

We might also point out failure settle dispute by arbitration could possibly lead to deal between parties at expense Aramco.

In our approach to SAG we would:

1. Reassert our belief in desirability early arbitration as most objective and equitable manner establishing and preserving Saudi claims and interests;

2. State our willingness approach British requesting informal assurances operations in disputed area would be suspended temporarily without implying waiver of right resume them;

3. State our belief SAG with this informal understanding should accept British proposals without delay and proceed with arbitration;

4. State our willingness impress upon British our hope they will treat Turki and his force with due consideration and in particular refrain from interference his water supply.

Department desires comments Byroade, Wadsworth and Embassy London re foregoing. ⁴ Comments which Jidda may wish make should be sent Wadsworth.

DULLES

⁴ Telegram 5175 from London, May 18, not printed, reported Byroade considered arbitration the best course to follow and suggested the British temporarily suspend their oil operations during the summer, without prejudice to their eventual rights. British Foreign Office officials, however, repeated that the continuation of oil operations was a matter of principle on which the Government was not prepared to yield, since British prestige in the area was involved. (780.022/5-1854) Ambassador Wadsworth, in telegram 740 from Istanbul, May 19, not printed, said he was not up to date on the matter; but agreed it would be desirable to urge early arbitration on both British and Saudis. He also suggested that during the period of arbitration a line be drawn somewhere in the disputed area, south of which British companies would not operate and north of which Aramco would not operate, on the understanding that the arrangement would not prejudice either side's claims. (886A.2553/5-1954)

No. 1563

780.022/5-2154: Telegram

The Secretary of State to the Embassy in the United Kingdom

SECRET

WASHINGTON, May 22, 1954—1:55 p. m.

6277. Embtel 5270. ² Department concurs in desirability exploring Buraimi situation with Hafiz Wahba and authorizes Embassy inform him:

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

² Dated May 21, not printed. The Saudi Arabian Ambassador to the United Kingdom informed an Embassy officer that all of the Feb. 15 proposals of the British regarding arbitration were acceptable to the Saudi Arabian Government except for

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