

delivered earliest opportunity; those to oil companies were to be delivered in London yesterday.

(2) I discussed reftel with Ray. We hope Department, when receiving Aramco officials delivering letters, can discuss it fully with them. He had reached substantially same conclusion and was forwarding his colleagues careful memorandum same subject.

WADSWORTH

No. 1557

780.022/4-1464: Telegram

*The Acting Secretary of State to the Embassy in Saudi Arabia*¹

SECRET

WASHINGTON, April 14, 1954—4:06 p. m.

288. Following developments concerning Buraimi took place April 13:

(1) Department reviewed developments with British Embassy representative pointing out Aramco opposition relinquishment any concession territory in disputed area Trucial Coast and apparent Saudi misinterpretation of meaning paragraph c British proposal. Mention made of letters written by Aramco to British oil companies and contents summarized. Department deplored possible conflict between US and UK companies for Saudi oil and suggested in circumstances British consider withdrawing paragraph c or modifying it substantially in order there should be no misunderstanding concerning its meaning. It was also stated that in Department opinion suspension oil operations in disputed territory pending conclusion arbitration would be helpful. Failure take this step might well prompt SAG request Aramco also engage in operations in disputed areas.

British representative expressed understanding Department position and renewed assurances re lack of British intention in any way prejudice Aramco rights in disputed areas. He expressed belief Saudis understood perfectly well meaning British proposals. He agreed with Department that demarcation boundaries should not be based upon oil considerations and conceded extent of operations in disputed area probably not so great as to make suspension difficult. However he considered continuation oil operations of vital importance to British position in area and expressed view Saudis understood and generally accepted this proposition. He stated con-

¹ Drafted by Fritzlan and cleared by BNA and NEA. Repeated to London and Dhahran.