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OIL CONCESSION ARBITRATION-KUWAIT ISLANDS

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LAST YEAR'S FILE No 184

141

15323 / 5

2nd May 1951

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2

The Political Agent,
Kunsait.

WITH THE COMPLIMENTS
OF

HIS MAJESTY'S POLITICAL RESIDENCY

Ref. on C.S. no. 15323 / 1 of

7th April 1951.

-/1

7
135
7
5

P.A.

ASM 7/5

INDEX



British Residency,
Bahrain,
Persian Gulf.

(EA 1534/16)

3
FOREIGN OFFICE, S.W.1.

CONFIDENTIAL

13th April, 1951.

2/1
Since Fry's letter No. EA 1534/14 of the 3rd April, to Sir Rupert about the Kuwait Islands Arbitration, we have received some further information from Southwell.

We understand that Ballantyne has informed the Kuwait Oil Company's solicitors that the reason for the delay is that the Ruler has been awaiting the answer to certain questions he put to Aminoil, but that Ballantyne said he was sure the Ruler would wish the arbitration to continue whatever answer he received to these questions. Ballantyne was apparently unable to say when the arbitration was likely to take place.

(C.M. Rose)

C.M. Le Quesne, Esq.,
Bahrain.

22 APR 1951 184/6/51

CONFIDENTIAL

15323/4.

4

The Political Agency,

Kuwait

WITH THE COMPLIMENTS

OF

HIS MAJESTY'S POLITICAL RESIDENCY

"Please refer to your letter No.
184/2/51 of 14th April, 1951."

P.A.

HM 23/4



British Residency,
Bahrain, 20th April, 1951.
Persian Gulf.

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15323/4.

20th April, 1951

CONFIDENTIAL

I forward herewith a letter from Jakins enclosing a long communication from the President of the American Independent Oil Company to the Ruler of Kuwait in which it is argued that the Ruler is under no obligation whatever to refer to arbitration his dispute with the Kuwait Oil Company over oil rights in the islands of Qaru, Kubbar and Umm al Maradim. This long effusion is presumably Ballantyne's handiwork and helps to explain the delay referred to in your letter EA 1534/14 of the 3rd April.

2. The letter contains a number of mis-statements of fact especially with regard to the action taken on various occasions by the Political Resident and Political Agent. It remains to be seen what impression it makes on the Ruler. Should he accept the argument that he is not bound to take the dispute to arbitration we should I think be obliged to bring pressure on him to comply with Article 18 of his agreement with the Kuwait Oil Company.

L.A.C. Fry, Esq., O.B.E.,
Eastern Department,
Foreign Office, S.W.1.

(W.R. Hay)

APR 1951
TELEGRAM.

184/5/51
6

Order

Code

Clear

From :— BAHRAIN

To :— KUWAIT

Despatched 17.4.51

Received 17.4.51

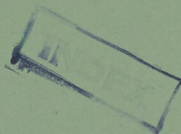
No. 68

of

17.4.51

Your 184/2/51 of April 14th.

-/4
Have cancelled my 15323/2 of same
date to Fry.



HAY

My reply?

P.A.

18/4

18/4

15 APR 1951

184/4/51

CONFIDENTIAL.

14 April 1951

1538/2

7

H.G. Jakins, Esq.,
Political Agent,
Kuwait.

WITH THE COMPLIMENTS
OF
HIS MAJESTY'S POLITICAL RESIDENCY

CANCELLED

P.A.

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173
17
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140M 16/4



British Residency,
Bahrain,
Persian Gulf.

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BRITISH RESIDENCY,

CONFIDENTIAL.

BAHRAIN.

15323/2

14th April, 1951.

-/1

With your letter EA 1534/14 of the 3rd April you forwarded a letter from Ballantyne dated the 10th October, 1950 in which he said that he was still without definite instructions from the Ruler of Kuwait about the arbitration case relating to the islands of Kubbar, Qaru and Umm al Maradin. I have sent a copy of your letter to Jakins for his comments. If I remember rightly I was given to understand some time ago that the American Independent Oil Company were no longer particularly interested in these islands and if this is the case, the Shaikh's delay in giving instructions may be due to the fact that the company are no longer willing to foot the bill for the proceedings.

2. If my surmises are correct, I would suggest for consideration that we should recommend to the Kuwait Oil Company that they should endeavour to obtain from the Ruler an admission that their concession covers these islands during the negotiations for an increase of their royalty which will presumably be undertaken in the fairly near future.

(W.R. Hay)

L.A.C. Fry, Esq., O.B.E.,
Foreign Office,
London, S.W.1.

184/3/51 9

Sent
no.
214/3/51

Political Agency,
Kuwait.

8th April, 1951.

Dear Sir Rupert,

184/6/50

Your letter to Furlonge No. 146/27/50
of October 30, 1950.

Mrs. Frank Holmes, the widow of the celebrated concession hunter, has been out here this spring staying with the MacPhersons. I understand that she also visited Bahrain. I have heard it said that she came here at Ballantyne's suggestion to see whether in talking over old times with MacPherson she could not provide some useful material for the Aminoil case in the arbitration proceedings. I don't know what truth there is in this but from my savingram No. 14 of 7 April Aminoil would not seem to have any immediate interest in arbitration.

Yours sincerely,

H.G. Jenkins.

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H.E. Sir Rupert May, K.C.I.E., C.S.I.,
British Residency,
Bahrain.

184/2/51

Political Agency,
Kuwait.

14th April, 1951.

Dear Sir Rupert,

— 7/1
With reference to your compliments slip No. 15323/1 of April 7 I enclose herewith a copy of a communication that MacPherson tells me he recently handed to the Ruler of Kuwait on the subject of Aminoil's Islands Concession.

2. I understand that the Ruler took the communication with him to his island on April 10 to study it there undisturbed.

Yours sincerely,

H.O. Jakins.

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H.E. Sir Rupert Hay, K.C.I.E., C.S.I.,
British Residency,
Bahrain.

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C O P Y

AMERICAN INDEPENDENT OIL COMPANY
One Eleven Sutter
San Francisco 4, California

March 15, 1951

His Highness
Shaikh Abdulla Al-Salim Al-Subah, C.I.E.
Ruler of Kuwait
Kuwait, Persian Gulf

Greetings and all good wishes to Your Highness:

I have been studying for some time the meaning and the implications of the message from Your Highness which was communicated to Mr. MacPherson, our Vice President and General Manager in Kuwait, through Mr. H. T. Kemp and Mr. Abdulla Mulla Saleh at the meeting held in Mr. MacPherson's office on October 29, 1950, which Mr. Kemp characterized as an official meeting for Mr. MacPherson's information and that of our Board of Directors. Having concluded such study which has involved considerable research into the laws applicable to this problem I was in the course of completing my reply to Your Highness when I received further advices from both Mr. Kemp and Mr. MacPherson that Your Highness desired the difference of opinion between Himself and the Kuwait Oil Company regarding the Islands of Kubbar, Umm al-Maradim and Qaru in the Persian Gulf, to be settled by arbitration according to the provisions of the Kuwait Oil Company Concession Agreement of 1934. In view of what was said to Mr. MacPherson in October by Messrs. Abdulla Mulla Saleh and Kemp and the messages I have more recently received from Your Highness through Mr. Kemp and Mr. MacPherson, I wish now to reply to Your Highness as follows:

I. GENERAL STATEMENT.

It appears to me a serious misconception exists as to Aminoil's rights and obligations under the terms of its Concession of September 22, 1949, covering the three Islands of Kubbar, Umm al-Maradim and Qaru and their respective territorial waters; and that there is likewise serious confusion with regard to what your Illustrious Predecessor, Shaikh Ahmad, did and agreed to do with reference to the alleged claim of the Kuwait Oil Company to petroleum rights in those Islands. I have also been greatly puzzled by some of the things contained in the message Messrs. Abdulla Mulla Saleh and Kemp passed on officially to Mr. MacPherson on October 29, 1950, because many of the reasons stated as objections to the course then proposed by Mr. Ballantyne appeared to me to be incompatible with Your Highness' position as an Independent Sovereign and as Ruler of His People. I am also concerned with what appears to me to be a misconception of the arbitration procedure provided for in the case of the Kuwait Oil Company Concession, and of the obligations assumed by Aminoil and Your Highness' Predecessor under the terms of Aminoil's Islands Concession of September, 1949 and more particularly under Article 22 thereof. I believe that until these misconceptions are removed and Your Highness' position more thoroughly understood by us and our position by Your Highness, there is danger of misunderstanding between us which I am sure both Your Highness and Aminoil are most anxious to avoid.

Therefore in order that Your Highness, in considering my answer, may have before You the full story of the three Islands

and particularly the story which our Great Friend, Shaikh Ahmad, wrote with regard to His desires and intentions covering these Islands and wrote also with regard to the pretensions of the Kuwait Oil Company to an interest in those Islands, I respectfully present the record as it was written from June, 1948, when Aminoil received its Neutral Zone Concession from Shaikh Ahmad, up to and including September 22, 1949, when Shaikh Ahmad confirmed Aminoil's rights to the Islands by the same token rejecting KOC's claims therein. It is a long story, but I respectfully ask Your Highness to read it through before turning to the other portions of this, our reply, for once Your Highness has the story of the Islands firmly in mind I believe much will be clear to Your Highness which has otherwise remained obscure.

II. THE STORY OF THE ISLANDS.

1. On June 28, 1948, corresponding to the 23rd day of Sha'aban in the year of 1367, His Highness, Shaikh Ahmad, in the exercise of His powers as Ruler of Kuwait on His own behalf and in the name of and in behalf of His heirs and successors, was pleased to grant to American Independent Oil Company a petroleum concession covering His entire right, title and interest in the Kuwait-Saudi Arabia Neutral Zone, including all islands and territorial waters appertaining to that Neutral Zone. In August, 1948, Shaikh Ahmad's Secretary, Ezzat Gaafar, visited the United States and the offices of American Independent Oil Company in San Francisco, California, where we took the opportunity to discuss with him the initiation of exploration activities in the areas covered by Aminoil's Neutral Zone Concession.

At that time I told him of our plans, among other things, to commence and conduct marine surveys and geophysical activities off the coast of the Neutral Zone, on and about the Islands of Kubbar, Umm al-Maradim and Qaru, and in the respective territorial waters of these three Islands. In particular we outlined to His Highness' representative, Ezzat Gaafar, our plans specially to outfit and send to the Persian Gulf the vessel now known as the 'BADAWY' with a geological and geophysical party aboard and complete equipment to do underwater survey and exploration work. He was given the details of these plans, which he promised, upon his return to Kuwait to explain in detail to His Highness.

This, I am informed, Ezzat Gaafar did upon his return in September or early October, 1948. Meantime, I also wrote to His Highness, Shaikh Ahmad, on September 15, 1948, advising Him of my conversations with Ezzat Gaafar and of Aminoil's plans for commencement of operations and particularly of Aminoil's intention to go forward with exploratory work over the waters and in and around the Islands of Kubbar, Umm al-Maradim and Qaru. A copy of my letter to Shaikh Ahmad is attached.

2. Thereafter, on September 24, 1948, Aminoil's vessel, the BADAWY, was dispatched from the United States with full equipment and special crew with instructions to explore the area covered by Aminoil's Neutral Zone Concession both off the coast of the Neutral Zone and on, in and around the Islands of Kubbar, Umm al-Maradim and Qaru. Meantime, in November, 1948, and before the arrival of the BADAWY in the Persian Gulf waters, I sent to Kuwait as my representative, Mr. Charles B. Rayner, formerly Petroleum Advisor to the State Department and then a Vice President of American Independent Oil Company, together with Mr. Thomas R. Holland of Aminoil for the purpose, among other things, of informing the Ruler personally of Aminoil's exploration plans and to make certain they were fully understood. These gentlemen had several conferences with Shaikh Ahmad during

the month of November, 1948, at all of which times Shaikh Ahmad confirmed the fact that He had granted such Islands to Aminoil and intended that Aminoil should have them. ¹³

In particular on November 19, 1948, at an interview with His Highness, Shaikh Ahmad, at Dasman Palace in al-Kuwait, Mr. Rayner in the presence of Ezzat Gaafer and Mr. Holland, informed His Highness that the vessel, BADAWY, with a geological and geophysical party aboard would shortly arrive in the Kuwait Harbor and would then be ready to go to work as planned. His Highness thereupon advised Mr. Rayner that inasmuch as the negotiations with the Government of Saudi Arabia in which the parties were then engaged regarding the entry of Aminoil into the Neutral Zone had not yet been concluded, He felt the logical place for the BADAWY and for the geological and geophysical experts thereon to begin exploratory operations was on and about the Islands of Kubbar, Umm al-Maradin and Qaru which His Highness further stated were under His sole sovereignty and included in Aminoil's Neutral Zone Concession. His Highness further advised Messrs. Rayner and Holland that He would so inform the British Political Agent at Kuwait of His decision so that the latter would be familiar with what was to be done and the fact that the proposed explorations had His approval.

3. This His Highness did on or about November 21, 1948, and thereupon He was informed by the Political Agent that he saw no objection thereto but that he would be obliged to refer it to the Political Resident of the Persian Gulf. When the matter was so referred, the Political Resident expressed the view - wholly improperly and gratuitously, it seems to us, for the Kuwait Oil Company had never claimed the Islands or made any attempt to explore or exploit them under its 1934 Concession - that the oil rights in the Islands were under concession to the Kuwait Oil Company and referred the problem to the Foreign Office in London. His Highness objected strongly and emphatically to this contention and expressed His complete disagreement and requested the Political Agent to cable the Political Resident and the Foreign Office of His objection. This, I understand, was done and thereafter early in December, 1948, Shaikh Ahmad was visited in quick succession by the Political Agent in Kuwait, the British Political Resident in the Persian Gulf and, we are advised, by a British representative from Basra, all urging that Shaikh Ahmad treat these Islands as if they had been included in the Kuwait Oil Company Concession of 1934, stressing in each case, however, that their suggestions were wholly unofficial. Shaikh Ahmad was unmoved by these representations.

At about the same time - to be exact, on December 8, 1948 - the BADAWY arrived in the Kuwait Harbor ready to start work on the Islands according to plan and Shaikh Ahmad's authorization. However, because of the opposition of His Majesty's Government and the political pressure thus brought to bear upon Him - Shaikh Ahmad, while assuring Aminoil's representatives that He considered the Islands covered by its Neutral Zone Concession and intended that Aminoil should have the petroleum rights in them, requested that no work be undertaken for the moment on or about the Islands. Aminoil bowed to His Highness' request even though its vessel, the BADAWY, was thus forced, as it turned out, to remain idle for some months at great cost to Aminoil. Aminoil acquiesced in this because it had received Shaikh Ahmad's unequivocal assurances that He regarded the petroleum rights in these Islands as belonging to Aminoil and promised that He would see that Aminoil's rights therein were protected.

Soon after, Shaikh Ahmad was advised that the Foreign

Office was of the opinion that the Islands were covered by the KOC Concession, but would advise definitely later. The Ruler thereupon informed the Political Agent that He completely disagreed, that the Islands were not shown on the map attached to the KOC Concession and were not covered by that Concession. Shortly thereafter the Political Resident again conferred with His Highness who again insisted that the Islands were not covered by the KOC Concession. Thereupon on or about December 18, His Highness advised me of the situation, saying that in view of the attitude of His Majesty's Government He found it difficult to clarify the situation and thus make effective His intention that Aminoil should proceed with work on the Islands pursuant to its Concession and that Aminoil's rights might be otherwise confirmed.

4. I thereupon caused strong representations to be made to the State Department and other U. S. Government officials regard the activities of the British representatives, pointing out that British political pressure and intervention on behalf of KOC in such a dispute was unwarranted and improper and denied Aminoil equal opportunity in the area. With this the United States Government agreed and advised its London Embassy to state to His Majesty's Government that the problem was basically a difference of opinion between the Ruler of Kuwait and the two companies involved and that it was the opinion of the United States Government that political intervention was not justified and should not be employed. On January 1, 1949, I dispatched Mr. Harley C. Stevens, my assistant, to London to make similar representations, in conjunction with the American Embassy in London, to the Foreign Office with regard to Aminoil's rights and in opposition to the claims of the Kuwait Oil Company which were being asserted by the Foreign Office. The Kuwait Oil Company had theretofore made no claims whatever to the Islands from the time its Concession was executed in 1934 and had never engaged in any activity thereon. It was not until after Mr. Stevens arrived in London to protest to the British Government that the Kuwait Oil Company, for the first time, on or about January 20, 1949, made any open claim to the Islands.

Upon his arrival in London on or about January 12, 1949, and for the next six weeks thereafter, in consultation and collaboration with the American Embassy in London, Mr. Stevens was continuously engaged in negotiations with the British Government designed to support the Ruler's rights and prerogative and His position with regard to these Islands and Aminoil's interest therein. In addition to claiming that the Kuwait Oil Company "appeared to have" an interest in these Islands by virtue of its 1934 Concession, His Majesty's Government further argued that if Aminoil's contention that it had obtained its interest in the Islands by virtue of its Neutral Zone Concession was sustained, it might be argued by the King of Saudi Arabia that His Government too had an interest in those Islands.

While these discussions were going on, the representatives of the Kuwait Oil Company, as noted above, stated for the first time to Mr. H. T. Kemp, the Representative of His Highness in London, that they claimed the petroleum rights in the three Islands pursuant to their 1934 Concession. As a result of these conflicting claims and while negotiations were going on in London, Shaikh Ahmad, in an endeavour to clarify the situation, declared to Mr. William Morris, then the Acting Manager for Aminoil in Kuwait, on or about February 2, 1949, that He intended to declare He believed neither the Kuwait Oil Company nor Aminoil's Concessions included the three Islands; but, at the same time, He stated to Mr. Morris that He had given and had intended to give the petroleum rights in these Islands to Aminoil.

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but that the action He was taking was necessary to preserve His sovereign rights in the Islands from any claim of interest therein on the part of the Saudi Arab Government. Shaikh Ahmad stated further that as soon as He were free to do so He would confirm these Islands to Aminoil in another concession; and He asked that in view of the objection raised by the British Government as to a possible claim by Ibn Saud to an interest in the Islands, Aminoil adopt the alternative which had in the meantime been suggested by His Majesty's Government in London, of obtaining a new and separate concession awarding the petroleum interests in these three Islands to Aminoil. Shaikh Ahmad also advised Mr. Morris that He also stated His intentions and decision as just outlined to the Political Agent in clear terms.

Aminoil agreed to be bound by His Highness' wishes and thereafter sought in London to free His Highness from the restrictions He felt lay upon Him so that He might freely execute the new concession. His Majesty's Government interposed numerous objections. It suggested, among other things, that the Kuwait Oil Company claim be first disposed of to which Aminoil replied that Shaikh Ahmad insisted KOC had no claim and it was improper for His Majesty's Government to assert that it had - that was a matter between His Highness and the Kuwait Oil Company and Shaikh Ahmad had denied that any claim existed. His Majesty's Government proposed that Aminoil get a letter of intent from Shaikh Ahmad stating Aminoil was to have the Islands under a new agreement when the KOC claim was settled. But Aminoil rejected this for the same reason that it rejected the previous proposal, and because to accept it would imply that the Kuwait Oil Company had a claim to the Islands which was contrary to Shaikh Ahmad's declaration.

Matters were thus at a stalemate and it was apparent Shaikh Ahmad would not be able to keep His promise to confirm the Islands to Aminoil unless and until He received His Majesty's consent that He state freely His intentions. Therefore, Aminoil again sought, on or about February 9, 1949, the aid of the United States State Department which again intervened to suggest that the dispute be taken out of the political sphere, in which it then still was, so as to open the way for a statement to be made by Shaikh Ahmad as to His intentions. Thereafter negotiations between His Majesty's Government and Mr. Harley Stevens, representing Aminoil, were continued, His Majesty's Government making various other proposals.

Finally, on or about February 28, 1949, a compromise was reached whereby Aminoil, while maintaining its basic position that Shaikh Ahmad had granted the Islands to Aminoil in its original Neutral Zone Concession, consented to sign a new agreement and His Majesty's Government agreed to advise Shaikh Ahmad that He was entirely free to enter into a concession contract with Aminoil covering the three Islands and their territorial waters on such terms and conditions as He deemed desirable, subject only to the prior right of KOC to search for, develop or exploit the petroleum resources in the Islands if any such rights were properly determined to exist and to the indemnification of Shaikh Ahmad for any damages which He might become liable for to the Kuwait Oil Company arising out of or directly attributable to His execution of the new agreement with Aminoil. This condition regarding the Kuwait Oil Company claim did not in any way whatever bind Shaikh Ahmad or Aminoil to arbitrate the KOC claim; nor was it intended to do so.

5. Thereupon I immediately dispatched to the Persian Gulf, Captain T. C. Conwell of Aminoil, and Mr. Thomas R. Holland for the express purpose of negotiating the new concession which Shaikh Ahmad had promised earlier would be granted Aminoil

without further delay. Messrs. Conwell and Holland arrived in Kuwait on March 5, 1949, but found, not unexpectedly, that Shaikh Ahmad objected to the condition which His Majesty's Government had insisted upon which referred to the Kuwait Oil Company claim for the reason that the mere mention of a possible claim by the Kuwait Oil Company was improper, His Highness, Shaikh Ahmad, having denied that such a claim existed. Shaikh Ahmad also objected to the indemnification clause as a trespass on His sovereignty by putting the protection of His interests in the hands of a private company, Aminoil. Meantime, the Kuwait Oil Company had made repeated representations to His Majesty's Government, to Mr. H. T. Kemp in London and to Shaikh Ahmad that they owned the petroleum rights in the three Islands by virtue of their 1934 Concession. Finally Shaikh Ahmad, although steadfastly denying these pretensions as absolutely unfounded, offered the Kuwait Oil Company on or about March 15, 1949, the privilege of proving its assertion that it had an interest in the Islands and gave the Kuwait Oil Company ninety-one days from and after March 15, 1949, to produce such "proof" declaring that thereafter He would make His decision as to the Kuwait Oil Company's claims. This offer the Kuwait Oil Company accepted and acted upon.

At the same time Shaikh Ahmad asked Aminoil through Captain Conwell and Mr. Holland to defer further negotiations for the separate concession which He had agreed would be executed in favor of Aminoil covering the Islands until the period so granted the Kuwait Oil Company had expired. In this Aminoil acquiesced and I directed Captain Conwell and Mr. Holland to return to the United States which they did, leaving Kuwait early in April, 1949, having first received, however, His Highness' personal and explicit assurances that when the ninety-one days had expired and He had considered the KOC evidence, He would send for the Aminoil representatives and give them the concession if, as He believed it would, that evidence failed to reveal any merit in KOC's contentions. In parting Shaikh Ahmad stated to Captain Conwell: "My word is better than My signature and I have given My word. The new concession will be on the same terms and conditions as the other one but it will have to be a new one so no one can claim part of the Islands."

6. Thereafter and on or about June 11, 1949, Shaikh Ahmad, while visiting the Shaikh of Bahrein on Bahrein Island, received from the Political Resident as "proof" of the Kuwait Oil Company's claim to the Islands, a law brief written by Professor H. Lauterpacht of Cambridge purporting to "prove" the Kuwait Oil Company's claim to the Islands under its 1934 Concession. Shaikh Ahmad, while agreeing to study this brief carefully and to discuss it thoroughly, informed the Political Resident that His receipt of this brief did not in any way mean His acceptance of its contents. He further advised the Political Resident, as He had previously advised him on numerous occasions earlier, that He adhered to His earlier views with respect to the Kuwait Oil Company's pretenses to rights in the Islands, saying those pretenses were without foundation, the Kuwait Oil Company having no rights whatsoever in those Islands.

Thereafter Shaikh Ahmad returned to Kuwait and after a complete and thorough study by His advisors of the brief of Professor H. Lauterpacht which the Kuwait Oil Company offered as the "proof" of its claims, rejected those claims as having no foundation whatever and without merit. His Highness thereupon on or about July 1, 1949, formally advised Aminoil that in accordance with earlier promises, He was ready and free now to honor His word and to give Aminoil the concession covering the three Islands thus confirming to Aminoil the petroleum rights which He had always intended Aminoil should have.

7. I then made arrangements to have Mr. James MacPherson, now Vice President and General Manager for Aminoil in the Persian Gulf, go to Kuwait to obtain the concession covering the Islands and I also sent Mr. Thomas R. Holland from San Francisco to assist in the proceedings. Discussion of the details of the Islands Concession began in al-Kuwait on or about August 15, 1949, and were concluded and the Islands Concession to Aminoil signed by the parties on September 22. Thus Shaikh Ahmad's long standing promise and desire to see the Islands confirmed to Aminoil was realized and Aminoil's rights to the Islands firmly established.

III. CONCLUSIONS ARISING FROM THE ISLANDS STORY.

I come now to a quick analysis of the record I have thus put before Your Highness. From it, these things are plain:

1. Shaikh Ahmad, at all times and under all circumstances, denied that the Kuwait Oil Company ever, by virtue of its 1934 Concession or otherwise, obtained any interest whatever in the three Islands of Kubbar, Umm al-Maradim and Qaru.

2. Shaikh Ahmad at all times asserted and confirmed the fact that He wished Aminoil to have the petroleum rights in those Islands and each of them, together with their respective territorial waters.

3. Nothing in the record suggests that Shaikh Ahmad agreed to arbitrate the alleged claim of the Kuwait Oil Company. On the contrary, the record shows that Shaikh Ahmad adopted a course of action - in which the Kuwait Oil Company concurred - designed to test that Company's assertion of an interest in the Islands; and that thereafter Shaikh Ahmad disposed of this issue by rejecting the evidence offered by KOC in support of its assertion and by confirming Aminoil's petroleum rights therein by His execution of the Islands Concession on September 22, 1949.

4. There is nothing in Aminoil's Islands Concession which obligated Shaikh Ahmad or obligates Your Highness or Aminoil to arbitrate the alleged claim of the Kuwait Oil Company. In fact it clearly appears that neither the agreements arrived at between His Majesty's Government and Mr. Harley Stevens in London as expressed in the final understanding of these parties on February 28, 1949, nor the provisions of Article 22 of the Islands Concession later signed by Shaikh Ahmad, in any way whatever obligated His Highness Shaikh Ahmad, or Aminoil, to arbitrate the claim made by the Kuwait Oil Company to an interest in the Islands. On the contrary, their terms appear to negative such an undertaking.

IV. FURTHER CONSIDERATIONS.

1. As I have said to Your Highness earlier in this letter, I have had difficulty in understanding the message conveyed by Your Highness through Messrs. Abdulla Mulla Saleh and H. T. Kemp on the morning of October 29, 1950 - a copy of which I understand Your Highness has in the Arabic - because many of the reasons stated as objections to the course proposed to Your Highness by Mr. Ballantyne appeared to me to be in opposition to and derogation of Your Highness' rights and powers as Ruler of Kuwait and Father of Your People.

2. In all good faith I say to Your Highness that we had no fear that harm would come to Aminoil on any question arising between Your Highness and Aminoil if it clearly appeared and were properly determined, according to the laws relevant to any such question, that it rested with Your Highness to decide the

dispute arising out of such question between Your Highness and Aminoil. And neither had we any fear that Your Highness would under any circumstances seek to limit, or to terminate unjustly, the Agreements which we entered into in good faith with Your Highness' Illustrious Predecessor.

3. It appears to me there is misunderstanding in some quarters as to Shaikh Ahmad ever finally agreeing to arbitrate the matter of the Islands with the Kuwait Oil Company. We have seen earlier in this letter that He always rejected that Company's claims to the Islands as wholly without foundation. We have also seen that nevertheless, while therefore refusing to entertain any proposal which in anywise recognized or assumed that such a claim existed, He offered the Kuwait Oil Company an opportunity to present evidence as to its alleged rights saying He would decide the matter after this was done. Shaikh Ahmad did thereafter decide the issue by rejecting the evidence so presented by the Kuwait Oil Company as wholly insufficient to establish any rights in the Islands, or any of them; and by confirming the Islands ~~the Islands~~ to Aminoil by the execution of its Islands Concession. This, we believe was the crucial act; and as Your Highness knows, Shaikh Ahmad expressly undertook in this Islands Concession to afford His assistance and His protection of the rights and privileges thus granted Aminoil by all means in His power.

Moreover from the record Your Highness will have seen that there is nothing in Aminoil's Islands Concession and more particularly nothing in Article 22 of that Concession which bound Shaikh Ahmad or which binds Your Highness or Aminoil to arbitrate the alleged claim of the Kuwait Oil Company. There was no longer anything to arbitrate; Shaikh Ahmad had disposed of the Kuwait Oil Company claim. The single suggestion that Shaikh Ahmad subsequently agreed to arbitrate comes from Mr. Kemp who speaks of some letter which he wrote at the suggestion of Sir William Fraser. This letter he appears unable now to produce and in any case it could not operate to obligate His Highness, Shaikh Ahmad, since only He Himself could create such an obligation. Frankly, to me, in view of all that I have shown took place in Shaikh Ahmad's lifetime when He repeatedly refused to entertain the idea that the Kuwait Oil Company obtained any rights whatever in the Islands in 1934, it is inconceivable that His Highness, Shaikh Ahmad, ever changed His position from that so clearly recorded with us.

There remains Shaikh Ahmad's letter to me of November 7, 1949, a copy of which I presume Your Highness has in His files. I respectfully say to Your Highness that there is nothing in that letter which clearly evidences a change of intention on the part of Shaikh Ahmad with reference to the Kuwait Oil Company's contentions with regard to the Islands. It is true that after informing me of certain action taken by the Board of Directors of the Kuwait Oil Company, Shaikh Ahmad stated that He had authorized Mr. Kemp to consult with Aminoil's lawyer and to proceed with the nomination of an arbitrator, "in accordance with the terms of the new Concession Agreement concluded recently". But we have seen that Agreement, the Islands Concession, did not obligate Shaikh Ahmad or Aminoil to arbitrate anything. We have also seen that Shaikh Ahmad had previously disposed of the Kuwait Oil Company's claims.

The selection of Judge Patterson as the Ruler's arbitrator and the appointment of Judge Sandstrom as referee did not and do not now affect the situation. These were merely the procedural steps made necessary to protect Shaikh Ahmad's rights - prior to the time He might receive competent legal advice - once the Kuwait Oil Company had, in disregard of Shaikh Ahmad's

decision, attempted to renew and force an arbitration of its pretensions to the Islands. Thus these acts in no way committed Shaikh Ahmad who had never theretofore been advised as to His legal rights in this dispute with the Kuwait Oil Company. They did not bind Him to proceed; nor can it be said He agreed that should bind Him. Rather He sought Mr. Ballantyne's advice as to His rights and Mr. Ballantyne advised that the Ruler's decision having been given, was final. Therefore, it seems to me that there is in truth no obligation, either in honor or at law, for Your Highness to proceed with the arbitration instituted by the Kuwait Oil Company. The issue was decided and the Kuwait Oil Company's claim rejected by Shaikh Ahmad in His lifetime. As we see it, there remains nothing more to be done.

4. I respectfully say further to Your Highness that it would be a grave matter to suggest that Aminoil should accept a decision adverse to its interests covering the petroleum rights in the three Islands and their territorial waters, if such a decision were arrived at as a result of the waiver of any of Your Highness' rights existing at the date of the execution of Aminoil's Islands Concession. For any waiver of Your Highness' rights would mean a change in the legal position on the basis of which Aminoil's Concession was entered into and also a change in what Shaikh Ahmad agreed with us and in the rights He gave us and wanted us to enjoy. Your Highness will remember also that in the Islands Concession, Shaikh Ahmad promised to afford Aminoil's rights His assistance and protection by all means in His power. I am very sure that Your Highness will wish to carry this undertaking into effect. However, I am sure Your Highness will not misunderstand me when I say that Aminoil could not in fairness be expected to rest content with any decision which was arrived at on a different basis, for such a decision would, according to my legal counsel, lack legal force.

5. Your Highness will appreciate that I, as President of Aminoil, labor under heavy responsibilities to the stockholders of Aminoil, my associates, in the protection of their property; and further that I have, as the story of the Islands Concession shows, made repeated representations to the highest authorities in the United States Government in helping obtain the result which Shaikh Ahmad desired. Your Highness will, I am sure, appreciate also the impossibility of my position should the matter now be approached on a wholly different basis. I have throughout in conferences with my Government supported Shaikh Ahmad's position as being free to determine the issue of the Kuwait Oil Company's alleged claim and have aided in every way I could in removing the various obstacles which from time to time have been placed in the way of His freedom of action in the matter of the Islands; and this course I must, as You will appreciate, follow consistently.

I would in closing and in expressing my appreciation for Your Highness' patience and consideration in reading this long letter to its conclusion, respectfully request that Your Highness re-examine and reconsider the whole situation in the light of the facts as they appear in this long record. I am confident that once Your Highness has all the facts before Him, the solution of this problem will become plain.

With assurances of my highest esteem and respect and my earnest good wishes for Your Highness always, I am

Sincerely yours,
Ralph K. Davies
President

AMERICAN INDEPENDENT OIL COMPANY
One Eleven Sutter
San Francisco 4, California

March 15, 1951

His Highness
Shaikh Abdulla Al-Salim Al-Subah, C.I.E.
Ruler of Kuwait
Kuwait, Persian Gulf

Greetings and all good wishes to Your Highness:

I have been studying for some time the meaning and the implications of the message from Your Highness which was communicated to Mr. MacPherson, our Vice President and General Manager in Kuwait, through Mr. H. T. Kemp and Mr. Abdulla Mulla Saleh at the meeting held in Mr. MacPherson's office on October 29, 1950, which Mr. Kemp characterized as an official meeting for Mr. MacPherson's information and that of our Board of Directors. Having concluded such study which has involved considerable research into the laws applicable to this problem I was in the course of completing my reply to Your Highness when I received further advices from both Mr. Kemp and Mr. MacPherson that Your Highness desired the difference of opinion between Himself and the Kuwait Oil Company regarding the Islands of Kubbar, Umm al-Maradim and Qaru in the Persian Gulf, to be settled by arbitration according to the provisions of the Kuwait Oil Company Concession Agreement of 1934. In view of what was said to Mr. MacPherson in October by Messrs. Abdulla Mulla Saleh and Kemp and the messages I have more recently received from Your Highness through Mr. Kemp and Mr. MacPherson, I wish now to reply to Your Highness as follows:

شركة الزيت الاميركية المستقلة
١١١ شارع
سان فرانسيسكو ٤
١٥ آذار ١٩٥١

صلى الله عليه واله
امير الكويت
الكويت، الخليج العربي

تحية لكم بالخير والسلام، ورفق بكم جميعاً في التحيات
وبعد، فقد درست لمدة طويلة حقاً
رسالة سموكم وعضوناً التي بلغت السيد مكفرسون
نائب مدير شركتنا ومديرها العام في الكويت
بواسطة السيد ه. ت. كمب والسيد عبد
الله ملا صالح في اجتماع عقد في مكتب السيد
مكفرسون في ٢٩ تشرين الاول ١٩٥٠، وقد
وصف السيد كمب هذا الاجتماع بأنه اجتماع
رسمي غايته اطلاع السيد مكفرسون
على حقيقة الادارة على حقيقة الامر

عند انمام هذه الدراسة التي طلبت تحياً كبيراً
في القوانين التي تستند عليها لقضية
كنت على وشك انمام رد ارفعه الى
سموكم عندما بلغني السيد كمب والسيد
مكفرسون ان سموكم يرغب تسوية مختلف
بينه وبينه وشركة الكويت للزيت بشأن
جزر كبر و ام المرادم وقارو في الخليج العربي
نظريه التحكيم وتودعوا عقد امتياز
شركة الكويت للزيت ١٩٣٤

نبارك على ما ذكره السيد عبد
الله ملا صالح والسيد كمب

السيد مكفرسون في شهر تشرين
الاول وعلى اساس احداث اميرالتي استقرت
معه سموكم بواسطة السيد كمب والسيد مكفرسون
ارغب الآن رفع رد الى سموكم على
الوجه التالي :

I. GENERAL STATEMENT.

It appears to me a serious misconception exists as to Aminoil's rights and obligations under the terms of its Concession of September 22, 1949, covering the three Islands of Kubbar, Umm al-Maradim and Qaru and their respective territorial waters; and that there is likewise serious confusion with regard to what your Illustrious Predecessor, Shaikh Ahmad, did and agreed to do with reference to the alleged claim of the Kuwait Oil Company to petroleum rights in those Islands. I have also been greatly puzzled by some of the things contained in the message Messrs. Abdulla Mulla Saleh and Kemp passed on officially to Mr. MacPherson on October 29, 1950, because many of the reasons stated as objections to the course then proposed by Mr. Ballantyne appeared to me to be incompatible with Your Highness' position as an Independent Sovereign and as Ruler of His People. I am also concerned with what appears to me to be a misconception of the arbitration procedure provided for in the case of the Kuwait Oil Company Concession, and of the obligations assumed by Aminoil and Your Highness' Predecessor under the terms of Aminoil's Islands Concession of September, 1949 and more particularly under Article 22 thereof. I believe that until these misconceptions are removed and Your Highness' position more thoroughly understood by us and our position by Your Highness, there is danger of misunderstanding between us which I am sure both Your Highness and Aminoil are most anxious to avoid.

١- بيان عام

يظهر لي ان هناك سوء فهم بيننا
عقود شركة الكويت للبترول المستقلة
- امينويل - والاتفاقيات وفقاً لشروط عقد
امتيان في ٢٢ ايلول ١٩٤٩م الذي ليس
الجزائر للسلطان كبر و ام المارديم وقار و
وبالجزائر الإقليمية المختصة ، وهناك بالمثل
اختلاف كبير بالحقائق بخصوص ما قد فعله
وما وعدان بفعله منكم الصالح ، الشيخ
احمد تجاه شركة الكويت للبترول بطريقه
اربعه في بتروك تلك الجزائر . كما قد امكنني
بعض الاشياء التي تضمنتها الرسالة التي ارسلها
السيدان عبدالله ملاح صالح و دك بطريقه
رسمية الى السيد مكفرسون في ٢٩ تشرين
الدول ١٩٥٠م . وذلك لان بعض الاسباب
التي جئته اننا اعتراضات لتلك الذي
اقترحه السيد بالانظر تبدو الي باننا
لا نتفق ومركز سموك كسلطان مستقل
دوالي على عيشه . ويرياني ايضاً ما
يظهر لي باننا اجادوه فهم امر التكليم
المبصرون عليه بشأن قضية عقد امتيان
شركة الكويت للبترول ، والاتفاقيات
التي تعهد بها كل من شركة امينويل و منكم
سموكم الشيخ احمد حسب شروط عقد
امتيان الجزائر لشركة امينويل
الموقع في شهر ايلول ١٩٤٩م وبالخصوص
الفقرة ٢٢ من العقد . اذ لم
يبدل الجهد في ازالة سوء الفهم لهذا
وان لم يتسنى لنا فهم وضع سموك فيها تماماً
ويفهم سموك وضعنا هناك خطر وقوع
سوء تفاهل بيننا مع العلم باننا نؤمن ان
سموكم وشركة امينويل تواقف لتجنب مثل
هذه الخلاف

Therefore in order that Your Highness, in considering my answer, may have before You the full story of the three Islands and particularly the story which our Great Friend, Shaikh Ahmad, wrote with regard to His desires and intentions covering these Islands and wrote also with regard to the pretensions of the Kuwait Oil Company to an interest in those Islands, I respectfully present the record as it was written from June, 1948, when Aminoil received its Neutral Zone Concession from Shaikh Ahmad, up to and including September 22, 1949, when Shaikh Ahmad confirmed Aminoil's rights to the Islands by the same token rejecting KOC's claims therein. It is a long story, but I respectfully ask Your Highness to read it through before turning to the other portions of this, our reply, for once Your Highness has the story of the Islands firmly in mind I believe much will be clear to Your Highness which has otherwise remained obscure.

II. THE STORY OF THE ISLANDS.

1. On June 28, 1948, corresponding to the 23rd day of Sha'aban in the year of 1367, His Highness, Shaikh Ahmad, in the exercise of His powers as Ruler of Kuwait on His own behalf and in the name of and in behalf of His heirs and successors, was pleased to grant to American Independent Oil Company a petroleum concession covering His entire right, title and interest in the Kuwait-Saudi Arabia Neutral Zone, including all islands and territorial waters appertaining to that Neutral Zone. In August, 1948, Shaikh Ahmad's Secretary, Ezzat Gaafar, visited the United States and the offices of American Independent Oil Company in San Francisco, California, where we took the opportunity to discuss with him the initiation

بناءً على ذلك لكي يطالع سموكم على قصة الجزر الثلاث بالكلية، في النظر في جوانبها والوضع تلك القصة التي كتبها صديقنا الكبير الشيخ احمد ابي عبد الله - عبانه ومقاصده نحو هذه الجزر، ثم ما كتبه تجاه ادعاءات شركه الكويت للزيت ان لا مصالح في تلك الجزر، اعرض لكم بكل اعتدال سجل الحوادث كما كتبت في شهر حزيران ١٩٤٨ - عندما استلمت امينويل من الشيخ احمد امتيازها للمنطقة الجارية - لغاية ٢٢ ايلول ١٩٤٩ الذي فيه ثبتت الشيخ احمد حقوقه شركه امينويل للجزر - ونسبته له مطالب شركه الكويت للزيت. انما قصة طويلة لكن اطلبه لكل اعتدال من سموكم الاطلاع عليها بالكلية قبل النظر الى القسم الاخر من ردنا لهذا لانه متى تم لسوكم استيعاب القضية وعقد انه سيتفهم لسوكم اشياء كثيرة قد تبصر بدون ذلك غامضة

II قصة الجزر

١ - في ايامه العشرة من حزيران ١٩٤٨ الموافق لشهر شعبان ١٣٦٧ هـ سمو الشيخ احمد عبد الله الملك المرحوم له كاميير الكويت، وبالنيابة عن نفسه وباسم ورثاته وخلفائه، وبالنيابة عنهم اظهر سموه في منح شركة الزيت الاميركية المستقلة، امتياز المبتدول بما فيه حقه الملكي ومصلحته ومخولاته في المنطقة الجارية للكويت والمملكة السعودية لعموم وشبه الامتياز لجميع الجزر والمياه الإقليمية التابعة لتلك المنطقة الجارية. في شهر آب ١٩٤٨ عزت جعفر مكتبة الشيخ احمد، قام بزيارة الولايات المتحدة ومكتب شركة الزيت الاميركية المستقلة في سان فرانسيسكو، كاليفورنيا حيث اكتبنا الفرصة في البحث معه عن ترتيبات

of exploration activities in the areas covered by Aminoil's Neutral Zone Concession.

At that time I told him of our plans, among other things, to commence and conduct marine surveys and geophysical activities off the coast of the Neutral Zone, on and about the Islands of Kubbar, Umm al-Maradim and Qaru, and in the respective territorial waters of these three Islands. In particular we outlined to His Highness' representative, Ezzat Gaafar, our plans specially to outfit and send to the Persian Gulf the vessel now known as the 'BADAWY' with a geological and geophysical party aboard and complete equipment to do underwater survey and exploration work. He was given the details of these plans, which he promised, upon his return to Kuwait to explain in detail to His Highness.

This, I am informed, Ezzat Gaafar did upon his return in September or early October, 1948. Meantime, I also wrote to His Highness, Shaikh Ahmad, on September 15, 1948, advising Him of my conversations with Ezzat Gaafar and of Aminoil's plans for commencement of operations and particularly of Aminoil's intention to go forward with exploratory work over the waters and in and around the Islands of Kubbar, Umm al-Maradim and Qaru. A copy of my letter to Shaikh Ahmad is attached.

2. Thereafter, on September 24, 1948, Aminoil's vessel, the BADAWY, was dispatched from the United States with full equipment and special crew with instructions to explore the area covered by Aminoil's Neutral Zone Concession both off the coast of the Neutral Zone and on, in and around the Islands of Kubbar, Umm al-Maradim and Qaru. Meantime, in November, 1948, and before the arrival of the BADAWY in the Persian Gulf waters, I

عملان استكشاف في المناطق المحيطة
في عقد امتياز شركة امويل للمنطقة الجارية

ولان من جملة ما ذكرته له في تلك المناسبة
الامراج وادارة عمال كافية تحت سطح
الماء داخري تخلفه بطيعة ادرى مع مياه
ساحل المنطقة الجارية وايضا على جزر
كبر راء الماردم وقار وحواليها وفي
مياهه الاقليمية التابعة لا . راء الاخرى
فقد اخبرنا ممثل سموه عزت جعفر
خطط عمالنا وعضوا تجريبيا سفينة امويل
الآن بالبدوي وارجو اني ابلغ الفاضل
مع لفيف من الاخصائيه في علم طبقات الارض
وطبقات المحيطات بالكل المعتمد للقيام بعمل
كثيف تحت الماء داخري استكشافية
وقد اعطيناه لفيف الخطط ووجه انه
سيشرح مفصل لفيف الخطط لسمو الامير
مفضل لفيف الخطط

وقد قام عزت جعفر بعمل ذلك كما
أعلنت ، عند رجوعه في شهر الجول إن
الميكه في ادائي تشرية الاول هجـ
وفي نفس الوقت كتب لسمو الشيخ حمد
في ١٥ الجول هـ معلماً سموه
حمد شي مع عزت جعفر وعنه خطط شركة
امويل في شروع الاعمال الاستكشافية
فوقه المياه وفي جزر كبر راء الماردم وقار
وحواليها ونسخة عن تحريري للشيخ حمد ماحقة
بهذه الكتاب

٢ - ولقد ذلك أرسلت سفينة امويل ،
بدوي ، من الولايات المتحدة بالعدان بطاولة
وعلى لفيف خاص منقذ بالارشادات
الامر من استكشاف المنطقة المحيطة في
عقد امتياز شركة امويل للمنطقة الجارية
مياه ساحل هذه المنطقة وايضا في جزر
كبر راء الماردم وقار وحواليها ، وفي
الوقت ذاته نشر تقرير الثاني هـ وذلك
قبل قدوم البدوي إلى مياه الخليج الفارسي

sent to Kuwait as my representative,
Mr. Charles B. Rayner, formerly Petroleum
Advisor to the State Department and then a
Vice President of American Independent Oil
Company, together with Mr. Thomas R. Holland
of Aminoil for the purpose, among other things,
of informing the Ruler personally of Aminoil's
exploration plans and to make certain they were
fully understood. These gentlemen had several
conferences with Shaikh Ahmad during the month
of November, 1948, at all of which times
Shaikh Ahmad confirmed the fact that He had
granted such Islands to Aminoil and intended
that Aminoil should have them.

In particular on November 19, 1948, at an
interview with His Highness, Shaikh Ahmad, at
Dasman Palace in al-Kuwait, Mr. Rayner in the
presence of Ezzat Gaafar and Mr. Holland, in-
formed His Highness that the vessel, BADAWY, with
a geological and geophysical party aboard would
shortly arrive in the Kuwait Harbor and would
then be ready to go to work as planned. His
Highness thereupon advised Mr. Rayner that inas-
much as the negotiations with the Government of
Saudi Arabia in which the parties were then en-
gaged regarding the entry of Aminoil into the Neu-
tral Zone had not yet been concluded, He felt
the logical place for the BADAWY and for the geo-
logical and geophysical experts thereon to begin
exploratory operations was on and about the
Islands of Kubbar, Umm al-Maradim and Qaru which
His Highness further stated were under His sole
sovereignty and included in Aminoil's Neutral Zone
Concession. His Highness further advised Messrs.
Rayner and Holland that He would so inform the

ارسلته الى الكويت كممثل عن السيد تشا-
رينر سقا - التردد لدارة الشؤون الخارجيه
الامويليه سابقاً وفيما بعد نائب رئيس شركة
الزيت الامويليه المستقلة (امينويل) بصحبة
السيد توماس ر. هولاند من امينويل
بقصد ، بالإضافة الى شياء اخرى ، إعلام
الامير شخصياً بعد خطط امينويل لاستكشاف
دايضاً التأكد بان كل هذه الخطط قد فهمت
على الوجه الكامل . قام هذان السيدان
بمفاوضات عديدة مع الشيخ احمد خلال
شهر تشرين الثاني ١٩٤٨ ، وفي جميع هذه
المفاوضات أكد الشيخ احمد حقيقة وهي
بانه قد منح لهذه الجزائر لشركة امينويل
وطان يرغب ان تحوز امينويل عليها .

وبصورة خاصة في ١٩ شهر تشرين الثاني
١٩٤٨ المرح السيد رينر سمع الشيخ احمد
في مقابلة مع سموه في قصر دسمان -
الكويت - بحضور عزت جعفر والسيد
هولاند ان السفينة بدوي وما عليها
من اخصاء في علم طبقات الارض وطبيعتها
ستصل قريباً الى الكويت وستكون جاهزة
للمباشرة في العمل حسب الخطة . عندئذ
اشار سموه الى السيد رينر انه حيث
ان المفاوضات مع الحكومة السعودية
بأن دخول شركة امينويل الى المنطقة
الحيارية ، لم تنته بعد وشر سموه
ان المكان المعقول للسفينة بدوي وما
عليها من اخصائيه في علم طبقات الارض
وطبيعتها لا يتعدا لعمليان استكشافيه
هو على جزير كبر واطم الرادم وقارو لان
هذه الجزر تحت سلطنة المنفردة
ومستقلة في عقد امتياز المنطقة
الحيارية لشركة امينويل ، وسموه ايضاً
اخبار السيد رينر وهولاند انه

British Political Agent at Kuwait of His decision so that the latter would be familiar with what was to be done and the fact that the proposed explorations had His approval.

3. This His Highness did on or about November 21, 1948, and thereupon He was informed by the Political Agent that he saw no objection thereto but that he would be obliged to refer it to the Political Resident of the Persian Gulf. When the matter was so referred, the Political Resident expressed the view -- wholly improperly and gratuitously, it seems to us, for the Kuwait Oil Company had never claimed the Islands or made any attempt to explore or exploit them under its 1934 Concession -- that the oil rights in the Islands were under concession to the Kuwait Oil Company and referred the problem to the Foreign Office in London. His Highness objected strongly and emphatically to this contention and expressed His complete disagreement and requested the Political Agent to cable the Political Resident and the Foreign Office of His objection. This, I understand, was done and thereafter early in December, 1948, Shaikh Ahmad was visited in quick succession by the Political Agent in Kuwait, the British Political Resident in the Persian Gulf and, we are advised, by a British representative from Basra, all urging that Shaikh Ahmad treat these Islands as if they had been included in the Kuwait Oil Company Concession of 1934, stressing in each case, however, that their suggestions were wholly unofficial. Shaikh Ahmad was unmoved by these representations.

At about the same time -- to be exact, on December 8, 1948 -- the BADAWY arrived in the

سُعي لم يوافق البريطاني السياسي في الكويت
عنه قراره حتى يكون الاخير على اطلاع بما
يجعل به وعلى اطلاع ايضا بموافقة
سموه على العمليات الاستكشافية
المقترحة

٢ - قام سموه بذلك في اواخر
شهر اكتوبر او حوالي ذلك التاريخ
عندئذ علمه الوكيل البريطاني السياسي انه
لم ير اي اعتراض على ذلك ولكنه يقضي
عليه راحيه ان يثير القضية الى المقيم
السياسي البريطاني في الخليج الفارسي
عندما أُشير له الى المقيم السياسي
البريطاني ذكر المقيم ان لشركة الكويت
للزيت الحق في بتدول هذه الجزر بحكم
عقد امتيازها ١٩٣٤. وقال ذلك بطريقة
غير مسوقة وبوجه لا محل له ، وعلى ذلك
رفع القضية الى مكتب الاستعلامات الخارجية في
لندن - ان شركة الكويت للزيت ما حدث
ابه ان طالبت بالجزر ادخلت اقيام
استكشاف او استغلال مواضعها بحكم
عقد امتيازها ١٩٣٤ . وسموه عارض بحجة
وبشدة محتهم وبه عدم موافقة لسموه ،
وطلب من الوكيل السياسي البريطاني انه
يُبرره الى المقيم السياسي البريطاني ومكتب
الاستعلامات الخارجية ويطلبهم عن رفضه
وقد عمل بذلك كما علمت وبعد في اول كانون
الاول ١٩٤٩ قبل بلوغ احمد زيات متوالية من
قبل الوكيل السياسي في الكويت ثم المقيم البريطاني
السياسي في الخليج الفارسي ثم كما علمنا الممثل
البريطاني من البصرة والقول ان تحت رايح ان
يُعامل الشيخ احمد هذه الجزر - كما نرى صغوة
في عقد امتياز شركة الكويت للزيت ١٩٣٤
لقد اذقوا صرنا ان اقتراحاتهم لم تكن
ذات صبغة رسمية بالمره . ولكنه لم يفتح
احمد لم يتأثر بما عرض عليه .

حوالي ذلك الوقت في انشائه من كانون الاول
مكره أكيداً وصلت البدوي الى

Kuwait Harbor ready to start work on the Islands according to plan and Shaikh Ahmad's authorization. However, because of the opposition of His Majesty's Government and the political pressure thus brought to bear upon Him — Shaikh Ahmad, while assuring Aminoil's representatives that He considered the Islands covered by its Neutral Zone Concession and intended that Aminoil should have the petroleum rights in them, requested that no work be undertaken for the moment on or about the Islands. Aminoil bowed to His Highness' request even though its vessel, the BADAWY, was thus forced, as it turned out, to remain idle for some months at great cost to Aminoil. Aminoil acquiesced in this because it had received Shaikh Ahmad's unequivocal assurances that He regarded the petroleum rights in these Islands as belonging to Aminoil and promised that He would see that Aminoil's rights therein were protected.

Soon after, Shaikh Ahmad was advised that the Foreign Office was of the opinion that the Islands were covered by the KOC Concession, but would advise definitely later. The Ruler thereupon informed the Political Agent that He completely disagreed, that the Islands were not shown on the map attached to the KOC Concession and were not covered by that Concession. Shortly thereafter the Political Resident again conferred with His Highness who again insisted that the Islands were not covered by the KOC Concession. Thereupon on or about December 18, His Highness advised me of the situation, saying that in view of the attitude of His Majesty's Government He found it difficult to clarify the situation and thus make effective His intention that Aminoil should proceed with work on the Islands pursuant

بناء الكويت و كانت على هيئة المشروع في العمل على الجزائر وفقاً للخطة و نصير الشيخ احمد . ولكنه نتيجة لمعارضة حكومة بلاده والضغط السياسي الذي اضبط به جلالته ، طلب الشيخ احمد بان لا يقام اي عمل ، مؤقتاً ، في الجزر او حولها حتى الوقت ذاته انه سموم لمحتلي امينويل انه يعتبر الجزائر مسئولة في عقد امتياز لها للمنطقة الجارية ، وانه يرغب ان تأخذ امينويل حقوقه في لفة الجزائر . خضعت امينويل لطلبه سموم غم تلك الشركة بالمصاريف الخاصة به جراد اضطر الفقيه بدوي على البقاء بدون عمل ما لا يشهد عنه نتيجة لما اذنت السلا الحالية ، وافقت امينويل على طلب الشيخ احمد لانها اخذت من تأليديات صريحة بانها تعتبر حقوقه الزيت في لفة الجزر تخص شركة امينويل و وعد انه سيعمل على حراية حقوقه شركة امينويل في ذلك .

ومباشرة بعد ذلك ، علم الشيخ احمد من قبل مكتب الاستعلامات الخارجية بان المكتب يتأي بان الجزائر مضمونة في عقد امتياز شركة الكويت للزيت في ١٩٣٤ و وعد المكتب انه سيعلم الشيخ احمد فيما بعد عن قراره النهائي لتنظيم . عندئذ علم الامير الوكيل السياسي عن عدم موافقة التام ، وان الجزائر لا تظهر على الخارطة المحقة بعقد امتياز شركة الكويت للزيت ولفترة قصيرة بعد ذلك تفادى هذا المقيم السياسي مع سموم بشأن حاله لكنه سموم اصر له للمرة الثانية ان عقد امتياز شركة الكويت لا يشمل الجزر . عندئذ علمني سموم عن حاله في ١٨ كانون الاول قائلاً انه نظر لما تشهده حكومة جلالته بخصوص الحال و جردانه من التقدم عليه جردا الوضع لذلك لا يمكنه تنفيذ قراره بان تشريع شركة امينويل بالعمل على الجزر وفقاً

to its Concession and that Aminoil's rights might be otherwise confirmed.

4. I thereupon caused strong representations to be made to the State Department and other U. S. Government officials regard the activities of the British representatives, pointing out that British political pressure and intervention on behalf of KOC in such a dispute was unwarranted and improper and denied Aminoil equal opportunity in the area. With this the United States Government agreed and advised its London Embassy to state to His Majesty's Government that the problem was basically a difference of opinion between the Ruler of Kuwait and the two companies involved and that it was the opinion of the United States Government that political intervention was not justified and should not be employed. On January 1, 1949, I dispatched Mr. Harley C. Stevens, my assistant, to London to make similar representations, in conjunction with the American Embassy in London, to the Foreign Office with regard to Aminoil's rights and in opposition to the claims of the Kuwait Oil Company which were being asserted by the Foreign Office. The Kuwait Oil Company had theretofore made no claims whatever to the Islands from the time its Concession was executed in 1934 and had never engaged in any activity thereon. It was not until after Mr. Stevens arrived in London to protest to the British Government that the Kuwait Oil Company, for the first time, on or about January 20, 1949, made any open claim to the Islands.

Upon his arrival in London on or about January 12, 1949, and for the next six weeks thereafter, in consultation and collaboration with the American Embassy in London, Mr. Stevens was continuously engaged in negotiations with the British

لحقد امتياز لها وثبتت حقوقه شركة امينويل التي حال دون ذلك الوضع .

ع - عندئذ اوجبت اقيام تمثيلت عينية للقضية في دائرة الشؤون الخارجية الاميركية واما كبا - فوظفني الحكومة بشأن الاعمال التي قام بها الممثلون البريطانيون مظهراً ذلك الضغط السياسي البريطاني والتدخل في الخلاف لاسر له ولبعد غير مناسب اذ يحرم شركة امينويل فرصة سادية في المنطقة .

واقفت حكومة الولايات المتحدة باعوضته واجازت على سفارتها في لندن بان تعرضه على حكومة جبرلته ان القضية في جبرلته قضية خلاف في الرأي بين امير الكويت والمملكة المتحدة ورأي حكومة الولايات المتحدة ان مثل هذا التدخل السياسي لاسر له ويطغى تحته .

في اليوم الاول له لا نون الثاني ١٩٤٩ بعثت السيد لها في سي . ستيفنز ساعدي ليعمل مع السفارة الاميركية في لندن لوظفني مثل هذه التمثيلات التي كتبت الاستعراضات الخارجية بشأن حقوق شركة امينويل والاعتراض على مطالب شركة الكويت للزيت التي ايدتها المكتب ان شركة الكويت للزيت ما طالبت ابداً بالبدر باي فعل من الاطراف ، من حينه تنفيذ عقدا امتياز لها ١٩٣٤ ولم تقم ابداً في استخدام اي نشاط عليها ، واول مرة تقوم شركة الكويت للزيت بطلب على الجبر - لان حينه قدوم السيد ستيفنز للندن ليعتاج الحكومة البريطانية في - لا نون الثاني ارجو اني هذا

التاريخ ١٩٤٩

لدى وصول السيد ستيفنز الى لندن في ١٢ لا نون الثاني ارجو اني هذا التاريخ ١٩٤٩ ، لمرة استغرقت ستة اسابيع من وصوله ، في الشاور والعمل مع السفارة الاميركية في لندن ، لم ينقطع السيد ستيفنز من الدورات الفادحات مع الحكومة البريطانية

Government designed to support the Ruler's rights and prerogatives and His position with regard to these Islands and Aminoil's interest therein. In addition to claiming that the Kuwait Oil Company "appeared to have" an interest in these Islands by virtue of its 1934 Concession, His Majesty's Government further argued that if Aminoil's contention that it had obtained its interest in the Islands by virtue of its Neutral Zone Concession was sustained, it might be argued by the King of Saudi Arabia that His Government too had an interest in those Islands.

While these discussions were going on, the representatives of the Kuwait Oil Company, as noted above, stated for the first time to Mr. H. T. Kemp, the Representative of His Highness in London, that they claimed the petroleum rights in the three Islands pursuant to their 1934 Concession. As a result of these conflicting claims and while negotiations were going on in London, Shaikh Ahmad, in an endeavor to clarify the situation, declared to Mr. William Morris, then the Acting Manager for Aminoil in Kuwait, on or about February 2, 1949, that He intended to declare He believed neither the Kuwait Oil Company nor Aminoil's Concessions included the three Islands; but, at the same time, He stated to Mr. Morris that He had given and had intended to give the petroleum rights in these Islands to Aminoil but that the action He was taking was necessary to preserve His sovereign rights in the Islands from any claim of interest therein on the part of the Saudi Arab Government. Shaikh Ahmad

لما ضده حقوقه الامير وامتيازاته بان
لشده الجزائر ومصالح شركة امينويل فيها
والإضافة الى ما اربعة حكومت حلالته
ان شركة الكويت "يظفران لهما" مصالح
في لشده الجزائر بحكم عقد امتيازاتهما ١٩٣٤
وحاجت ايضا انه اذا اُقيم بحجة شركة
امينويل بانها تحكم على مصالح لا في لشده
الجزائر بحكم عقد امتيازاتهما للنطقة
الحادية، فحتمل ايضا ان يدعى
ملك البلاد المعينة السعودية ان لحكومة
ايضا مصالح في لشده الجز -
في اثناء حيدر لشده الامارات، ابان
مملوا شركة الكويت للزيت كما ذكر انقاء
لاول مرة، الحالى السيد ك. ك. ك. ك.
سعود في لندن انهم يطالبون بحقوق الزيت
في لشده الجز - الثلاث حسب عقد امتيازاتهم
١٩٣٤. نتيجته لهذه المطالب المتضاربة،
وفي الوقت الذي طالت به المفاوضات
سائرة في لندن بين الشيخ احمد في
الثاني من شباط اوصح الى هذا التاريخ
١٩٤٩، المحاولة لتصفية الحجة، الى
السيد وليام موريس في الكويت المدير
الوقت لشركة امينويل في ذلك الوقت، انه
يرغب التصريح بانه تعتقد ان لا عقد
امينويل ولا عقد شركة الكويت للزيت
يشمل الجزائر الثلاث ولكنه في
ذات الوقت بيده السيد موريس
انه قد قصد ان يعطى شركة
امينويل حقوقه البترول في
لشده الجزير، والطالبع الذي سلكه
لان لا بد منه لحماية حقوقه
سلطانه في الجزير من اي مصلحة قد
تطالب بها الحكومة السعودية العربية.

stated further that as soon as He were free to do so He would confirm these Islands to Aminoil in another concession; and He asked that in view of the objection raised by the British Government as to a possible claim by Ibn Saud to an interest in the Islands, Aminoil adopt the alternative which had in the meantime been suggested by His Majesty's Government in London, of obtaining a new and separate concession awarding the petroleum interests in these three Islands to Aminoil. Shaikh Ahmad also advised Mr. Morris that He also stated His intentions and decision as just outlined to the Political Agent in clear terms.

Aminoil agreed to be bound by His Highness' wishes and thereafter sought in London to free His Highness from the restrictions He felt lay upon Him so that He might freely execute the new concession. His Majesty's Government interposed numerous objections. It suggested, among other things, that the Kuwait Oil Company claim be first disposed of to which Aminoil replied that Shaikh Ahmad insisted KOC had no claim and it was improper for His Majesty's Government to assert that it had — that was a matter between His Highness and the Kuwait Oil Company and Shaikh Ahmad had denied that any claim existed. His Majesty's Government proposed that Aminoil get a letter of intent from Shaikh Ahmad stating Aminoil was to have the Islands under a new agreement when the KOC claim was settled. But Aminoil rejected this for the same reason that it rejected the previous proposal, and because to accept it would imply that the Kuwait Oil Company had a claim to the Islands which was contrary to Shaikh Ahmad's declaration.

وذكر الشيخ احمد انه سيعمل على تثبيت هذه الجزر لشركة امينويل في امتياز اخر متى وجد نفسه قادراً على ذلك ، وطلب منه شركة امينويل ان تنظر للاعتراض الذي قدمته الحكومة البريطانية بخصوص احتمال طلب من الملك ابن سعود في مصلحة له في الجزر — ان تملك امينويل الطريقة الذي اقترحه حكامه جلالته في لندن وهو الحصول على عقد منفصل جديد يمنح شركة امينويل الحق في بتول هذه الجزر الثلاث . وقد اعلم الشيخ احمد السيد موريس انه ايضا يتبع مقاصده وقراءه كما لحقت ، الى الوكيل السياسي البريطاني في نصوص اخرى .

واقفتم شركة امينويل على القيام برغبات سموه ، عندئذ اخذت تعمل في لندن على تحرير سموه من القيود التي يفرس سموه انما ملقاة عليه ، وذلك لتفككه من تنفيذ عقد الامتياز الجديد بالطريقة التي يشاها كونه حكامه جلالته ادخلت اعتراضات كثيرة ، منه جملة ما اقترحه هو التصرف اولاً بامر طلب شركة الكويت للزيت وعلى ذلك اجابت شركة امينويل بقولها ان الشيخ احمد امر على ان شركة الكويت ليس لها اي حصة ما ، ليس من الصواب للحكومة جلالته التأكيد بان لا حصة تملك مائة مائة مائة شركة الكويت للزيت وكان قد انكر الشيخ احمد وجود اي حصة لشركة . اقترحت حكومتهم جلالته ان تحصل شركة امينويل على مكتوب وقصد منه الشيخ احمد ذكره ان شركة امينويل تعطى الجزر وفي اتفاق جديد بعد البت في امر طلب شركة الكويت للزيت . لكن امينويل رفضت ذلك لنفس السبب الذي جعلهم رافضة الاقتراح السابق لان قبوله له مفاد الاعتراف بان لشركة الكويت حصة في الجزر ولهذا تخالف لما اعلنه الشيخ احمد

Matters were thus at a stalemate and it was apparent Shaikh Ahmad would not be able to keep His promise to confirm the Islands to Aminoil unless and until He received His Majesty's consent that He state freely His intentions. Therefore, Aminoil again sought, on or about February 9, 1949, the aid of the United States State Department which again intervened to suggest that the dispute be taken out of the political sphere, in which it then still was, so as to open the way for a statement to be made by Shaikh Ahmad as to His intentions. Thereafter negotiations between His Majesty's Government and Mr. Harley Stevens, representing Aminoil, were continued, His Majesty's Government making various other proposals.

Finally, on or about February 28, 1949, a compromise was reached whereby Aminoil, while maintaining its basic position that Shaikh Ahmad had granted the Islands to Aminoil in its original Neutral Zone Concession, consented to sign a new agreement and His Majesty's Government agreed to advise Shaikh Ahmad that He was entirely free to enter into a concession contract with Aminoil covering the three Islands and their territorial waters on such terms and conditions as He deemed desirable, subject only to the prior right of KOC to search for, develop or exploit the petroleum resources in the Islands if any such rights were properly determined to exist and to the indemnification of Shaikh Ahmad for any damages which He might become liable for to the Kuwait Oil Company arising out of or directly attributable to His execution of the new agreement with Aminoil.

وقعت الامور متعلقة دون تغيير او تحوير و كانت
مده الواضح ان ليس بمقدور الشيخ احمد ابقاء
بوعده كشيبة الجزر لشركة امينويل دون
الحصول على موافقة جلالته ولم يستطع له
بيان مقاصده بحرية . لذلك طلبت شركة
امينويل للمرحه الثانيه مساعدة دائرة الشؤون
الخارجيه الاميركيه ولفهم تدفقت في الامر
واقترحت ان الخلاف يجب ان يخرج منه
المخطط السياسي الذي ما زال فيه حتى
يفتح المجال للشيخ احمد اعطاء بيانه عن
مقاصده . عندئذ تولفت المفاوضات
بينه حكومه جلالته والسيد هارلي
مستقفر الذي كان يمثل شركة امينويل
وقد قامت حكومه جلالته باقتراحات
اخرى مختلفه

اخيراً في ٢٨ شباط اوجز الى هذا
التاريخ فتمت وصل الى التوافق واتفقت بحريه
شركه امينويل على توقيع عقد جديد وفي
الوقت ذاته بقيت مقبلة بمكثرتهم
الرئيسي بان الشيخ احمد قد منحها الجزر
في عقد لها الاول للمنطقة الحيازيه
ووافقت حكومه جلالته ان تعلم الشيخ احمد
ان له الحريه القامه بشل الجزر الثلاث بسلامه
الاقلعيه التابعه لها حسب شروط وحوالات
تتفق ترتيباته وتلكا خاصه لشرط
داحه - عند شركة الكويت للزيت الاول
في حريه البحث عن نفط في الجزر في الجزر
استقراره واستقراره ان ليس بوجه
عائنه وجودا به مده هذه المحفوظه وقد
يطالب الشيخ احمد بدفع تعويضه
لشركة الكويت للزيت الذي طرأ
ينج منه تنفيذ عقد الارتقاء
الحديث مع امينويل او اعزى مباشرة
اليه . وهذا الشرط الذي

This condition regarding the Kuwait Oil Company claim did not in any way whatever bind Shaikh Ahmad or Aminoil to arbitrate the KOC claim; nor was it intended to do so.

5. Thereupon I immediately dispatched to the Persian Gulf, Captain T. C. Conwell of Aminoil, and Mr. Thomas R. Holland for the express purpose of negotiating the new concession which Shaikh Ahmad had promised earlier would be granted Aminoil without further delay. Messrs. Conwell and Holland arrived in Kuwait on March 5, 1949, but found, not unexpectedly, that Shaikh Ahmad objected to the condition which His Majesty's Government had insisted upon which referred to the Kuwait Oil Company claim for the reason that the mere mention of a possible claim by the Kuwait Oil Company was improper, His Highness, Shaikh Ahmad, having denied that such a claim existed. Shaikh Ahmad also objected to the indemnification clause as a trespass on His sovereignty by putting the protection of His interests in the hands of a private company, Aminoil. Meantime, the Kuwait Oil Company had made repeated representations to His Majesty's Government, to Mr. H. T. Kemp in London and to Shaikh Ahmad that they owned the petroleum rights in the three Islands by virtue of their 1934 Concession. Finally Shaikh Ahmad, although steadfastly denying these pretensions as absolutely unfounded, offered the Kuwait Oil Company on or about March 15, 1949, the privilege of proving its assertion that it had an interest in the Islands and gave the Kuwait Oil Company ninety-one days from and after March 15, 1949, to produce such "proof" declaring that thereafter He would make His decision as to the Kuwait Oil Company's claims. This offer the Kuwait Oil Company accepted and acted upon.

تعمله في طلب شركة الكويت للنفط في طلبه من الطرف، الشيخ احمد او شركة امينويل في وجوب تكليم طلب شركة الكويت بن ولا يقصد به عمل ذلك .

٥ - عند ذلك بعثت قوماً طبيه ت . س . كونويل من امينويل والسيد توماس . هولاند الى الخليج الفارسي لاصح التفاوض المستعجل في الامتياز الجديد الذي كان عرضا للشيخ احمد سابقاً بانه سيمنح لشركة امينويل دون ادى تأخير . وفي الخامس من ايار ١٩٤٩ وصل السيدان كونويل وهولاند الى الكويت ، وليس على غير انتظار ، وجد ان الشيخ احمد عارضه على الشرط الذي اصرت عليه حكومة جلالته باصر طلب شركة الكويت للاعتراف بان مجرد ذكر احتمال وجود عهده لشركة الكويت كان في غير محله محله لان سموه انكر وجود مثل هذا المحور ، فعارضه ايضاً على نزع الصاية باصر القوض لان خبراً تعد على سلطانه لانه اضع صاية حقوقه في ايدي شركة خصوصية - شركة امينويل - . قامت شركة الكويت في اذان الوقت بمقتضيات فكره لفضليته امام حكومة جلالته والسيد هـ . ت . كيم في لندن والشيخ احمد معلنه انهم يحوزون على حقوق البترول في الجزير الثلاث حكم عهده امتيازهم للبلاد . واخيراً رغم انظار الشيخ احمد المسترد الثابت لهذه المرافعة التي كما يعتقد للاساس لا مطلقاً ، اعطى شركة الكويت تحالفاً لادبات هذا الاصدار بان لها مصالح في الجزير وكان ذلك في ١٥ آذار او هو الى هذا التاريخ . وقد اعطى شركة الكويت واحداً وستين يوماً استداوسها تاريخ المذكور ببيان بهذا الاذبات " صريحاً بانه سيبدى فيه ذلك قراره باصر طلبات شركة الكويت . وقد قبلت شركة الكويت هذا الطلب وعلت بموجبه .

At the same time Shaikh Ahmad asked Aminoil through Captain Conwell and Mr. Holland to defer further negotiations for the separate concession which He had agreed would be executed in favor of Aminoil covering the Islands until the period so granted the Kuwait Oil Company had expired. In this Aminoil acquiesced and I directed Captain Conwell and Mr. Holland to return to the United States which they did, leaving Kuwait early in April, 1949, having first received, however, His Highness' personal and explicit assurances that when the ninety-one days had expired and He had considered the KOC evidence, He would send for the Aminoil representatives and give them the concession if, as He believed it would, that evidence failed to reveal any merit in KOC's contentions. In parting Shaikh Ahmad stated to Captain Conwell: "My word is better than My signature and I have given My word. The new concession will be on the same terms and conditions as the other one — but it will have to be a new one so no one can claim part of the Islands."

6. Thereafter and on or about June 11, 1949, Shaikh Ahmad, while visiting the Shaikh of Bahrain on Bahrain Island, received from the Political Resident as "proof" of the Kuwait Oil Company's claim to the Islands, a law brief written by Professor H. Lauterpacht of Cambridge purporting to "prove" the Kuwait Oil Company's claim to the Islands under its 1934 Concession. Shaikh Ahmad, while agreeing to study this brief carefully and to discuss it thoroughly, informed the Political Resident that His receipt of this brief did not in any way mean His acceptance of its contents. He further advised the Political Resident, as He had previously advised him on numerous occasions earlier, that He adhered to His earlier views with

وفي نفس الوقت طلب الشيخ أحمد من شركة
امينويل بواسطة السادة كونويل والسيد
هولاند ارجاء المفاوضات بخصوص لفقد
المجدي - الذي وافقه سموه على تنفيذ
بصالح شركة امينويل لبحر الجزر - لحبه
انتهاز مدة المهاد لشركة الكويت للزيت
رضيت امينويل بذلك . اشرت على كتيبه
كونويل والسيد هولاند بالرجوع الى
الولايات المتحدة وكان ذلك ما فعلوه
اذ رطبا الكويت في اوائل شهر نيسان بعد
ان اخذوا اولاً تأكيداً سموه الشخصية
والصريحة انه عند انتهاء المهاد للسمو
يوماً وبعد النظر في بيته شركة الكويت
للزيت سيستدعي ممثلين شركة امينويل
لرعايتهم الامتياز اذ اظهر ان تلك
البيته خائب في الظاهر اي قيمه لما حاجته
له شركة الكويت وكان سموه على حق
انها مستحبه . ولما على الهبة المفارده ،
ذكر الشيخ احمد الى لا بته كونويل بالي :
" كل من افضل من رضائي وقد اعطيت كلمتي امامه
حبه القصد المجدي فانه يجزي على نفس الشروط —
والنصوص التي صار عليها العقد الاول وكذا من اللازم
ان يكون عقداً جديداً حتى لا يشوب لاحد ان يجال في
قسم من الجزر ."

٦ - بعدئذ في ١١ حزيران اوجز الى هذا الشيخ
الشيخ احمد زيارة الشيخ احمد لشيخ البحرين
في جزيرة البحرين استلم الشيخ احمد من المقيم
السياسي البريطاني موجز قانون "كاشيات"
شركة الكويت في مطالبتها بحقوقه في الجزر ،
كتبه البروفسور هـ . لوتراخت من جامعة كامبردج
يرمي الى "اثبات" حصة شركة الكويت في
الجزر - على بناء امتيازها لعام ١٩٣٤ . وفي نفس
الوقت الذي اظهره الشيخ احمد موافقته على
محررة الموجز قرارة تامه وجعله مع مستشاره
ذكر الشيخ احمد للمقيم السياسي ان مجرد استلامه
للموجز ليس معناه بأي طريقة من الطرق
موافقته على محتوياته ، كما انه اعلم المقيم
السياسي البريطاني - مثل ما علمه في
مناسبات عديدة بشأن ارجاء ان شركة الكويت للزيت

respect to the Kuwait Oil Company's pretenses to rights in the Islands, saying those pretenses were without foundation, the Kuwait Oil Company having no rights whatsoever in those Islands.

Thereafter Shaikh Ahmad returned to Kuwait and after a complete and thorough study by His advisors of the brief of Professor H. Lauterpacht which the Kuwait Oil Company offered as the "proof" of its claims, rejected those claims as having no foundation whatever and without merit. His Highness thereupon on or about July 1, 1949, formally advised Aminoil that in accordance with earlier promises, He was ready and free now to honor His word and to give Aminoil the concession covering the three Islands thus confirming to Aminoil the petroleum rights which He had always intended Aminoil should have.

7. I then made arrangements to have Mr. James MacPherson, now Vice President and General Manager for Aminoil in the Persian Gulf, go to Kuwait to obtain the concession covering the Islands and I also sent Mr. Thomas R. Holland from San Francisco to assist in the proceedings. Discussion of the details of the Islands Concession began in al-Kuwait on or about August 15, 1949, and were concluded and the Islands Concession to Aminoil signed by the parties on September 22. Thus Shaikh Ahmad's long standing promise and desire to see the Islands confirmed to Aminoil was realized and Aminoil's rights to the Islands firmly established.

III. CONCLUSIONS ARISING FROM THE ISLANDS STORY.

I come now to a quick analysis of the record I have thus put before Your Highness. From it, these things are plain:

1. Shaikh Ahmad, at all times and under all circumstances, denied that the Kuwait Oil Company

محمودة لا في الجزر - ان هذه الادعاءات ليس لها اساس لان شركة الكويت ليس لها اي حق من الحقوق في هذه الجزر -

ولقد ذلك - جمع الشيخ احمد الى الكويت وبعد دراسة موجز البروفسور ه. لوتراپخت من قبل مستشاريه دراسة تامة وطويلة - ذلك الموجز الذي تقدمت به شركة الكويت "كاثبات" لمطالبها - رفض الشيخ احمد هذه المطالب لانها ليست مبنية على اي اساس وعديمة الاعتراف - ولقد ثبت لعلم سموه شركة لامينويل رسميا في اليوم الاول من حزيران اوجوالية ١٣٩٩ انه وفقا لوعوده السابقة اصبح الان بمقدوره وعلى استعداد لايفاء وعده واعطاء امينويل امتيازاً لأشمل الجزر الثلاث وبموجبه تثبتت حقوقه في استغلال تلك المحققة التي طالما ايدها الشيخ احمد لشركة امينويل .

٧ - عندئذ لما أتت الفرصة للسيد جيمس مكفرسون نائب الرئيس والمدير العام لشركة امينويل في الخليج الفارسي للذهاب الى الكويت والحصول على الامتياز الذي سيحصل عليه الجزر الثلاث وارجلت ايضا السيد توماس ر. هولاند معه فان فرنسيكو ليساعد في الاجراءات. ابتدأت المباحثات بشأن تفصيلات عقد امتياز الجزر في الكويت بتاريخ ١٥ آب اوجوالية ١٣٩٩ وانتهت بتوقيع الطرفين في ٢٢ ايلول وقد تحقق بذلك وعد الشيخ احمد بدراهم طويل درغيبته في مصادره الجزر لشركة امينويل وتثبتت حقوقه امينويل لا ثباتاً تاماً .

III استنتاجان ناشئة من قصة الجزر
أقوم الان بتحليل عاجل لهذه السجل الذي عرضته على سموكم . من هذا السجل تخرج بالامور التالية الواضح :

١ - انكر الشيخ احمد في جميع الاوقات والمنااسبات ان شركة الكويت

er, by virtue of its 1934 Concession or otherwise, obtained any interest whatever in the three Islands of Kubbar, Umm al-Maradim and Qaru.

2. Shaikh Ahmad at all times asserted and confirmed the fact that He wished Aminoil to have the petroleum rights in those Islands and each of them, together with their respective territorial waters.

3. Nothing in the record suggests that Shaikh Ahmad agreed to arbitrate the alleged claim of the Kuwait Oil Company. On the contrary, the record shows that Shaikh Ahmad adopted a course of action — in which the Kuwait Oil Company concurred — designed to test that Company's assertion of an interest in the Islands; and that thereafter Shaikh Ahmad disposed of this issue by rejecting the evidence offered by KOC in support of its assertion and by confirming Aminoil's petroleum rights therein by His execution of the Islands Concession on September 22, 1949.

4. There is nothing in Aminoil's Islands Concession which obligated Shaikh Ahmad or obligates Your Highness or Aminoil to arbitrate the alleged claim of the Kuwait Oil Company. In fact it clearly appears that neither the agreements arrived at between His Majesty's Government and Mr. Harley Stevens in London as expressed in the final understanding of these parties on February 28, 1949, nor the provisions of Article 22 of the Islands Concession later signed by Shaikh Ahmad, in any way whatever obligated His Highness Shaikh Ahmad, or Aminoil, to arbitrate the claims made by the Kuwait Oil Company to an interest in the Islands. On the contrary, their terms appear to negative such an undertaking.

حدث ان تحت اي مصلحة كانت تحكم عقد امتيازها الى 1949 او اي طريقة من الطرق، في الجزر الثلاث كبر و أم المرادم وقارو .

٢ - الشيخ احمد في جميع الدورات كان يثبت ويؤكد حقيقة وهي رغبته في ان تملك امينويل حقوقه ليتداول في ملكه الجزر وفي كل واحدة منها بالإضافة الى مياه الإقليمية المحيطة .

٣ - ليس في السجل ما يظهر بان الشيخ احمد وافقه على دعوى تحكم طلب شركة الكويت الذي ارفقه بل العكس من ذلك اذ يبينه هذا السجل ان الشيخ احمد لجأ الى طريقة - وافقت عليها شركة الكويت - المقصد منها فحص اصدار تملك لشركة في ان لا مصالح في الجزر ، وان الشيخ احمد عندئذ تصرف بهذا الامر بنزاهة لينة التي قدتمت لشركة الكويت لدعم تأكيدها وبثبنته حقوقه شركة امينويل في الجزر باجرائه عقد امتياز الجزر في ٢٢ سبتمبر ١٩٤٩

٤ - ليس ثمة شيء في عقد امتياز امينويل للجزر يلزم الشيخ احمد او يلزم سموكم او شركة امينويل في دعوى تحكم الطلب الذي ارفقه شركة الكويت . والحقيقة هي ، كما يظهر جلياً ، ان لا الاتفاق الذي وصل اليه بين حكومة جلالة السيد هما في استيفر صدر بتفاهم الفرقاء الهما في ٢٩ شباط ١٩٤٩ ولا الفقرة ٢٢ من عقد امتياز الجزر الذي وقعه سمو الشيخ احمد فيما بعد - تلزم بأي طريقة من الطرق سمو الشيخ احمد او شركة امينويل في دعوى تحكم المطالب التي ارفقتها شركة الكويت في ان لا مصالح في الجزر . بل الحقيقة خلاف ذلك اذ انما لبسوا عليها تنضي الجود الى عمل كهذا .

IV. FURTHER CONSIDERATIONS.

1. As I have said to Your Highness earlier in this letter, I have had difficulty in understanding the message conveyed by Your Highness through Messrs. Abdulla Mulla Saleh and H. T. Kemp on the morning of October 29, 1950 — a copy of which I understand Your Highness has in the Arabic — because many of the reasons stated as objections to the course proposed to Your Highness by Mr. Ballantyne appeared to me to be in opposition to and derogation of Your Highness' rights and powers as Ruler of Kuwait and Father of Your People.

2. In all good faith I say to Your Highness that we had no fear that harm would come to Aminoil on any question arising between Your Highness and Aminoil if it clearly appeared and were properly determined, according to the laws relevant to any such question, that it rested with Your Highness to decide the dispute arising out of such question between Your Highness and Aminoil. And neither had we any fear that Your Highness would under any circumstances seek to limit, or to terminate unjustly, the Agreements which we entered into in good faith with Your Highness' Illustrious Predecessor.

3. It appears to me there is misunderstanding in some quarters as to Shaikh Ahmad ever finally agreeing to arbitrate the matter of the Islands with the Kuwait Oil Company. We have seen earlier in this letter that He always rejected that Company's claims to the Islands as wholly without foundation. We have also seen that nevertheless, while therefore refusing to entertain any proposal which in anywise recognized or assumed that such a claim existed, He offered the Kuwait Oil Company an opportunity to present evidence as to its alleged rights saying He would decide the matter after this

١٧ اعتبارات اخرى
وكما ذكرت لسوكم في اوائل هذا التقرير
انه لان قد اصبحت على فهم ما تريد اليه
الرسالة التي بعث بها سوكم بواسطة السيد
عبدالله مولا صالح و هـ تـ كـمب كتب صياح ابيهم
التامع والعشيرة منه ثمانية ايلول ١٩٥٠
واعقدان لدى سوكم نسخة عرقل في اللغة
العربية واستمعاني هذا ناسئ من
كون ان الاحزاب التي ذكر اننا
اعتراضات والمصلحة الذي اقترحه
السيد الانطيم سوكم تبدو والي بان نزل
معارضه لحقوقه سوكم وبغزده والاستزانه
كأمير الكويت وراجع على شعبه .

واقول لسوكم بطيب قلب تام باننا شك
ان ضرراً ما يلحق شركة امينويل بخصوص اي
مشكلة من المشاكل تنشأ بينه سوكم وامينويل
اذا ظهر بكل واضح وشئت بوجه صحيح يتفهم
والقوانين التي ترتفع عرقل مثل هذه المشكلة —
بان البت في الخلاف انشأ من هذه المشكلة
يرجع الى سوكم . كما واننا شك بان
سوكم يسعى في اي ظرف من الظروف
في تقيد او انشاء الاتفاقات التي دخلنا
بها في طيب قلب مع سلفكم الصالح الشيخ احمد

١٨ - ويظهر لي ان لعلناك سوء تفاهم
من قبل بعضكم بخصوص ما اذا الشيخ
احمد حدث ان وافقه في الزاوية على امر
تحكيم قضية الجزر مع شركة الكويت للزيت .
للاظن في اوائل هذا التقرير ان سوء
لان دائماً وابدأ يرفض طلب تلك الشركة
لجزر كون الاعدية الجاسر .
واننا ايضا غماً من ذلك وبالرغم من
رفضه قبول اي اقتراح يرمي الى الاعتراف
والفرصة بوجود مثل هذا الطلب
فقد اعطى سوء شركة الكويت للزيت
موالاً لتقدم بينة للحقوق التي ادعها
الشركة قائلاً انه سيبت في هذا الامر

was done. Shaikh Ahmad did thereafter decide the issue by rejecting the evidence so presented by the Kuwait Oil Company as wholly insufficient to establish any rights in the Islands, or any of them; and by confirming the Islands to Aminoil by the execution of its Islands Concession. This, we believe was the crucial act; and as Your Highness knows, Shaikh Ahmad expressly undertook in this Islands Concession to afford His assistance and His protection of the rights and privileges thus granted Aminoil by all means in His power.

Moreover from the record Your Highness will have seen that there is nothing in Aminoil's Islands Concession and more particularly nothing in Article 22 of that Concession which bound Shaikh Ahmad or which binds Your Highness or Aminoil to arbitrate the alleged claim of the Kuwait Oil Company. There was no longer anything to arbitrate; Shaikh Ahmad had disposed of the Kuwait Oil Company claim. The single suggestion that Shaikh Ahmad subsequently agreed to arbitrate comes from Mr. Kemp who speaks of some letter which he wrote at the suggestion of Sir William Fraser. This letter he appears unable now to produce and in any case it could not operate to obligate His Highness, Shaikh Ahmad, since only He Himself could create such an obligation. Frankly, to me, in view of all that I have shown took place in Shaikh Ahmad's lifetime when He repeatedly refused to entertain the idea that the Kuwait Oil Company obtained any rights whatever in the Islands in 1934, it is inconceivable that His Highness, Shaikh Ahmad, ever changed His position from that so clearly recorded with us.

There remains Shaikh Ahmad's letter to me of November 7, 1949, a copy of which I presume Your Highness has in His files. I respectfully say to

بعد انجاز ذلك . وقد قرر الشيخ احمد الامر بعدئذ ببند هذه الميمنة الى قدرتها شركة الكويت اذا لا غير لامية طمية لاشيات اي حقوقه ما في الجزر او في احوالها وبقيته الجزر - شركة امينويل باجراء عقد امتياز لها للجزر . وكان هذا عمداً جازماً لما نعتقد . وكما يعلم سموكم ان الشيخ احمد اخذ على عاتقه عن قصد من تقديم معونته لشركة امينويل وحمايته للحقوق والامتيازات التي منحت لها بكل ما اوتي من قوه .

وقدنا عن ذلك ، حسب هذه السجل الذي سابع عليه سموكم ، ليس هناك من شيء في عقد شركة امينويل للجزر او في الفقرة ٢٢ من هذا العقد ما يوجب الشيخ احمد او يلزم سموكم او شركة امينويل في تحكيم الطلبي الى تدعيم شركة الكويت للزيت . لم يبق هناك اي شيء للتحكيم اذ ان الشيخ احمد قد تصف باس طيب شركة الكويت وبنت فيه ، والافتراح الوحيد الذي وافق الشيخ احمد على التحكيم ، صدر منه السيد كمال الذي ذكر عن تحرير ما كان قد كتبه ، بناءً على اقتراح السيد وليام فريزر . ويظهر من السيد كمال انه عاجز عن اظهار هذا التحرير . وربما يكون من امر ان هذا التحرير لا يعمل على تفيد سموه والزامه ، وما من امر يضع سموه تحت الزام ما اذا لم يكن سموه مسبباً لهذا الزام . بناءً على ما بينته بشأن ما جرى في حياة الشيخ احمد ورفضه التمسك بقول الرائي بان شركة الكويت صرف ان حصلت على اي حقوق ما في الجزر . أقول باخلاص لاني من المحكمه الي ان سموه الشيخ احمد حدث ان غير موقفه تجاه ما قد سجل لدينا بوضوح .

ويبقى الآن ذكر تحرير الشيخ احمد الي في لا تشريه الثاني حيثكم واضحه ان لدى سموكم نسخة عنه في سجلكم . اذكر لكم

Your Highness that there is nothing in that letter which clearly evidences a change of intention on the part of Shaikh Ahmad with reference to the Kuwait Oil Company's contentions with regard to the Islands. It is true that after informing me of certain action taken by the Board of Directors of the Kuwait Oil Company, Shaikh Ahmad stated that He had authorized Mr. Kemp to consult with Aminoil's lawyer and to proceed with the nomination of an arbitrator, "in accordance with the terms of the new Concession Agreement concluded recently". But we have seen that Agreement, the Islands Concession, did not obligate Shaikh Ahmad or Aminoil to arbitrate anything. We have also seen that Shaikh Ahmad had previously disposed of the Kuwait Oil Company's claims.

The selection of Judge Patterson as the Ruler's arbitrator and the appointment of Judge Sandström as referee did not and do not now affect the situation. These were merely the procedural steps made necessary to protect Shaikh Ahmad's rights — prior to the time He might receive competent legal advice — once the Kuwait Oil Company had, in disregard of Shaikh Ahmad's decision, attempted to renew and force an arbitration of its pretensions to the Islands. Thus these acts in no way committed Shaikh Ahmad who had never theretofore been advised as to His legal rights in this dispute with the Kuwait Oil Company. They did not bind Him to proceed; nor can it be said He agreed they should bind Him. Rather He sought Mr. Ballantyne's advice as to His rights and Mr. Ballantyne advised that the Ruler's decision having been given, was final. Therefore, it seems to me that there is in truth no obligation, either in honor or at law, for Your Highness to proceed with the arbitration instituted by the Kuwait Oil Company. The

لكل احترام انه ليس في هذه التهمة شيء يظهر
بوضوح واضح تغييراً لما صرح عليه الشيخ احمد
في ان حجة شركة الكويت فيما يتعلق بالجزر
حقاً أن الشيخ احمد بعد اعلمه اي اي عن
حركة خاصة قامت بها الهيئة شركة الكويت
الإدارية - ذكر انه صرح للسيد كيمبالا استشارة
مع محامي امينويل والسيد في ترشيح محكم -
" وفقاً للشروط عقد الامتياز الجديد الذي
جرى مؤخرًا " ولكننا اينان
العقد - عقد امتياز الجزر - لم يلزم

الشيخ احمد أو امينويل في دعوى
تحكيم اي شيء ولا حظنا ايضاً ان
الشيخ احمد قد تصرف بامر طلبات
شركة الكويت سابقاً رابى قراره فيه

ان انتخاب القاضي باترسون للمحكم
للاسير وتعيينه القاضي ساندستروم للمحكم
لم يؤثر على الحالة في الماضي ولا يؤثر عليها
في الوقت الحاضر، وما هذه الاخطرات
الاجرائية عمل بل لفرض حماية حقوق
الشيخ احمد لتفرض الضمان القانوني المقدير، لأن
شركة الكويت اهدأ لقرار الشيخ احمد قد
حاولت عادة قضية تحكيم اعادة الجزر وانما
العمل به. لذلك ان هذه المحاكم لا توضع
الشيخ احمد تحت اي تقييد في اي طريقة منه
الطرفة ان ان الشيخ احمد لم يتلقه منه قبل ذلك
ابدأ الضمان القانوني بخصوص حقوقه القانونية
في هذا الحدوث مع شركة الكويت. اقول ان
هذه المحاكم لا تجبر الشيخ احمد القيام بذلك ولا يمكنه
القول ايضاً انه تعهد انه ملزم به. خصوصاً ان
ذلك طلب متوناً بالانظمة بشأن حقوقه
واعلمه بالانظمة ان قرار الاسير، وقد صدر
يعتبر نهائياً. بناءً على ذلك يظهر لي انه
ليس هناك في الحقيقة اي التزام سرّاً
لان تعهداً او قانونياً يقيد صمم في
وجوب القيام بالتحكيم وليدة شركة الكويت

issue was decided and the Kuwait Oil Company's claim rejected by Shaikh Ahmad in His lifetime. As we see it, there remains nothing more to be done.

4. I respectfully say further to Your Highness that it would be a grave matter to suggest that Aminoil should accept a decision adverse to its interests covering the petroleum rights in the three Islands and their territorial waters, if such a decision were arrived at as a result of the waiver of any of Your Highness' rights existing at the date of the execution of Aminoil's Islands Concession. For any waiver of Your Highness' rights would mean a change in the legal position on the basis of which Aminoil's Concession was entered into and also a change in what Shaikh Ahmad agreed with us and in the rights He gave us and wanted us to enjoy. Your Highness will remember also that in the Islands Concession, Shaikh Ahmad promised to afford Aminoil's rights His assistance and protection by all means in His power. I am very sure that Your Highness will wish to carry this undertaking into effect. However, I am sure Your Highness will not misunderstand me when I say that Aminoil could not in fairness be expected to rest content with any decision which was arrived at on a different basis, for such a decision would, according to my legal counsel, lack legal force.

5. Your Highness will appreciate that I, as President of Aminoil, labor under heavy responsibilities to the stockholders of Aminoil, my associates, in the protection of their property; and further that I have, as the story of the Islands Concession shows, made repeated representations to the highest authorities in the United States Government in helping obtain the result which Shaikh Ahmad desired. Your Highness will, I am sure, appreciate also the impossibility

عندئذ قرر بالامر وبند طلب شركة الكويت
مقبل الشيخ احمد انشاء حياته وكما يبدو لنا
ليس هناك من شيء يُقضى عليه.

٤ - وبالإضافة الى ذلك اقدم الى سموكم بكل ما يوجب الاعتراف بالقول انه من المفور
الاقتراح بموجب قبول شركة امينويل اي
قرار يعارض مصالحها فيما يخص حقوقها في زيت
الجزر الثلاث ومياهها الإقليمية اذا كان الحصول
الى ذلك القرار ناجماً عن تخلي اي عهد من
حقوقه سموكم القائمة في تاريخ تنفيذ عقد
امتياز الجزر لانه اي تخلي عن حقوقه سموكم
معناه تغيير في الوضع القانوني الذي جرى
على اساس عقد امتياز شركة امينويل وتغيير
ايضاً في ما وافقه عليه من الشيخ احمد
وفي الحقوق التي اعطانا اياها والتي
اراد ان تتمتع بها. وبذلك سموكم ايضاً
ان في عقد امتياز الجزر رعد الشيخ احمد
على تقديم المساعدة بشأن حقوقه امينويل
دعمية هذه الحقوق لكن ما اوتي منه قوة
واني على تمام الثقة ان سموكم سيعين في تنفيذ
هذه الحقوق على يقينه ايضاً بان سموكم سوف
لا يسيئ فريض اذا قلنا انطين من الوضاح
ان ينظر منه شركة امينويل انه تقف مكتوفة
الايدي نحو اي قرار ترضى اليه على اساس
اخرى مخالفة لان مثل هذا القرار
وفقاً للرئيسي القانوني الاستشارية
يفتقر الى مفعول قانوني.

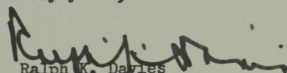
٥ - ان سموكم يدرك اني ، كدير لشركة
امينويل ، اعاني تحت عيني من المسؤوليات
ثقل لاسم صاحبي الشركة ، زملائي ،
حفظاً لحقوقهم ، وقد كون ايضاً اني - كما
تظهر قصة عقد امتياز الجزر - اوجبت
قيام تمثيلات متكررة للجمعية امام
هيئات حكومة الولايات المتحدة بهدف
تسويل نيل الغاية التي كان يرغبها الشيخ احمد
واني على ثقة بان سموكم ايضاً يُقدّر حرجاً

of my position should the matter now be approached on a wholly different basis. I have throughout in conferences with my Government supported Shaikh Ahmad's position as being free to determine the issue of the Kuwait Oil Company's alleged claim and have aided in every way I could in removing the various obstacles which from time to time have been placed in the way of His freedom of action in the matter of the Islands; and this course I must, as You will appreciate, follow consistently.

I would in closing and in expressing my appreciation for Your Highness' patience and consideration in reading this long letter to its conclusion, respectfully request that Your Highness re-examine and reconsider the whole situation in the light of the facts as they appear in this long record. I am confident that once Your Highness has all the facts before Him, the solution of this problem will become plain.

With assurances of my highest esteem and respect and my earnest good wishes for Your Highness always, I am

Sincerely yours,

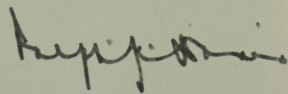

Ralph K. Davies
President

موقر اذ احدث ان عولجت القضية على اساس
ثاني مخالف كلية في جميع شأني مع
حكومتى كنت ابدأ اعاضد وجوب عدم تقيد
موقف الشيخ احمد في البيت في امر طلب شركة
الكويت ، وقد اعنت بكل طريقه استطاع
على إزالة العقبات المختلفة التي كانت
توضع موقر لاذ في طريقه حرية اتخاذ
موقفه سلباً للعمل بشأني قضية الجزر
وهذا هو المبدأ الذي آلت عليه على اتباعه شيان
كما يفهم سموكم .

دخلاً اعبر عن عظيم تقديري لسموكم لا
أظهر موقر من صبر ووجه موقر من اعتبار في
قراءة هذا التقرير الطويل الممل طائلاً من
سموكم بكل ما يوجب الإصرار إعادة النظر في
القضية تحت ضوء الحقائق التي تظهر مما
سجل في المواقف لهذا الطويل داني على ثقة
انه متى تم لسموكم استعراض جميع الحقائق
امامكم يصبح عندئذ حل هذه المسئلة
امراً بسيطاً .

وتباً كيداني لكم من اسمى صفاتي تقديري
واحدة امي سموكم وبكم اعطي الحيات واذلالها
الشرف بان اكون ابداً

الداعي المخلص لسموكم



September 15, 1948

41 . شركة الزيت الاميركية المستقلة
شارع ستر 11
سان فرانسيسكو 4 ، كاليفورنيا
10 ايلول 1948

HIS HIGHNESS
Sheikh Sir Ahmad al-Jabir as-Subah,
K.C.S.I., K.C.I.E.
The Ruler of Kuwait
Al Kuwait, Persian Gulf

سموه
الشيخ احمد الجابر الصباح

GREETINGS TO YOUR HIGHNESS:

It has been for us a great pleasure to have your aide de camp, Ezzat Gaafar, here with us in our country so we might have the opportunity of introducing him to our people and of showing him something of the United States, its industrial works and particularly, of course, the oil industry.

I personally have enjoyed and benefitted from this meeting with Ezzat and the opportunity it has afforded to exchange ideas and to learn more of Your Highness' views and objectives, and I am made the more anxious to experience the pleasure of meeting Your Highness in person. I hope and trust that Your Highness may soon honor us by a visit to the United States where you may indeed be assured of a warm welcome.

Doubtless Ezzat will report to you fully upon the conversations he has had with Nate Isenberger and myself bearing upon our plans for the commencement of operations under our concession. By the time this letter reaches you our vessel will have put out to sea for the Persian Gulf.

As Ezzat will tell you, our vessel is fully equipped to do exploratory work over the water so that we shall be able to go forward without delay with exploration activities, both in the submerged lands off the Neutral Zone, and upon the several islands, in keeping with our promise to Your Highness.

امير الكويت
الكويت ، الخليج الفارسي
حياتنا الخاصة لسوكم
ولم نلقد كان من عظيم سرورنا تشريف
رئيس اركان الحرس لسوكم ، عزت جعفر لنا
وقدوم لبلادنا لنسعد بالفرصة المتاحه
لتقديمه الى شعبنا وتعرفه على بعض انماحي
الحياة في الولايات المتحدة - اعمالها الصناعية
وبصورة خاصة طبعاً صناعة البترول .

لقد تم لي السرور شخصياً من لقائه
المقابل مع عزت واستفدت من ذلك ، وذلك لفرصة
التي نصبتنا تلك المقابلة لتبادل الاراء
وان ديار معرفتي عن اراء سوكم ولقد انا
وكان من ذلك ان ازيد اراي استماني لاراضي
بالعادة في مقابلة سوكم شخصياً ، وهذا
وافي على امل ولقائه بان يتبع لسوكم
تشريفنا عن قريب باقامة زيارته للولايات المتحدة
والطبع حقاً بانكم ستقابلونه على احرار الترحاب

لورسله ان عزت سيطلعكم بالتفصيل
عن ما جرى من محادثات بينه وبينه
ثبت ايزنبرجر وبينني فيما يتعلق
بخططنا في الشروع بالعمليات حسب امتيازنا
وفي الوقت الذي يطلعكم لهذا الترخيص
نكون سفينتنا قد ابجرت في طريقها

الى الخليج الفارسي
وكما سيطلعكم عزت ان سفينتنا
مجهزة بالكل المعدات للقيام بالامحال الاستكشافية
فوق المياه تمهيداً لدراسة دون اي تأخير في
العمليات الاستكشافية في كل من الاراضي النقطية
بمياه ساحل المنطقة الجارية وعلى الاراضي
الجزيرة العدة عملاً بوعدها لسوكم .

We are meantime making arrangements also to initiate exploration activities on the mainland, south of Kuwait.

Thus we hope soon to be at work, in keeping with the terms of our concession, in all the areas covered by it.

I trust Your Highness will be happy with our plans as here outlined to you, and that they will have your full approval; further that such advices to King Ibn Saud as may be appropriate in the circumstances will issue from Your Highness.

With expressions of highest regards and warm best wishes, I am

Most respectfully yours,

(Sgd) Ralph K. Davies

Ralph K. Davies
President

وفي نفس الوقت نقوم الآن بتجسيات خاصة
للمشروع أيضاً بأعمال استكشافية على اليابسة
جنوب الكويت.

لذلك نأمل ان نأخذ في العمل حالاً تمهيداً
لبشروط امتيازنا في جميع المناطق التي يشملها
هذا الامتياز.

وإني على ثقة ان سموكم سيؤيدوننا
هذه لما ارجئتم لكم وستحوز على موافقتكم
القائمة، وان سموكم سيوجه ما يستلزم
من ملاحظات الى الملك ابن سعود تلاءم
والظروف.

وتعبيراً عميقاً عن تحياتي وخالص تمنيائي
وصالحها أشرف إن أكون

الدمعي لسموكم الموقر

15323 / 1

CONFIDENTIAL

7th April 1951

184/1/51

43



the Political Agent
Kuwait.

WITH THE COMPLIMENTS

OF

HIS MAJESTY'S POLITICAL RESIDENCY

In favour of observations.

P. A.

HOM 1/4

D f c - / 2

initialled
by P. A.

British Residency,
Bahrain,
Persian Gulf.



INDEX

3rd April, 1951.

44

CONFIDENTIAL

- - - I enclose a copy of a letter from Ballantynes, the solicitor acting for the Ruler of Kuwait in the Islands Arbitration Case, to Judge Sandstrom, who has been appointed third arbitrator for the dispute. This has recently been sent to us by Southwell of the Kuwait Oil Company.

We find it difficult to understand what is still causing delay. The Company are ready to go ahead with the arbitration but apparently Ballantynes is still without definite instructions. The latter declines to give any information and when pressed to do so falls back on the argument that we told him last year that the dispute was a commercial one in which the Foreign Office could not intervene. This was in connection with his proposition (which we could not accept) that the Ruler of a Moslem State should not, under Moslem law, be subjected to arbitration proceedings in his own State.

We understand that the Company are not unduly perturbed at the delay but are anxious to keep us in the picture so that they should not be held to blame for it. We should however be grateful for any information you are able to obtain from Kuwait about the present position.

(L.A.C. Fry)

Lieutenant-Colonel
Sir Rupert Hay, K.C.I.E., C.S.I.,
Bahrain.

COPY

Kopia sand till Sir David Maxwell Fyfe
Mr. Robert P. Patterson

(EA 1534/14)

10th October 1950

45
End

Ballantynes
Solicitors

14, Finsbury Circus,
London, E.C.

Dear Dr. Sandstrom,

Kuwait Oil Company Limited

Arbitration with Shaikh of Kuwait

I would reply personally to your letter addressed to my Firm under date 9th October 1950 and received here this morning.

I am sorry indeed that there should have arisen some confusion in your mind as to the position of this attempt on the part of the Kuwait Oil Company Limited to settle its claims against the Ruler of Kuwait through the medium of arbitration.

When the matter came before me to advise His Highness, certain of the parties concerned appeared to have it in mind that the principles of International Law were to govern the situation; that, I had to object to, with the result that I am still without definite instructions from my Client. I leave tomorrow morning for Kuwait to see and discuss with His Highness his position, vis-a-vis Kuwait Oil Company Limited: I then hope to have final instructions, the context of which I will acquaint you with.

I repeat my regrets that you should have been troubled before His Highness had been advised of his legal position, that fault cannot, of course, be laid at the door of the Ruler of Kuwait.

Yours sincerely,

(Sgd) H.R. BALLANTYNES.

The Honourable Mr. Justice Emil Sandstrom,
Eriksbergagatan 5,
Stockholm.

