

did not support any British (IPC) pretension to an oil concession in the 'disputed area'.

"Our hope which I am sure you share is simply that these new proposals may be of real help in bringing the two parties to a mutually agreeable basis for arbitration."

2. Following is memorandum from Ohliger re Aramco position:

"As stated to the Saudi Arabian Government Friday, 5 March 1954 and as reported to you yesterday Aramco's position with respect to performing exploratory work in the 'disputed area' is that if as a result of an agreement between the Saudi Arabian Government and the British Government the company is requested by the Saudi Arabian Government to resume such activity it would do so, but because of the advanced planning involved the company could not put a party in the area immediately.

"With respect to Aramco surrendering its concession rights in the disputed area, the company is definitely opposed to the suggestion and expects its position to be upheld by both the US Government and the Saudi Arabian Government.

"The company is especially interested in making known to the US Government its position with respect to surrendering its concession rights in this area because the Saudi Arabian Government has informed us that it interprets the British proposal to be contingent upon Saudi acceptance of the principle that in the event the territory in question should be awarded to the Saudi Arabian Government, the Saudi Arabian Government would grant concessions covering this specific territory to the British companies currently engaged in exploratory and drilling activity in the area.

"Our best information is that the Saudi authorities have understood from your support of the British proposals that the US Government supports this principle of granting concessions to these British companies over such areas."

WADSWORTH

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*Memorandum of Conversation, by the Officer in Charge of Arabian Peninsula-Iraq Affairs (Fritzlan)*

SECRET

WASHINGTON, March 10, 1954.

Subject: Buraimi Dispute: Aramco's Interest in latest British Proposals.

Participants: Mr. George Ray, General Counsel of Aramco  
 Mr. Chapman, of Aramco  
 NEA—Mr. Byroade  
 NE—Mr. Hart  
 NE—Mr. Fritzlan