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March 7, 1973

Securities and Exchange Commission
Division of Corporate Finance
Washington, D. C. 20549

Attention: William E. Morley, Attorney Advisor

Re: American Diversified Enterprises, Inc.

Gentlemen:

We have received your interpretive opinion dated February 23, 1973 (attached hereto) regarding the application of Rule 144(d)(1) and (2) to securities of Diamond M Drilling held by American Diversified Enterprises, Inc.

We have reviewed the interpretive opinion issued, and we do not find it responsive to the application embodied in our letter of January 31, 1973. We did not request that Rule 144(d)(2) be interpreted so that a guarantee would be deemed to constitute collateral The interpretive opinion requested related to a very limited factual situation involving (i) a pre-Rule 144 acquisition of securities, (ii) by a purchaser which has demonstrated its investment intent under pre-Rule 144 standards by virtue of its three-year holding period, (iii) whose net worth exceeded by more than twenty times the amount of debt issued for the securities, and (iv) whose access to the securities market is limited to a Rule 144 transaction by virtue of its affiliate relationship with the issuer and only by virtue of such relationship. This result is a fortuity arising solely because of the insertion of the substance of the former Rule 154 in present Rule 144. The limitations resulting from the inclusion of former Rule 154 in Rule 144 have the effect of applying Rule 144 retroactively without reasonable relationship

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ither to the philosophy underlying the Rule or the orderliness of the securities market.

For the reasons stated, we respectfully request reconsideration of your interpretive opinion dated February 23, 1973 and we would appreciate the opportunity of having a conference with appropriate members of the staff in the Division of Corporate Finance so that we may present fully our client's position.

Very truly yours,

Burton S. Marcus

Enclosure