184/0177 and OVERNIGHT DELIVERY

✓ Mr. Mark Gordon, Chairman
Wyoming Environmental Quality Council
Room 1714 Herschler Building
1st Floor West
122 West 25th Street
Cheyenne, WY 82002

Mr. John V. Corra, Director
Wyoming Department of Environmental Quality
Herschler Building
4th Floor West
122 West 25th Street
Cheyenne, WY 82002

RE: Delta Air Lines, Inc. - Notice of Violation and Administrative Order,
Docket Number 3996-07

Dear Messrs. Gordon and Corra:

This letter is in response to the Wyoming Department of Environmental Quality's ("WY DEQ") January 3, 2007, letter and January 5, 2007, Notice of Violation and Order, Docket Number 3996-07 (hereinafter the "NOV"), which were received by Delta Air Lines ("Delta") on January 11, 2007. The letter and NOV relate to a Contaminated Site Fee for a former underground storage tank previously located at Natrona County International Airport in Casper, Wyoming ("CPR").

As we have set forth in previous correspondence (see attached), on September 14, 2005, Delta Air Lines and many of its affiliates filed voluntary petitions for relief in the United States Bankruptcy Court for the Southern District of New York ("Court"), and the Court has entered an Order of Relief under Chapter 11 of Title 11 of the U.S. Bankruptcy Code (Case No. 05-17923 ASH). Delta remains in bankruptcy proceedings before the Court. In addition to the attached correspondence from Delta, WY DEQ was listed on Delta's schedule of unsecured claims. This provided WY DEQ with notice regarding a potential claim related to CPR in Delta's bankruptcy. Delta also served WY DEQ with a Notice of Bar Date.

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Since its Chapter 11 filing, Delta has received repeated correspondence and invoices from WY DEQ regarding a \$200.00 Contaminated Site Fee associated with Site ID 0-003506. In response, Delta has explained that, as a result of its bankruptcy, Delta is prohibited from making this payment and any future payments related to Site ID 0-003506 as such payment is in respect of pre-petition claims, and all collection efforts are likewise stayed. Section 362(a)(6) of the Bankruptcy Code specifically provides that the petition operates as a stay of “any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under this title.” While the fee itself was assessed after the petition date, it relates entirely to contamination associated with an underground storage tank that was removed almost 20 years prior to the petition date. Furthermore, Delta does not currently operate at the site in question and has not had any operations or leasehold or ownership interest in the site since April 1994, more than 10 years prior to the petition date. Therefore, under applicable bankruptcy law, the Contaminated Site Fee is a pre-petition obligation.

In WY DEQ’s August 2, 2007, letter to Delta, the agency notes that “bankruptcy courts have not only allowed the payment of these fees, but have required payment of these fees. In one case, a debtor in possession failed to pay the fees, and the underlying mortgage holder filed a petition to take the underlying asset out of the bankruptcy estate. In that case, the bankruptcy judge order [sic] the debtor to pay within 24 hours or he would grant the petition.” We are not familiar with the facts of this case and do not concede that payment of fees that relate to pre-petition claims constitute an administrative expense during the pendency of a Chapter 11 case *even when such fees are with respect to property currently owned by the debtor in possession*. But your example is totally inapposite to the instant situation. Unlike the example in WY DEQ’s letter, there is no underlying asset associated with the Contaminated Site Fee. The underground storage tank at issue was removed almost 20 years ago, and as indicated above, Delta has had no lease or ownership interest at CPR for more than 10 years.

Since the filing of the voluntary petition and entry of the Order of Relief creates an automatic stay, applicable to all persons, it enjoins and restrains certain acts and proceedings against Delta and its affiliated companies or their property as provided in 11 U.S.C. §362, unless relief from the automatic stay is first granted by the Court. Prohibited acts include any act to collect, assess or recover a pre-petition claim against the debtor and any act to obtain possession of or exercise control over the property of the estate. Therefore, government agencies, such as WY DEQ, are prohibited from issuing orders and violations, assessing penalties or taking other action against Delta in order to recover on pre-petition claims, such as the Contaminated Site Fee. In view of the foregoing, it is clear that: (1) any unpaid fees that may be due constitute a pre-petition general unsecured claim and (2) any act taken to collect, assess or recover such claim violates the automatic stay provisions of section 362 (a) (6) of the Bankruptcy Code and may subject WY DEQ to the contempt powers of the Court. Accordingly, Delta requests that WY DEQ immediately retract the Notice of Violation and Order regarding the Contaminated Site Fee.

While we believe that the stay prohibits the issuance of the NOV and efforts to collect the Contaminated Site Fee, and without consenting to WY DEQ’s or the Wyoming Environmental

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Quality Council's jurisdiction or appeal process, and preserving all of Delta's rights to contest the same, this letter shall serve as a timely petition for a hearing before the Environmental Quality Council and an appeal of the NOV and WY DEQ's continued attempts to collect the Contaminated Site Fee on the basis that it violates the automatic stay.

If WY DEC fails to comply with the Bankruptcy Code as it applies to Delta, we will be forced to seek relief in the U.S. Bankruptcy Court in the Southern District of New York. However, Delta would like to resolve this matter with WY DEQ without appearing before the Court. To that end, we request a call to discuss this matter with WY DEQ's counsel at his or her earliest convenience. Please contact me at (404) 715-2482 to set up a call.

Sincerely,


Alison J. Lathrop

AJL:ga

cc: Mr. LeRoy C. Feusner, P.E., B.C.E.E. (via facsimile)
Mr. Robert Lucht, P.E., P.G. (via facsimile)
Mr. Greg Corbett, P.E., Delta Environmental Services



Delta Air Lines, Inc.
Post Office Box 20706
Atlanta, Georgia 30320-6001

July 26, 2006

WY Department of Environmental Quality
SHWM Division/Storage Tank Program
122 West 25th Street
Herschler Building, 4W
Cheyenne, WY 82002

FILE COPY

RE: Storage Tank Registration
2007 Base Fee: Contaminated Site Fees
Site ID: 0-003506

Dear WY Storage Tank Program:

Delta Air Lines, Inc. ("Delta") is in receipt of the invoice you sent dated May 15, 2006, requesting payment of \$200.00 for the 2007 Contaminated Site Fees at the above referenced site.

As you may know, Delta and many of its affiliates filed petitions for bankruptcy protection under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") on September 14, 2005 (the "Petition Date") and Delta remains in bankruptcy proceedings before the United States Bankruptcy Court for the Southern District of New York (Case No. 05-17923ASH).

As a result of the bankruptcy, Delta is prohibited from making this payment and any future payments related to this site as such payment is in respect of pre-Petition Date claims, and all collection efforts are likewise stayed. Section 362 (a) (6) of the Bankruptcy Code specifically provides that the petition operates as a stay of "any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under this title." The WY Department of Environmental Quality is of course welcome to file a proof of claim in Delta's bankruptcy proceedings and if you require additional information about that process please do not hesitate to contact me at (404) 714-3977.

Sincerely,
DELTA AIR LINES, INC

Greg Corbett, P.E.
Manager Environmental Services

Copy: Alison Lathrop, Delta





August 14, 2006

Delta Air Lines, Inc.
Post Office Box 20706
Atlanta, Georgia 30320-6001

Via Facsimile (307) 777-5973

Mr. Robert F. Lucht, P.E. & P.G.
Compliance Supervisor
Wyoming Storage Tank Program
Solid and Hazardous Waste Division
Department of Environmental Quality
Herschler Building
122 West 25th Street
Cheyenne, WY 82002

FILE COPY

Re: Storage Tank Registration
2007 Base Fee: Contaminated Site Fees
Site ID: 0-003506

Dear Mr. Lucht:

I am in receipt of your letter dated August 2, 2006 regarding the Storage Tank Registration Invoice for Site ID 0-003506. We are currently in the process of evaluating your letter. Your letter indicates that Wyoming DEQ "did not file a proof of claim during your initial bankruptcy proceedings because at that time, Delta did not owe the agency anything". Please note that entities wishing to file a claim in Delta's bankruptcy proceedings must do so by August 21, 2006.

Sincerely,
DELTA AIR LINES, INC

Greg Corbett, P.E.
Manager Environmental Services

Copy: Alison Lathrop, Delta

