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BEFORE THE  
DEPARTMENT OF TRANSPORTATION  
WASHINGTON, D. C.

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Application of :  
 :  
 AMERICAN AIRLINES, INC. :  
 :  
 under 49 USC 40109 for exemption :  
 (U.S.-Los Mochis, Mexico; code-sharing :  
 with Aero California) :  
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OST-97-2944

APPLICATION OF AMERICAN AIRLINES, INC.  
FOR EXEMPTION

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September 30, 1997

NOTICE: Answers supporting or opposing this application  
are due on October 15, 1997.

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Application of :  
                  AMERICAN AIRLINES, INC. : OST-97-  
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with Aero California) :  
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APPLICATION OF AMERICAN AIRLINES, INC.  
FOR EXEMPTION

American Airlines, Inc., under 49 USC 40109, hereby applies for an exemption authorizing it to engage in foreign air transportation of persons, property, and mail between points in the United States and Los Mochis, Mexico. American further seeks an exemption to integrate such authority with its certificates of public convenience and necessity for Route 560 (Dallas/Ft. Worth-Cancun/Puerto Vallarta/Guadalajara, Miami-Mexico City, and Miami-Cancun), reissued by Order 96-11-25, November 30, 1996; and for Route 628 (Dallas/Ft. Worth-Acapulco/Mexico City/Monterrey and Chicago-Mexico City), issued by Order 92-5-20, May 8, 1992; and with its exemption authority to serve Chicago-Acapulco and Dallas/Ft. Worth-Leon, issued by Order 95-7-1, July 3, 1995; Los Angeles-Guadalajara, issued by Order 95-8-3, August 2, 1995; Dallas/Ft. Worth-San Jose del Cabo, issued by Order 97-8-17, August 18, 1997; San Antonio-

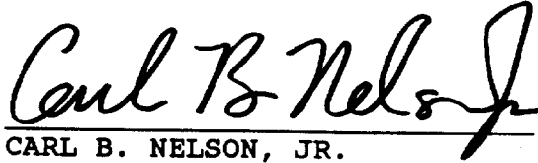
Mexico City and Miami-Monterrey, issued by Notice of Action Taken, July 28, 1997 (OST-97-2758); and various additional U.S.-Mexico city-pairs as authorized for code-sharing services with Aero California, issued by Order 97-7-31, July 29, 1997.

The requested exemption will be used to expand the existing code-sharing arrangement between American and Aero California, as approved by Order 97-7-31. The amendment adding Los Mochis to Annex B, Section 4 of the parties' Codeshare Agreement is attached to the accompanying joint application (undocketed) of American and Aero California to amend their statements of authorization under 14 CFR Parts 207 and 212.

The proposed code-sharing between American and Aero California with respect to Los Mochis is consistent with the public interest, and should be approved for all the reasons set forth in Order 97-7-31. As the Department stated, "[t]he proposed code-share services will enable the carriers to expand services under their own codes, increasing service options available to the public and promoting competition with other carriers serving the U.S.-Mexico market" (p. 8). This conclusion applies with equal force to services to Los Mochis.

In order to facilitate advance marketing and sales of the proposed additional services, American requests expedited approval of this application.

Respectfully submitted,

A handwritten signature in cursive script that reads "Carl B. Nelson, Jr." The signature is written in black ink and is positioned above a horizontal line.

CARL B. NELSON, JR.  
Associate General Counsel  
American Airlines, Inc.

September 30, 1997