

Mr. Duce was happy to receive this information and stated that at this moment Mr. Onassis, on his own initiative, was discussing his agreement with Aramco representatives.³

Mr. Byroade suggested that Aramco consider the possibility of coming to some arrangement with Mr. Onassis, since it appeared that they were to some extent at his mercy. Mr. Byroade stated further that our legal people were doubtful that Aramco had a good case on the matter of the Onassis agreement conflicting with the terms of their concession agreement.

³ An Aramco official reported to the Department of State that Onassis had been friendly and conciliatory at his meeting with Aramco representatives. He also reported information from Aramco representatives in Saudi Arabia that the Onassis agreement had been amended. (Memorandum of conversation, June 2, 886A.2553/6-254)

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887.2553/6-254

Memorandum of Conversation, by the Chief of the Petroleum Policy Staff (Eakens)

OFFICIAL USE ONLY

[WASHINGTON,] June 24, 1954.¹

Subject: Negotiation of New Group Agreements by Participants in the Iraq Petroleum Company.

Participants: Mr. Charles F. Darlington, President, and Mr. Charles L. Lockett, Vice President, Near East Development Corporation

NE—Mr. Dorsey

NE—Mr. Gay

NE—Mr. Fritzlan

PED—Mr. Eakens

Mr. Darlington stated that the purpose of their visit was to inform the Department about certain impending developments with respect to the negotiation of new group agreements by the participants in the Iraq Petroleum Company. These new agreements, which are five in number, are expected to be signed by Mr. Gulbenkian in Lisbon next week, thereby bringing them into operation. They have been under negotiation with varying degrees of intensity for two or three years. In addition to correcting certain technical and administrative provisions, which in practice gave rise to certain difficulties, the new agreements provide the machinery

¹ This memorandum of conversation was prepared on June 29.