

TOP SECRET

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MEMORANDUM

Attached is a summary of conversations on oil denial in the Middle East held on April 30th and May 1st between representatives of the State Department, Department of Defence, and Central Intelligence Agency on the one hand, and the British Embassy, British Joint Services Mission, and G.H.Q. Middle East Land Forces on the other. It is understood by the authorities in London that this summary is acceptable to the United States authorities and will constitute, for the time being, the basis of continuing cooperation on this question. The British Embassy is however to emphasize that the attached summary does not commit His Majesty's Ministers, whose final approval is still necessary.

2. Whilst agreeing that the question of the chain of command should be left as it now stands, the British authorities wish to make it clear that they reserve the right to raise it again as soon as agreement has been reached on allied command in the Middle East in war.

3. The American authorities, during the discussions, raised the question of obtaining the cooperation of the Persian and Iraqi Governments in counter denial measures in advance of an emergency. The British authorities do not consider this practical or desirable in either Iraq or Persia at present but will consider the matter further if the Iraq Government themselves raise it.

4. The authorities in London are anxious that proposed further detailed talks (paragraph 6 of the attached memorandum) should be held as soon as possible, and suggest early in June, in Cairo.

BRITISH EMBASSY,

WASHINGTON, D.C.,

UKIA

OIL DENIAL IN THE MIDDLE EAST

Discussion on the above subject took place in Washington on April 30th and May 1st. On the British side there were present representatives of the Embassy, British Joint Services Mission and G.H.Q. Middle East Land Forces. On the United States side there were representatives of the State Department, Department of Defence, and Central Intelligence Agency. The following paragraphs summarise the course of the discussions and the conclusions reached.

1. Allocation of Responsibility

It was agreed that this involved three distinct aspects: -

- (a) Responsibility for planning;
- (b) Responsibility for execution (including the provision of covering forces, if any);
- (c) Responsibility for giving the orders for the plans to be executed.

It was agreed that (c) above should rest with the country whose nationals hold the largest financial interest in the oil company concerned, but that in all cases inter-governmental coordination would take place before execution orders were given. Responsibility for dealing with local authorities would rest with the United Kingdom except in the case of Saudi Arabia.

There exist certain special circumstances in: -

- (a) Kuwait. In view of the non-availability of military personnel, the nationality of key men in Kuwait Oil Company, and similarity of the planning and operational problem to that already undertaken by the United States with Iran, it was agreed that planning and execution should be a United States responsibility but that, once the plans were jointly agreed, the responsibility for the final orders should rest with the United Kingdom.

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(b) Bahrain. For geographical reasons it was decided that Bahrain should be a United States responsibility; it would, however, be for the British Political Resident in the Persian Gulf to deal with the Sheikh and he would therefore need timely information about issuing of orders for denial operations.

(c) Qatar. Similarly, for geographical reasons, responsibility for planning and execution in Qatar would rest with the United States but that the final orders, as in Kuwait, would be a United Kingdom responsibility.

In summary, the provisional allocation of responsibility is agreed as follows: -

<u>Area</u>	<u>Planning</u>	<u>Execution</u>	<u>Giving of Orders</u>
Iran	U.K.	U.K.	U.K.
Iraq	U.K.	U.K.	U.K.
Saudi Arabia	U.S.	U.S.	U.S.
Kuwait	U.S.	U.S.	U.K.
Bahrain	U.S.	U.S.	U.S.
Qatar	U.S.	U.S.	U.K.

2. Chain of Command

It was agreed that, pending a final decision on Allied command structure in the Middle East, existing chains of Command would continue. On the British side orders would be issued through G.H.Q. Middle East. On the United States side responsibility rested, in the first place, on the United States Secretary of State who would communicate the necessary orders, through U.S. channels, to the oil companies involved. It was agreed, however, that as the operation was essentially a joint Anglo-American venture, there must be inter-governmental coordination through existing channels before final steps were taken.

Denial Measures

The United Kingdom classification of degrees of demolition (paragraph 8 of U.K. Brief) was presented to the United States representatives and agreed by them as being in close accordance with their own ideas. It is clear there is general agreement between the United Kingdom and the United States on classification, priority, and importance of targets. The importance of standardisation of technique was also recognised by both sides, and much useful technical information has been exchanged between the representative of G.H.Q. Middle East Land Forces and the representative of the Central Intelligence Agency. The representative of C.I.A. agreed to hand over a "sterilised" copy of their complete plan for denial in Saudi Arabia, together with a paper setting forth their ideas on target classifications and priorities. The United States representatives emphasised that in their view the cooperation of key company officials was necessary to make effective military plans. C.I.A. personnel are directing work within the U.S. companies and it was suggested that the British might adopt a similar procedure with equivalent persons within British companies.

So Counter Denial

The United States Administration attaches considerable importance to the question of counter denial measures, which they are themselves intending to carry out extensively. These measures include the blocking of wells with cement and scrap, and the destruction of all heavy boring rigs. The United States representatives recognised the difficulties of the British position in this respect, in Iraq and Persia, but suggested that: -

- (a) Some measures of counter denial might be undertaken by British covert organizations. In this connection the Basra field was particularly conspicuous

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- (b) An attempt should be made to destroy all heavy drilling rigs in the area of United Kingdom responsibility, in order to prevent the enemy using these scarce and valuable rigs to circumvent United States counter denial measures.

The British representatives agreed to draw these points to the attention of the appropriate authorities in London.

Miscellaneous Points for Further Examination

- (a) United States representatives asked what arrangements should be made for the destruction or evacuation of special vehicles owned by the I.P.C. and A.I.O.C., which were capable of adaptation to military uses and which could clearly affect the speed of an enemy advance towards Egypt.
- (b) Suggestions were also made for the examination of -
- (i) Necessity for destroying heavy generating equipment;
 - (ii) Possibility of using flame throwers;
 - (iii) Availability of thermite grenades;
 - (iv) The relative advantage of the pollution of fuel stocks as opposed to their destruction, and availability of chemicals for this purpose;
 - (v) The possibility of evacuating or re-cycling stocks of products at Abadan and elsewhere when the emergency arose.

6. Follow-up Talks.

It was agreed that further detailed discussions covering all aspects of planning should be held in C-iro as soon as possible between designated United States personnel, representatives of G.H.Q. Middle East Land Forces and possibly representatives of British covert organizations. Whilst oil company officials should be excluded at this stage, United States Government urge that selected U.S./U.K. oil officials should be admitted to planning as soon as possible.