

No. 1560

780.022/4-2654; Telegram

*The Acting Secretary of State to the Consulate General at Dhahran*¹

CONFIDENTIAL * NIACT WASHINGTON, April 29, 1954—4:31 p. m.

182. Dhahran for Ambassador. April 26 British Embassy² referring Jernegan-Beeley conversation April 13³ expressed Eden's views Buraimi developments substantially as follows:

(1) British company had obtained concession for Abu Dhabi territory 1936. Area now in dispute had not ever been claimed by Saudi Arabia until 1949. Unless and until this claim fully established HMG could not consider SAG had any rights at all in territory. There was therefore no basis for altering *status quo* and Aramco could have no present rights in area by virtue its concession from SAG.

(2) HMG had made it abundantly clear to SAG that granting oil concession to British companies is in no way condition attached to arbitration proposal. Entirely up to Aramco to decide whether or not it wishes relinquish any part its concession.

(3) Mr. Eden feels strongly on subject and asks that we advise Aramco against any attempt begin operations in disputed area before boundaries are settled.

April 29 Department conveyed substance point 2 above to Aramco.

Department added it had misgivings over possible developments should Aramco enter disputed area. Department stated further we realize SAG may exert pressure on Aramco commence operations disputed area but hope Aramco will consider matter carefully and consult with Department before taking such step.

SMITH

¹ Drafted by Fritzman and cleared by NEA. Repeated to London and Jidda.

² Memorandum of conversation of Apr. 26, not printed. (780.022/4-2654)

³ A summary of the Apr. 13 conversation is in telegram 288 to Jidda, Document 1587.

No. 1561

Editorial Note

Telegram 168 from Dhahran, May 3, not printed, reported on a number of conversations between the Ambassador and various members of the Saudi Arabian Government regarding Buraimi. During the last conversation, on May 2, the Deputy Foreign Minis-