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لقد تم إنشاء هذا الملف بنسخة بي دي إف بتاريخ ٢٠١٧/١٠/٠٧ بواسطة مصادر من الإنترنت كجزء من الأرشيف الرقمي لمكتبة قطر الرقمية. يحتوي السجل على الإنترنت على معلومات إضافية وصور عالية الدقة قابلة للتقريب ومخطوطات. بالإمكان مشاهدتها على الرابط التالي:

http://www.qdl.qa/العربية/archive/81055/vdc_100000000419.0x000025

المراجع	IOR/L/PS/10/144
العنوان	ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط"
التاريخ/ التواريخ	١٩٠٩-١٩١٩ (ميلادي)
لغة الكتابة	الإنجليزية في اللاتينية
الحجم والشكل	مجلد واحد (٣٨٧ ورقة)
المؤسسة المالكة	المكتبة البريطانية: أوراق خاصة وسجلات من مكتب الهند
حق النشر	<u>رخصة المشاع الإبداعي لأغراض غير تجارية</u>

حول هذا السجل

يحتوي المُجلد على مراسلات، وملاحظات، ومذكرات تتعلق بأعمال النفط في بلاد فارس. تدور معظم المراسلات بين حكومة الهند، ووزارة الخارجية، ومكتب الهند. كما توجد مراسلات مُتضمنة كمرفات أيضاً، وغالباً ما تكون في شكل مجموعات مطبوعة تتعلق بالأمر محل النظر. هذه المراسلات متبادلة بين الأطراف التالية: حكومة الهند، وزارة الخارجية، عدة مكاتب سياسية ودبلوماسية في بلاد فارس، ممثلين عن شركة النفط الأنجلو-فارسية، مسؤولين من الحكومة الفارسية، بعض الشخصيات شبه المستقلة في بلاد فارس. تتضمن الأوراق مسودات ونسخ طبق الأصل.

تتعلق أجزاء الملف الثلاثة بموضوعات مختلفة، وهي:

٣. الاتفاقية بين شركة النفط الأنجلو-فارسية والشيخ خزعل بن جابر بن مرداو الكعبي شيخ المحمرة [خرمشهر] بشأن استئجار أرض لإنشاء مصفاة نفط؛

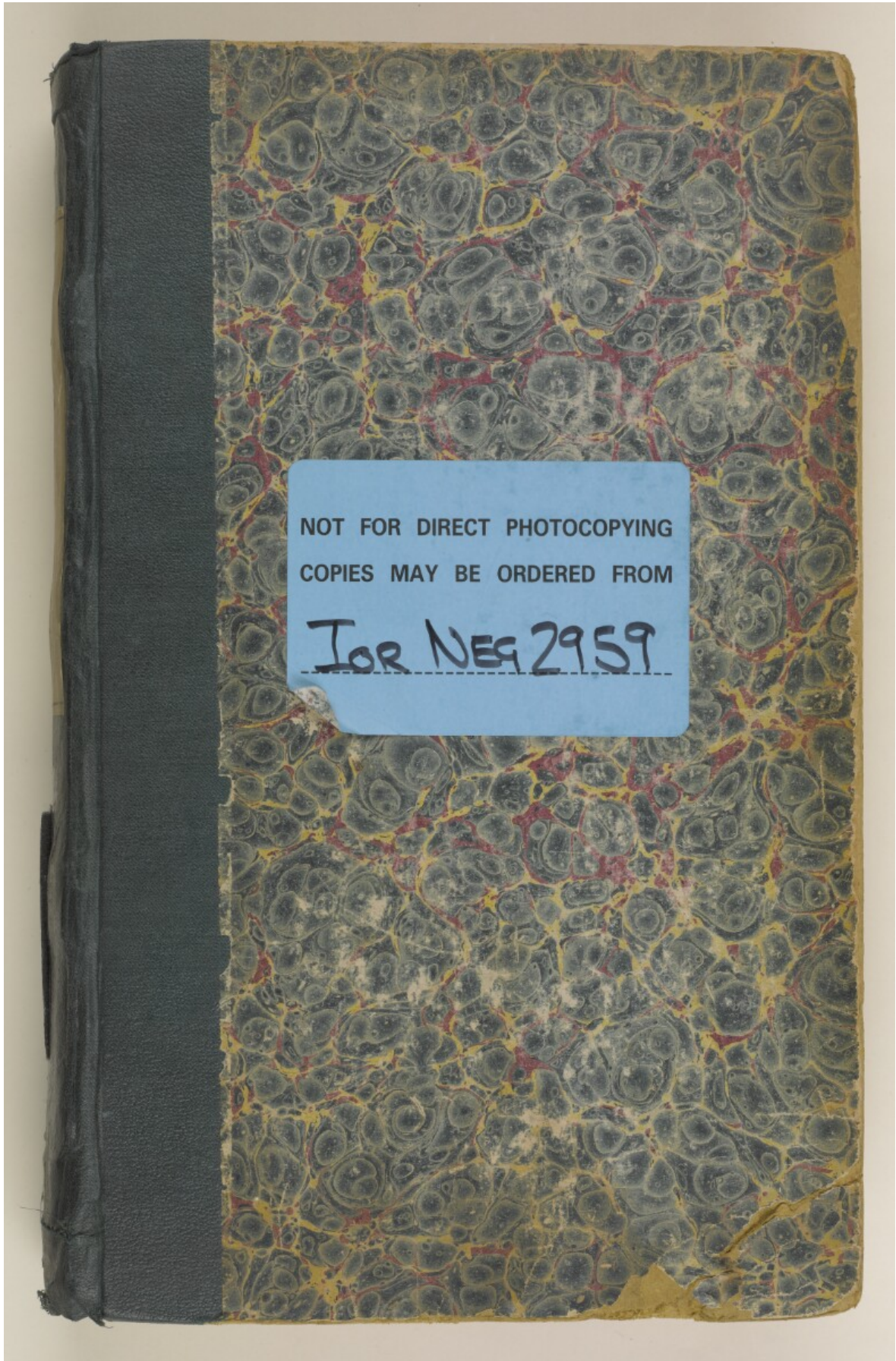
٤. العلاقات بين خانات بختياري وشركة النفط الأنجلو-فارسية؛

٥. مسح جيولوجي مقترح للمنطقة الغربية من بلاد فارس على أن تقوم الشركة بتنفيذه.

يشتمل كل جزء على فاصل يوضح الموضوع وأرقام الأجزاء والسنة التي فُتح فيها ملف الموضوع وعنوان الموضوع وقائمة مراجع المراسلات الواردة في ذلك الجزء مرتبة حسب السنة. ويوجد هذا الفاصل في نهاية المراسلات.



ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [أمامي] (٧٨٤/١)

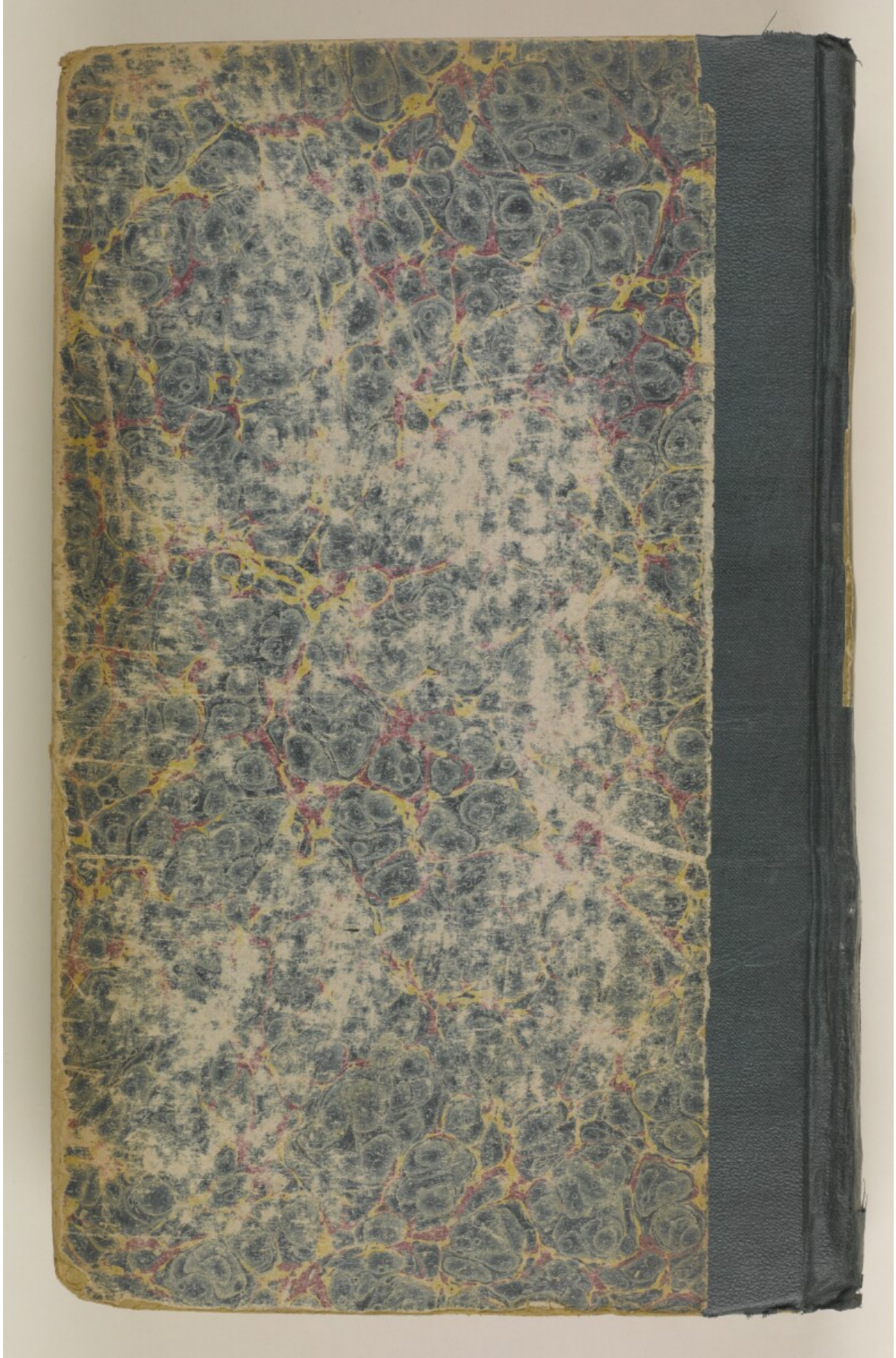


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ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [خلفي] (٧٨٤/٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [صلب] (٧٨٤/٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [حافة] (٧٨٤/٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [رأس] (٧٨٤/٥)



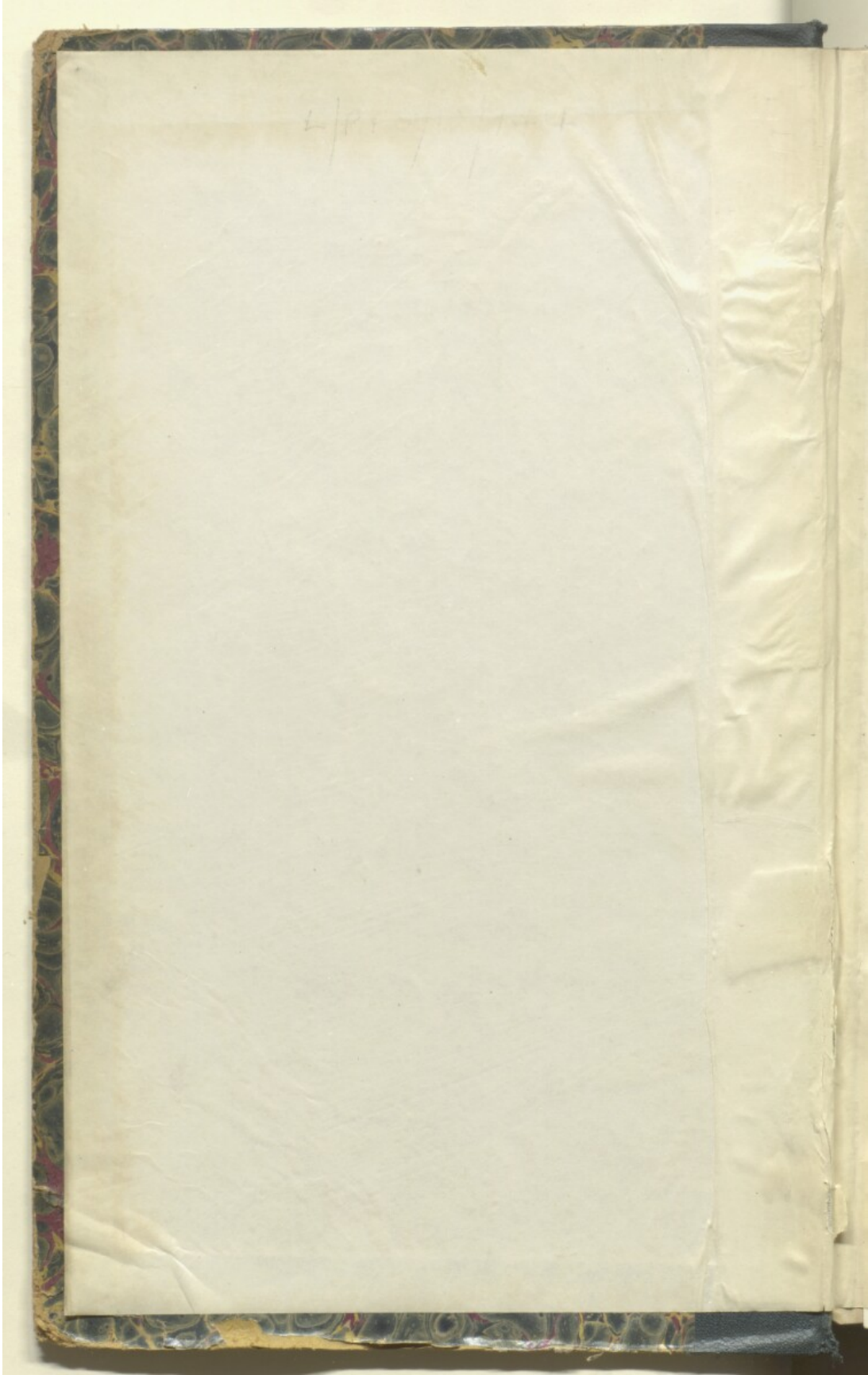


ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [ذيل] (٧٨٤/٦)



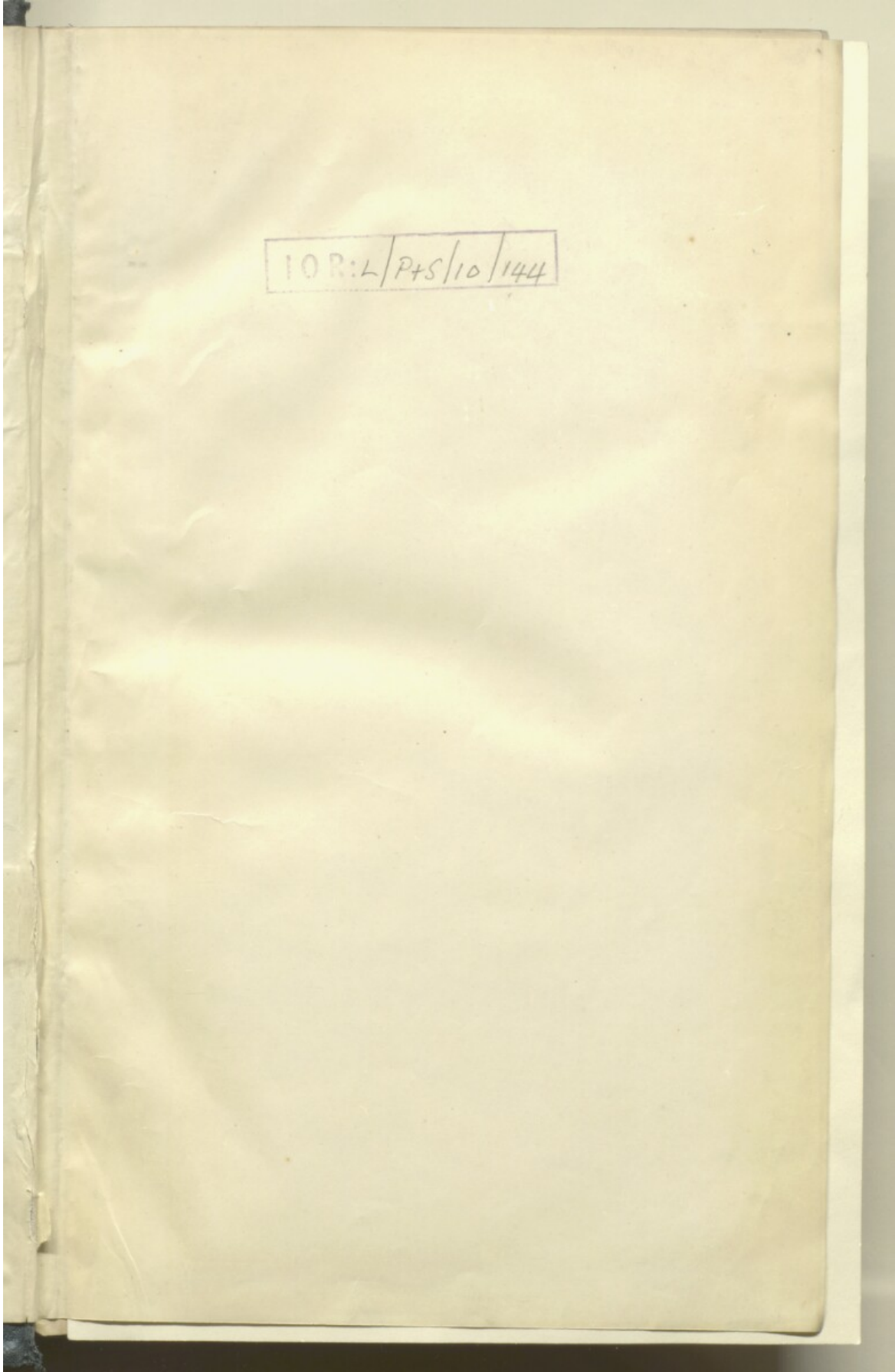


ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [أمامي-داخلي]
(٧٨٤/٧)



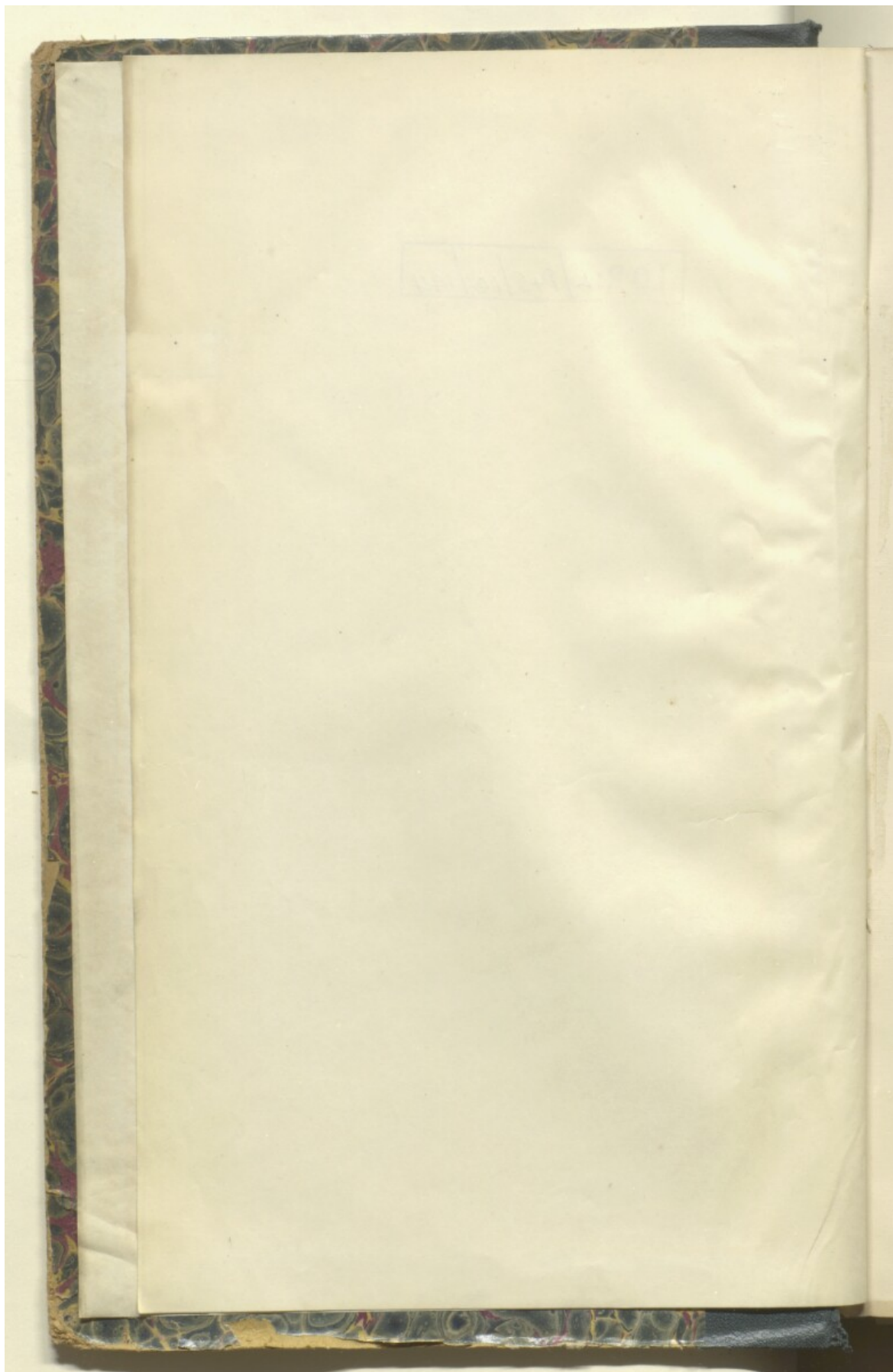


ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [i-و] (٧٨٤/٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [i-z] (٧٨٤/٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١] (١٤٢/١)

Previous File
P. 19

POLITICAL AND SECRET DEPARTMENT.

P. 5
1421
1908

Subject :
Persia : Oil.
Anglo-Persian Oil Cos Surveys.

This file contains the following papers :--

YEAR.	P.	3747	3825	3957	4084	4196	4662	4380	1754
<u>1909</u>	P.	✓	✓	✓	✓	✓	✓	✓	✓
<u>1910</u>	P.	2829	2860	162	220	2939	3229		
19	P.								
19	P.								

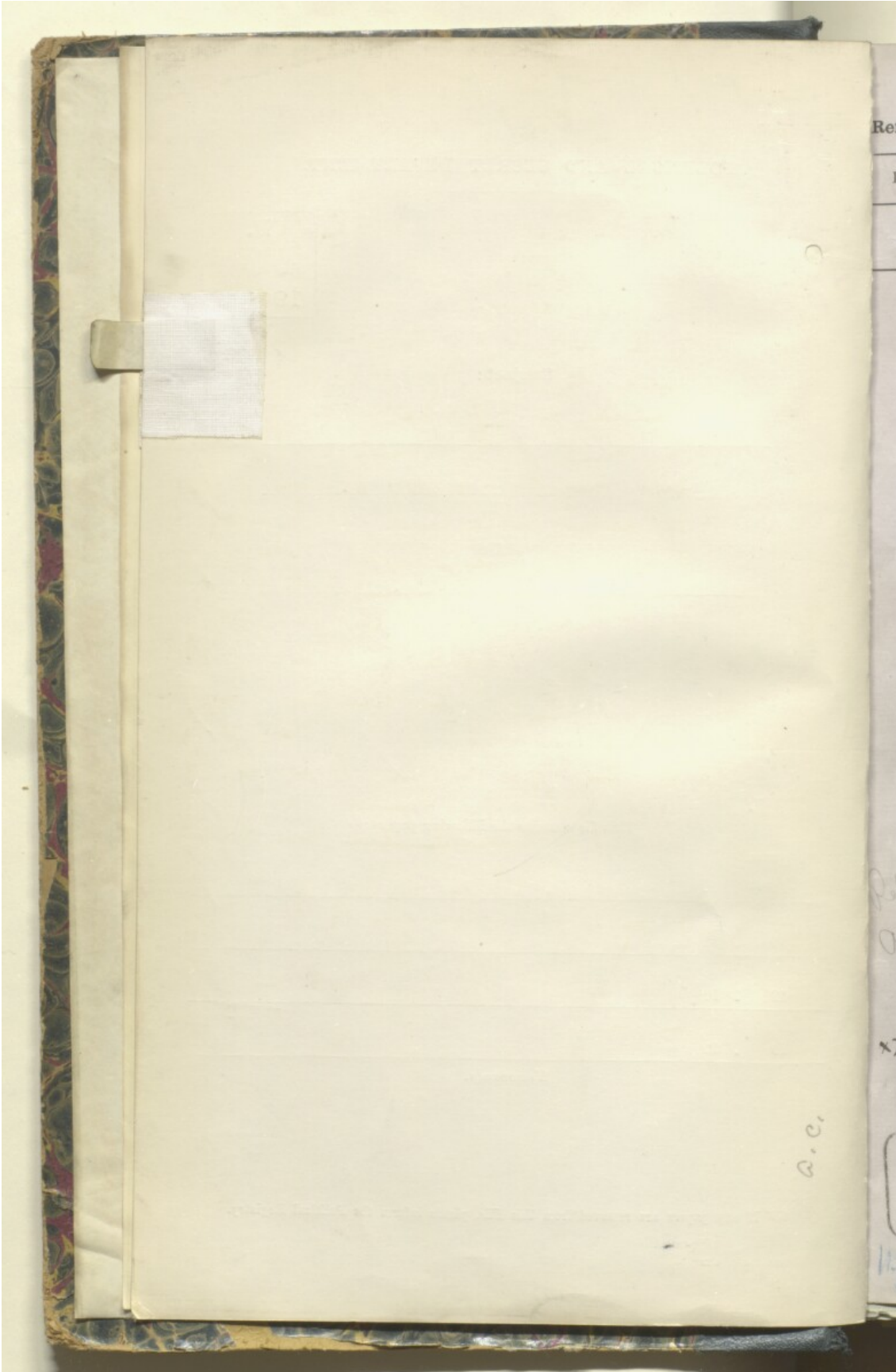
Memoranda.

⚠ If any papers are removed from this File, please inform the Political Registry.

6837 500 4/23



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١ظ] (١٤٢/٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة النفط الأنجلو-فارسية" [١٩٢/٣]

Confidential

Political and Secret }
Department. }

Reference Paper.

Letter No. 3229/10 Rec. 19

Referred to the Secy, Finl Dept. 8th day of April 1910.

In accordance with the minute of the Asst. Secy in the Financial Dept, dated the 23rd Sept. '09, it was arranged on 1292 that recovery should be made '09 through the Financial Dept. from the Anglo-Persian Oil Co. of the charges on account of the Indian funds at their works, which the Company had agreed to bear with effect from the 18th Jan. '09.

By Sir R. Kitchen's note of 31 Dec. last on 4300 the question was raised whether '09 the cost of telegrams sent by this Office on the Company's business should not be recovered, and it was decided so to ~~understand~~ treat them.

I attach a list of the telegrams relating to the Co's affairs ~~the~~ subsequent date to the 18th Jan. '09, and would suggest that if the Finl Dept. see no objection, that ~~the~~ should claim in due course the cost of these telegrams, with the exception of the ~~the~~ ^{and third} ~~first~~, with which the Co. are only indirectly concerned.

J. H. H. H. H.

The list has been retained, and the cost of the telegrams will be included in the claim to be preferred on the Anglo-Persian Oil Company. J. H. H. H. H.

12th April 1910.

Returned from Audit Dept. 23/9/10

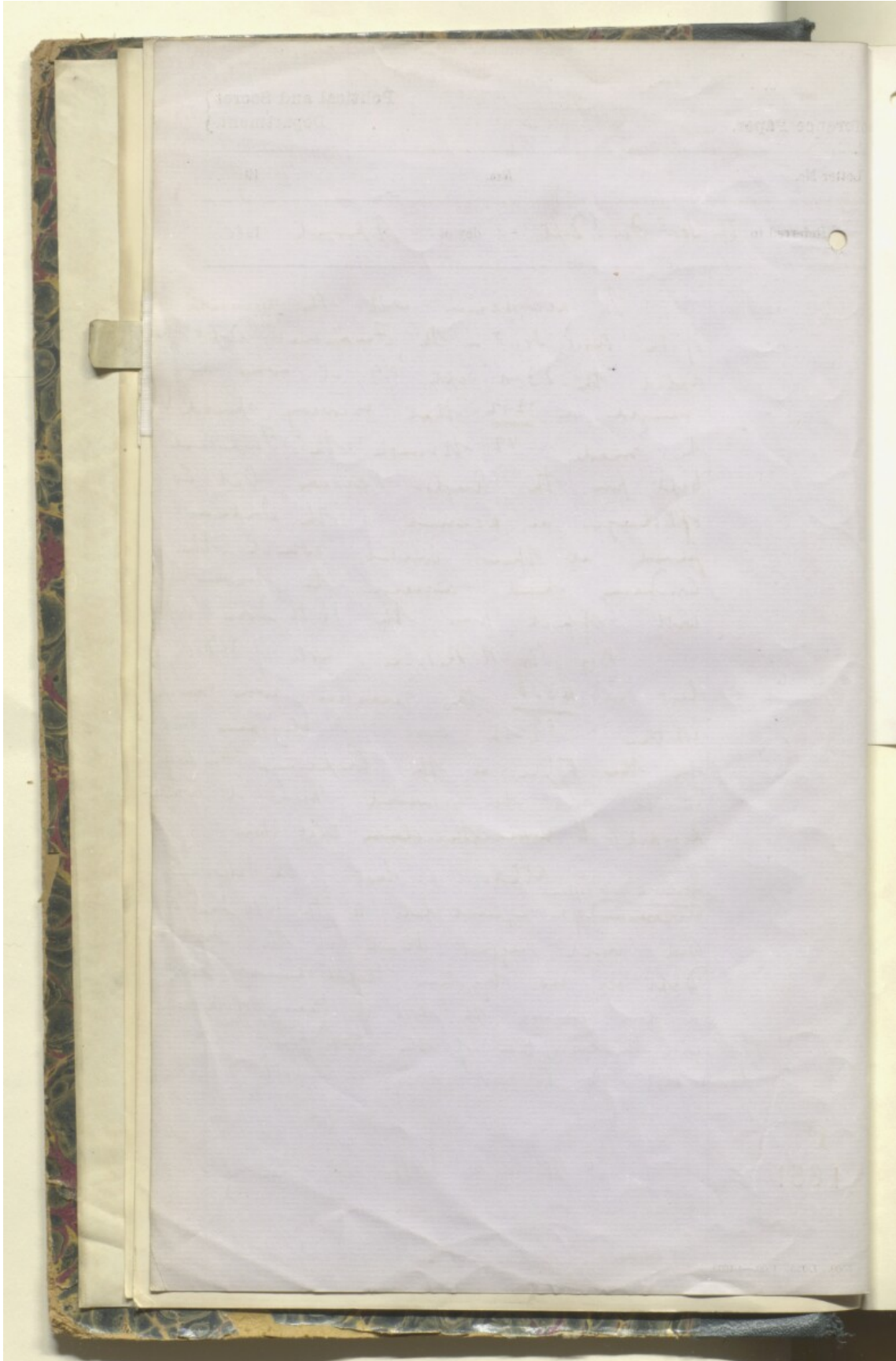
D. 17 Feb '09
+ 30 Sept '09

F
1651
1910

5600. I. 728. 1000.-4/1900

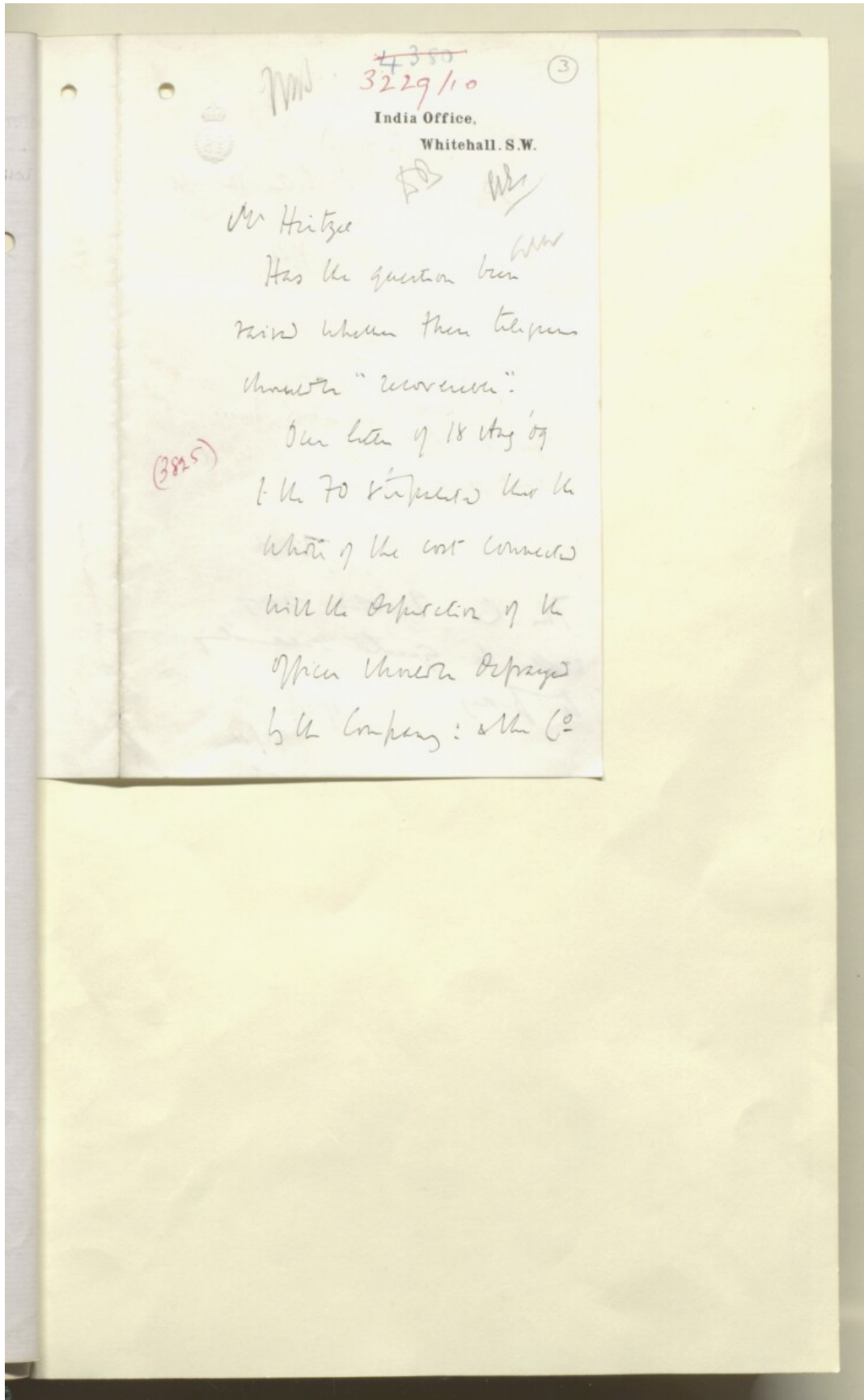


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢ظ] (١٤٢/٤)



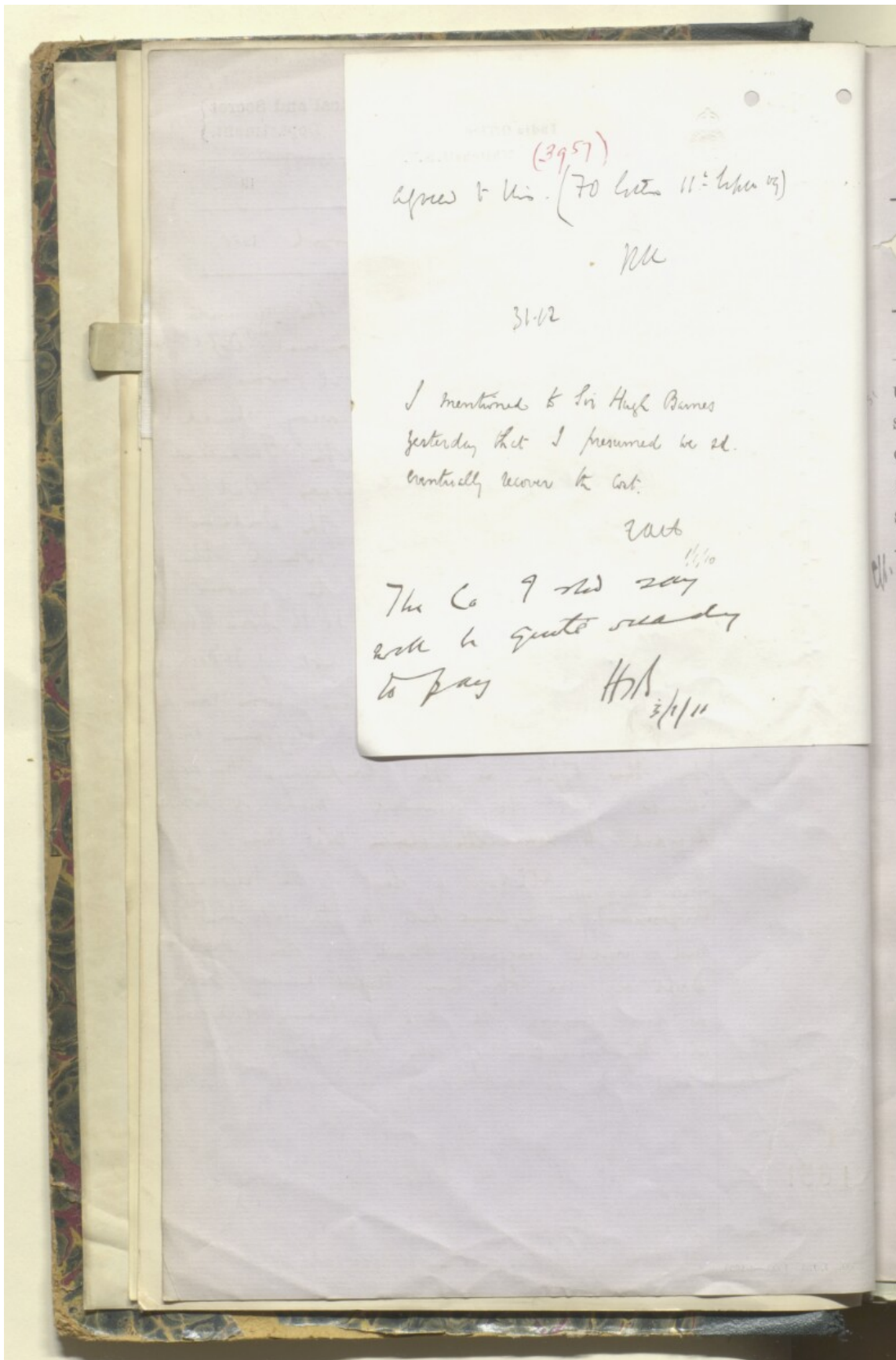


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣ و] (١٤٢/٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣ظ] (١٤٢/٦)



(3957)
Agreed to him. (70 lots 11: 1/11/08)

W.A.

31-02

I mentioned to Sir Hugh Baines
yesterday that I presumed he wd.
eventually recover the amt.

W.A.

The Co. 9 had 2007
1/1/10
will be quite ready
to pay

H/A
3/1/11



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤] [١٤٢/٧]

(4)

Register No.
(220)
2939

hms

Secret Department.

Telegram from Viceroys,
Letter from F.O.,

Dated 2, 7 } Feb. 1910.
Rec. 2, 8 } 10

Formally acknowledged _____

	Date.	Initials.	SUBJECT.
Under Secretary.....	11 Feb.	East	Persia. <i>East</i>
Secretary of State.....			
Committee.....	12	W	
Under Secretary.....	15	East	
Secretary of State.....			

Oil Company's survey. In Scott expected to leave India for Musamerah on 16th February. The instructions to Mr Scott regarding equipment of Refl of Company to F.O. enquiring: impossible to take any action on the Company's letter.

Copy to
F.O. (220) + 2-2-10.
India (2939) see within

FOR USE BY DEPARTMENTS ONLY.

Off-6 F.O. agreeing that no action can be taken

Feb: 15th. The Political Committee approve the draft letter.

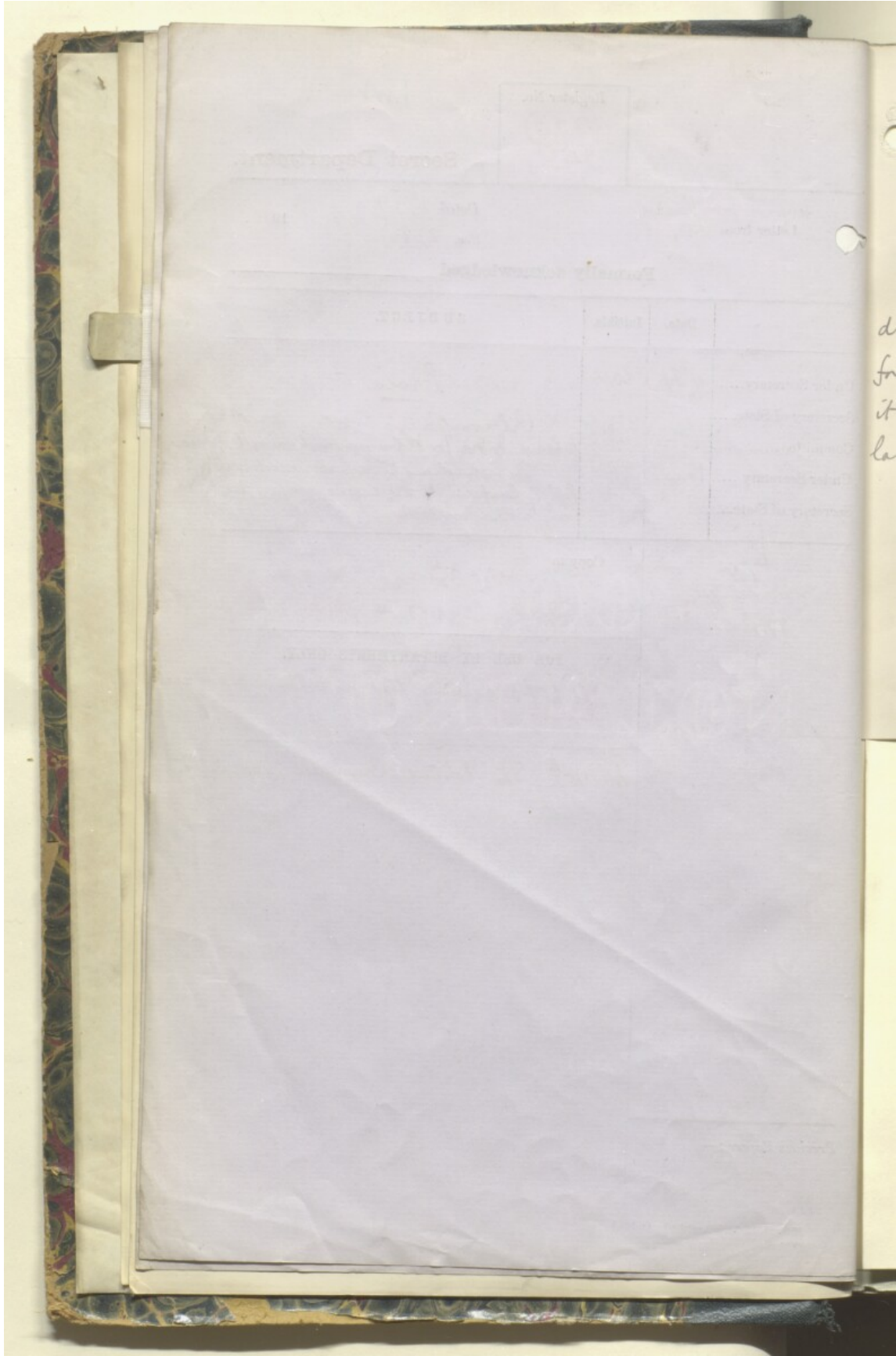
Letter to F.O., 16 Feb.

Previous Papers :-
162

6540. I. 1686. 500.-9/1909. [I. 725.]

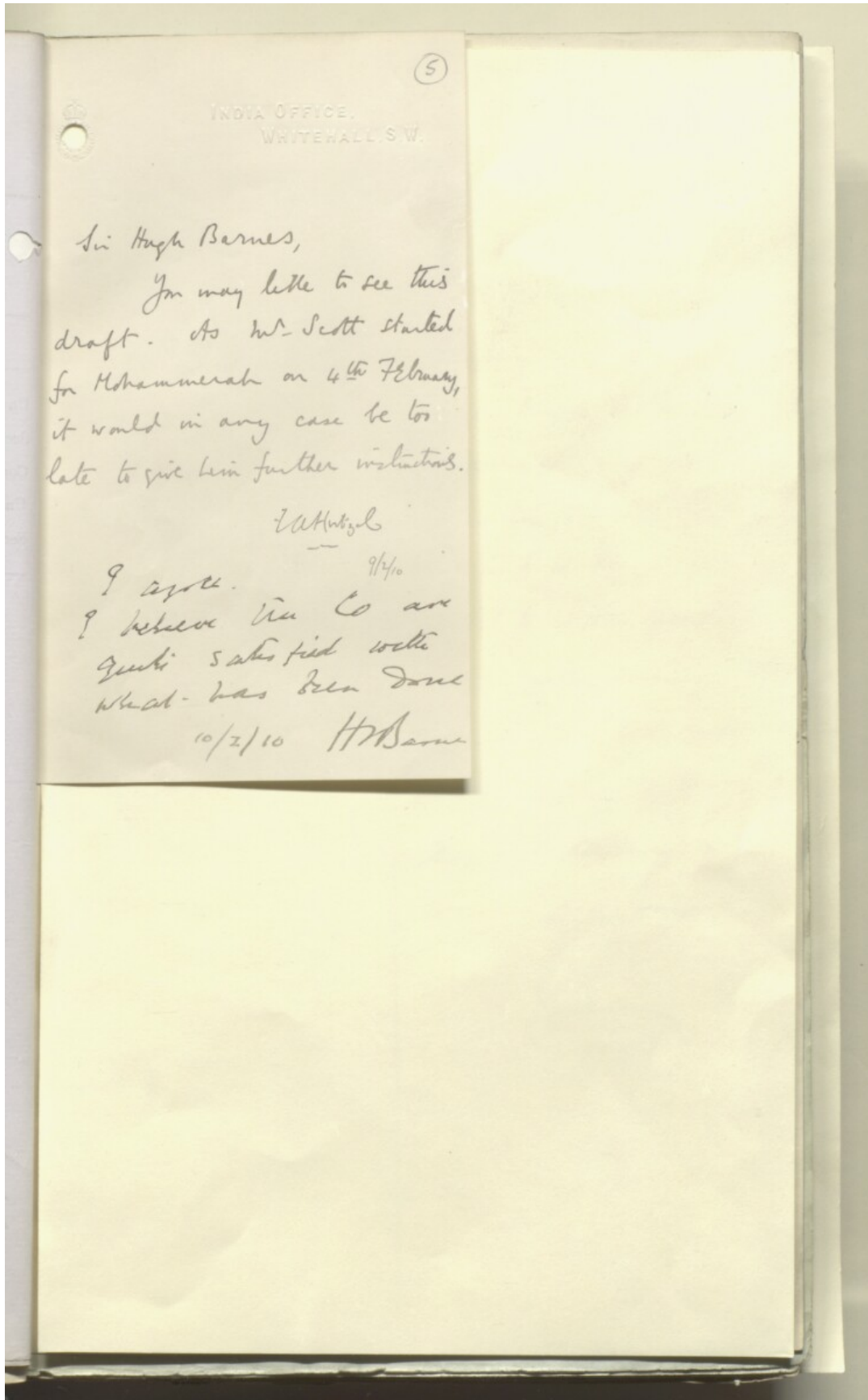


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٤ظ] (١٤٢/٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥] (١٤٢/٩)



(5)

INDIA OFFICE,
WHITEHALL, S.W.

Sir Hugh Barnes,

You may like to see this
draft. As Mr. Scott started
for Mohammerah on 4th February,
it would in any case be too
late to give him further instructions.

W. H. B.

I agree.

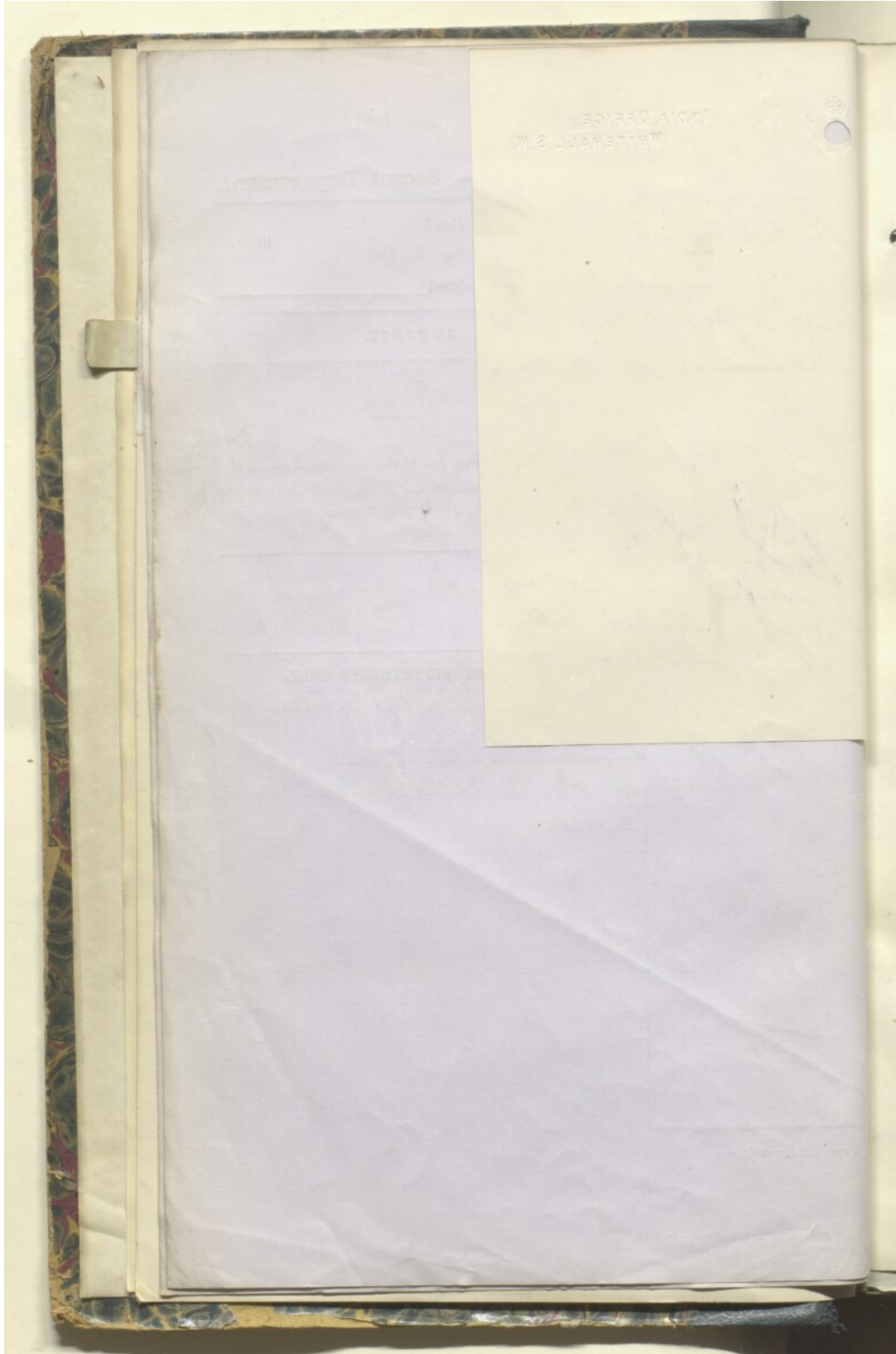
9/4/10

I believe you to be
quite satisfied with
what has been done

10/2/10 H. Barnes

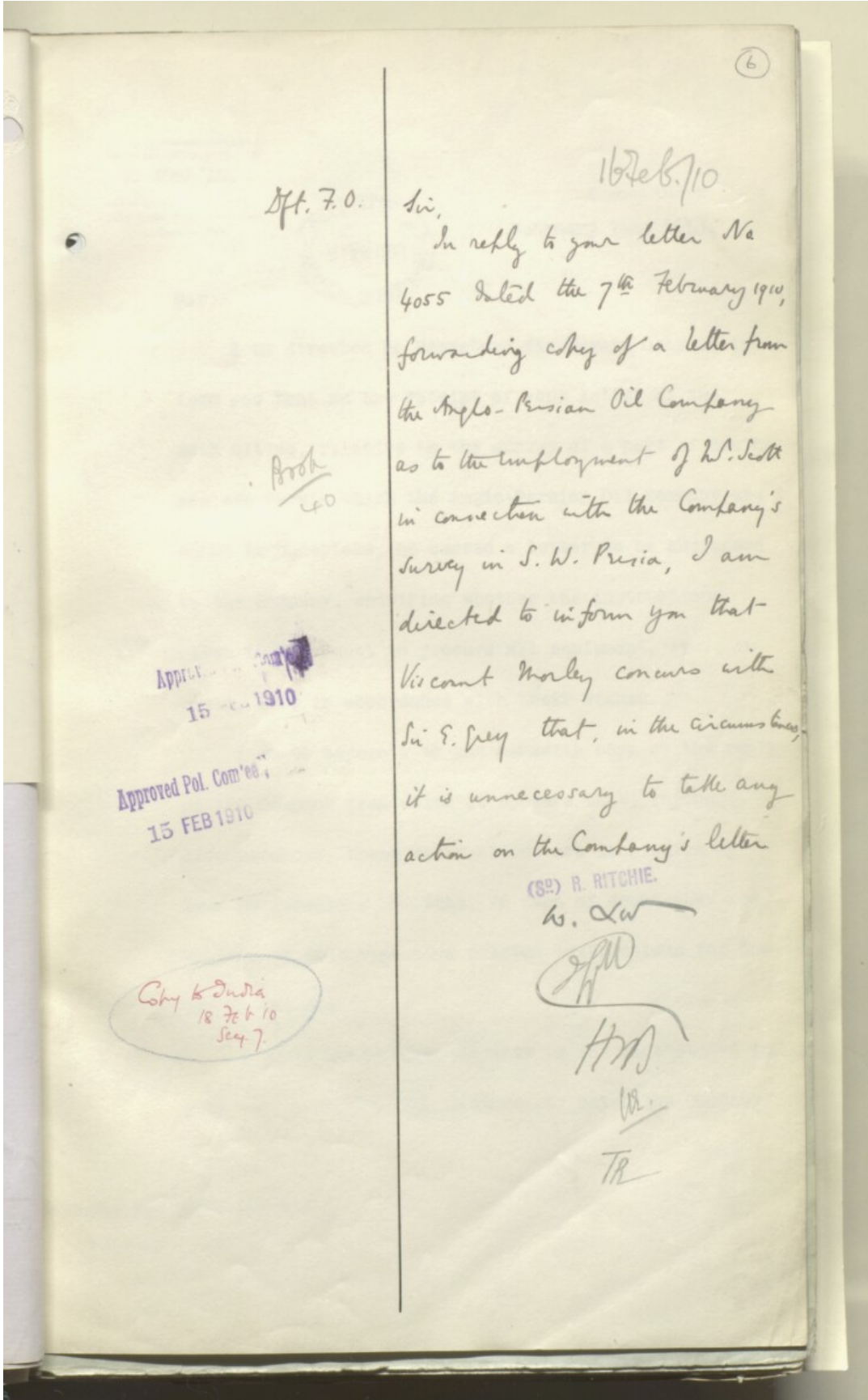


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥ظ] (١٤٢/١٠)



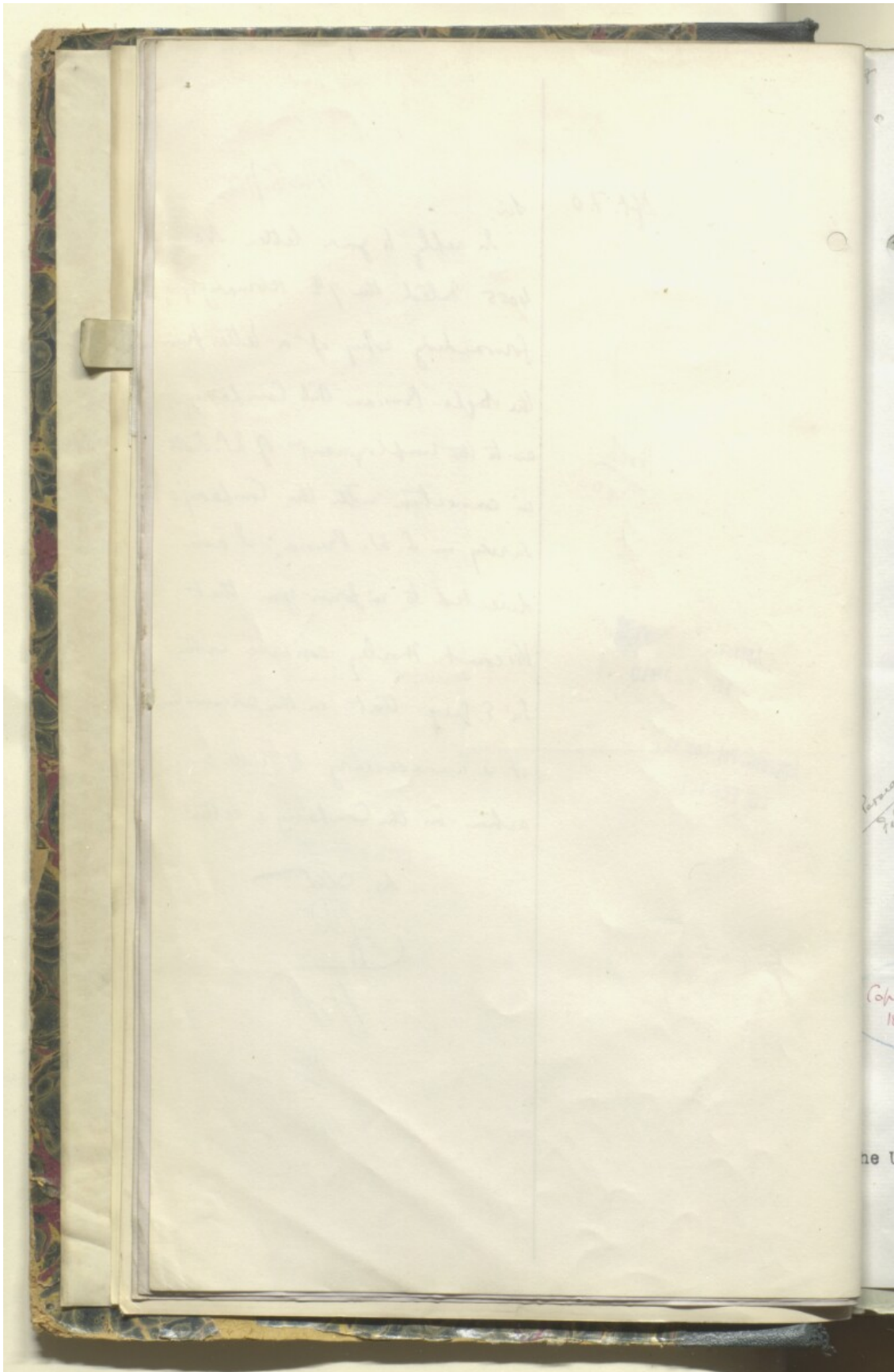


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦] [١٤٢/١١]



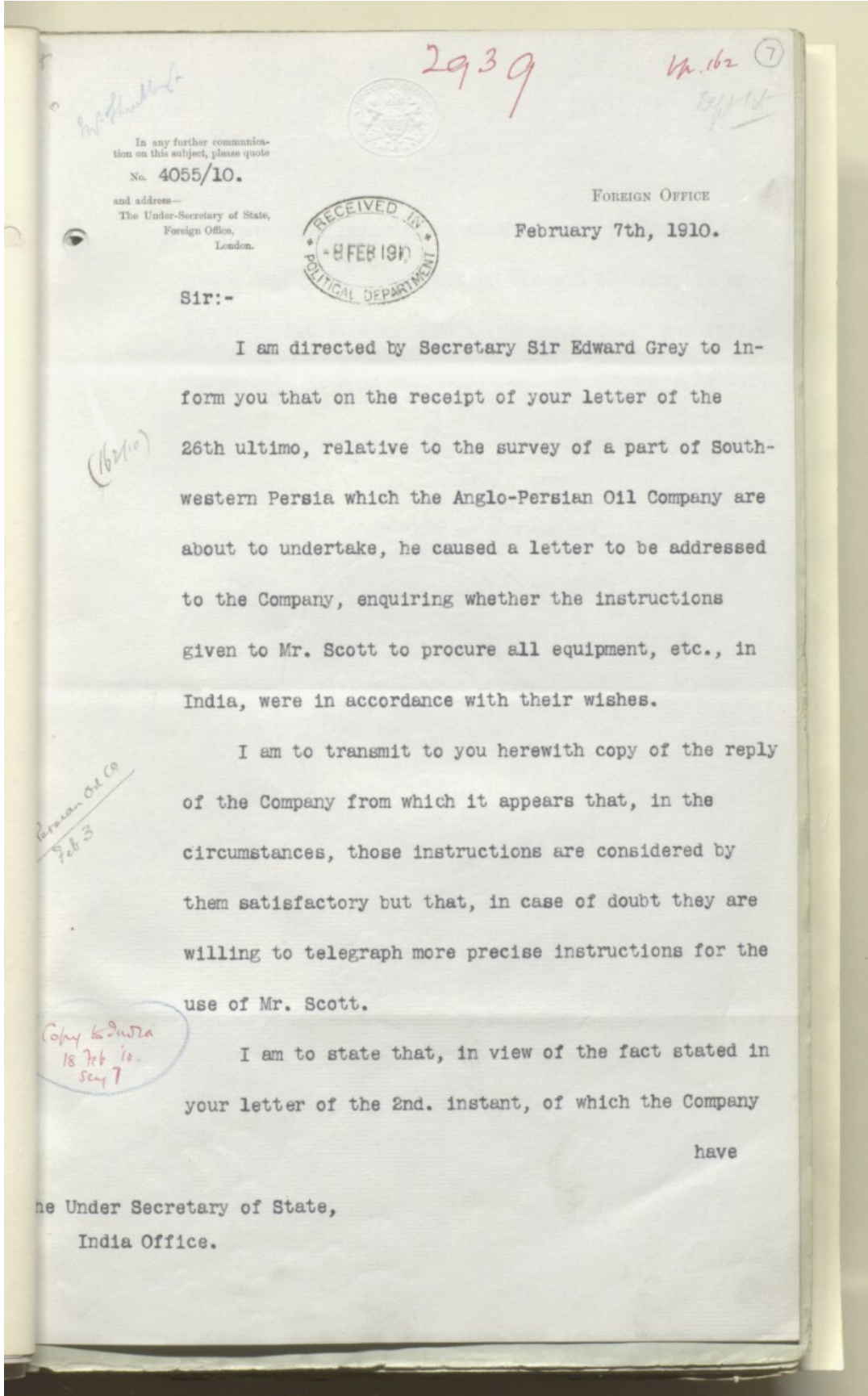


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦ظ] (١٤٢/١٢)



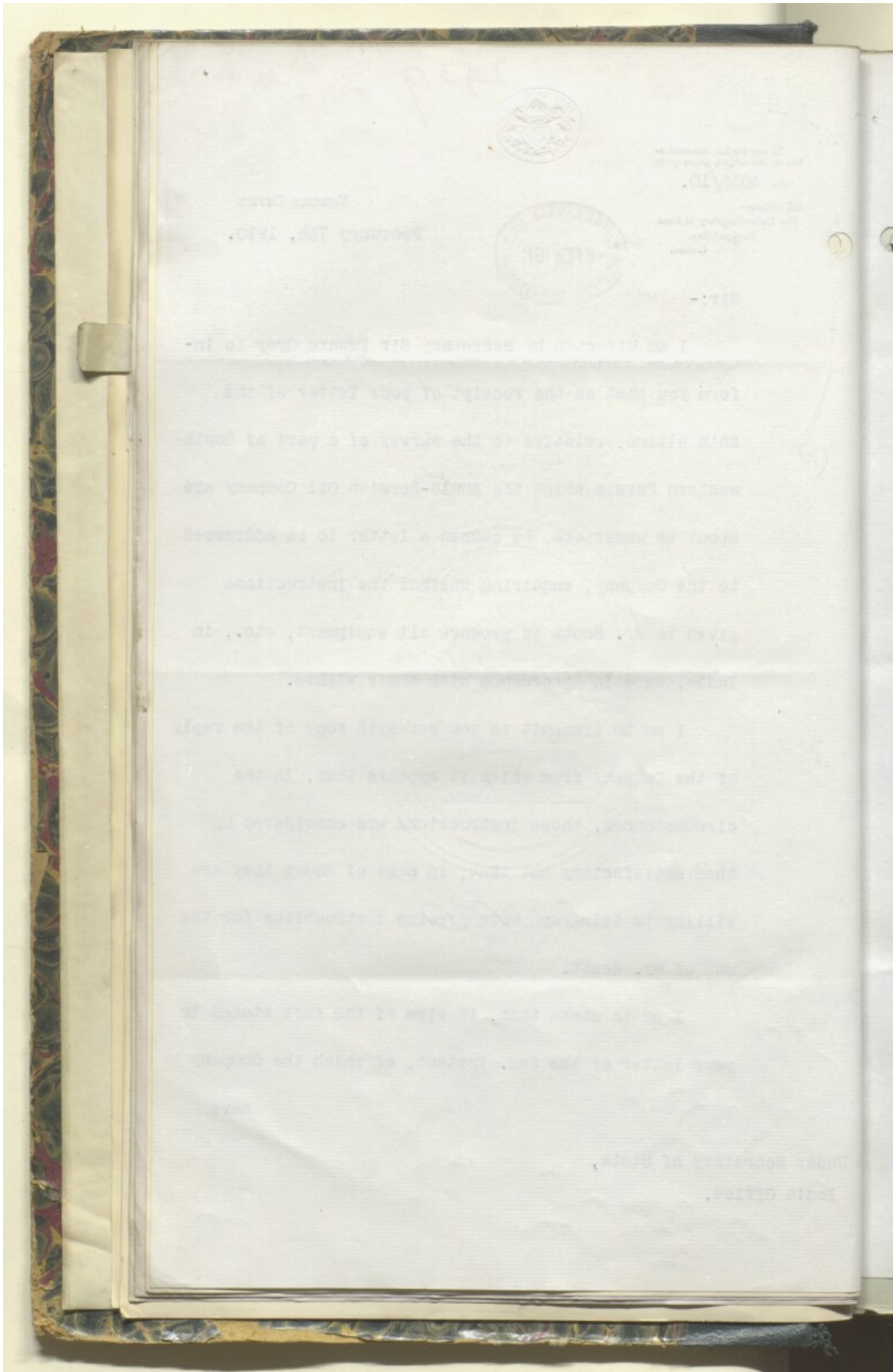


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النفط الأنجلو-فارسية" [٧] [١٤٢/١٣]



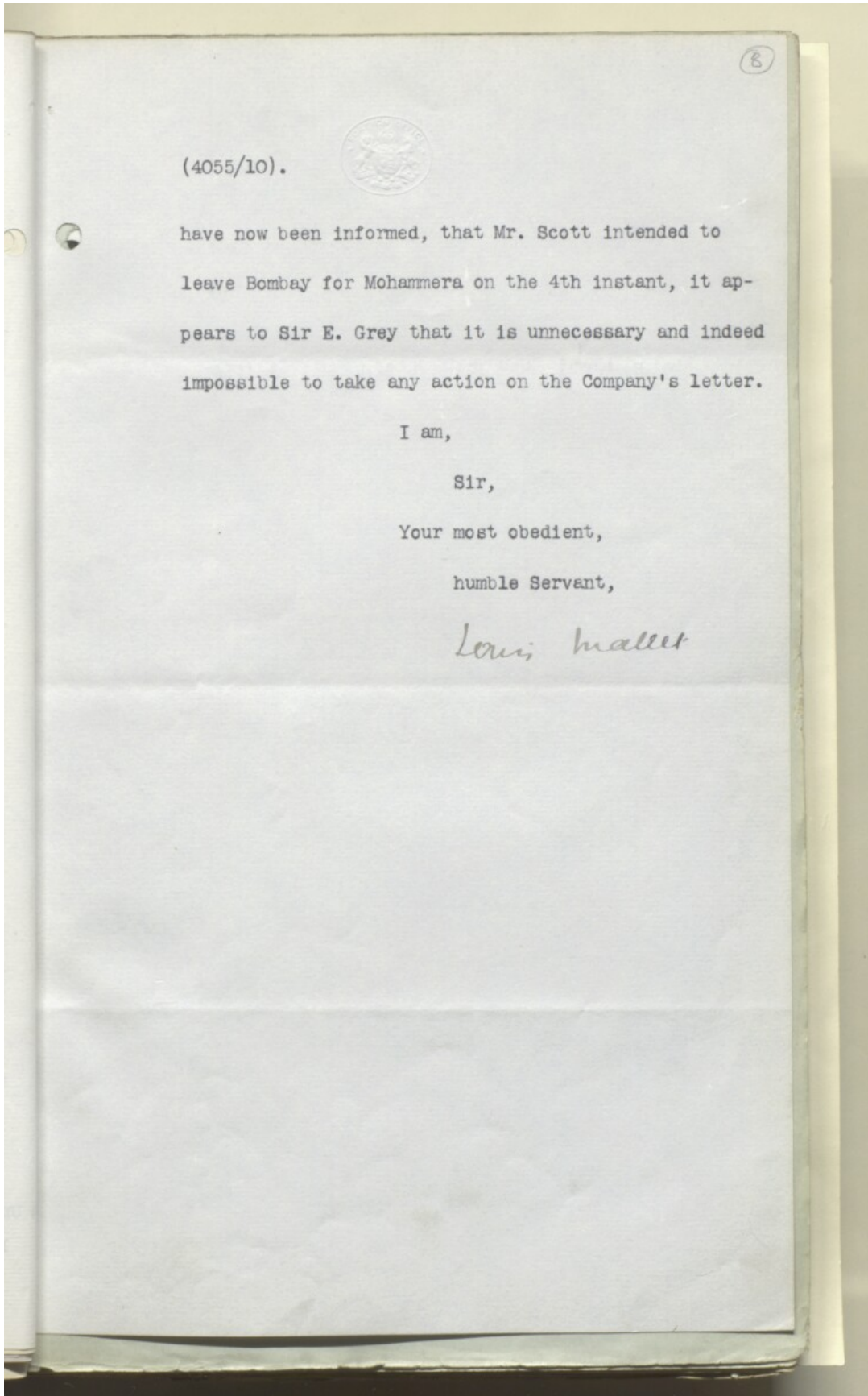


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٧ظ] (١٤٢/١٤)



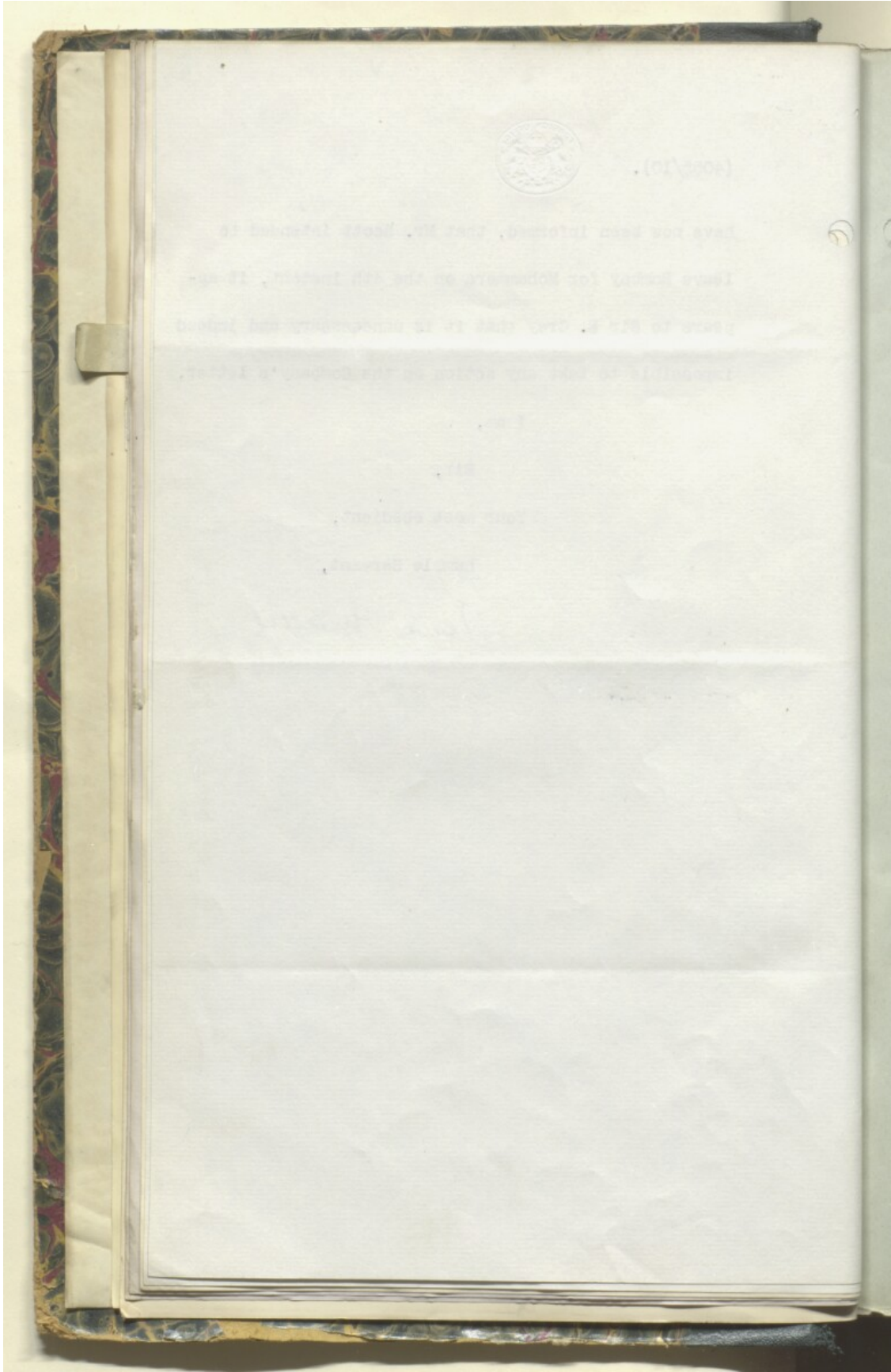


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النفط الأتجلو-فارسية" [٨و] (١٤٢/١٥)



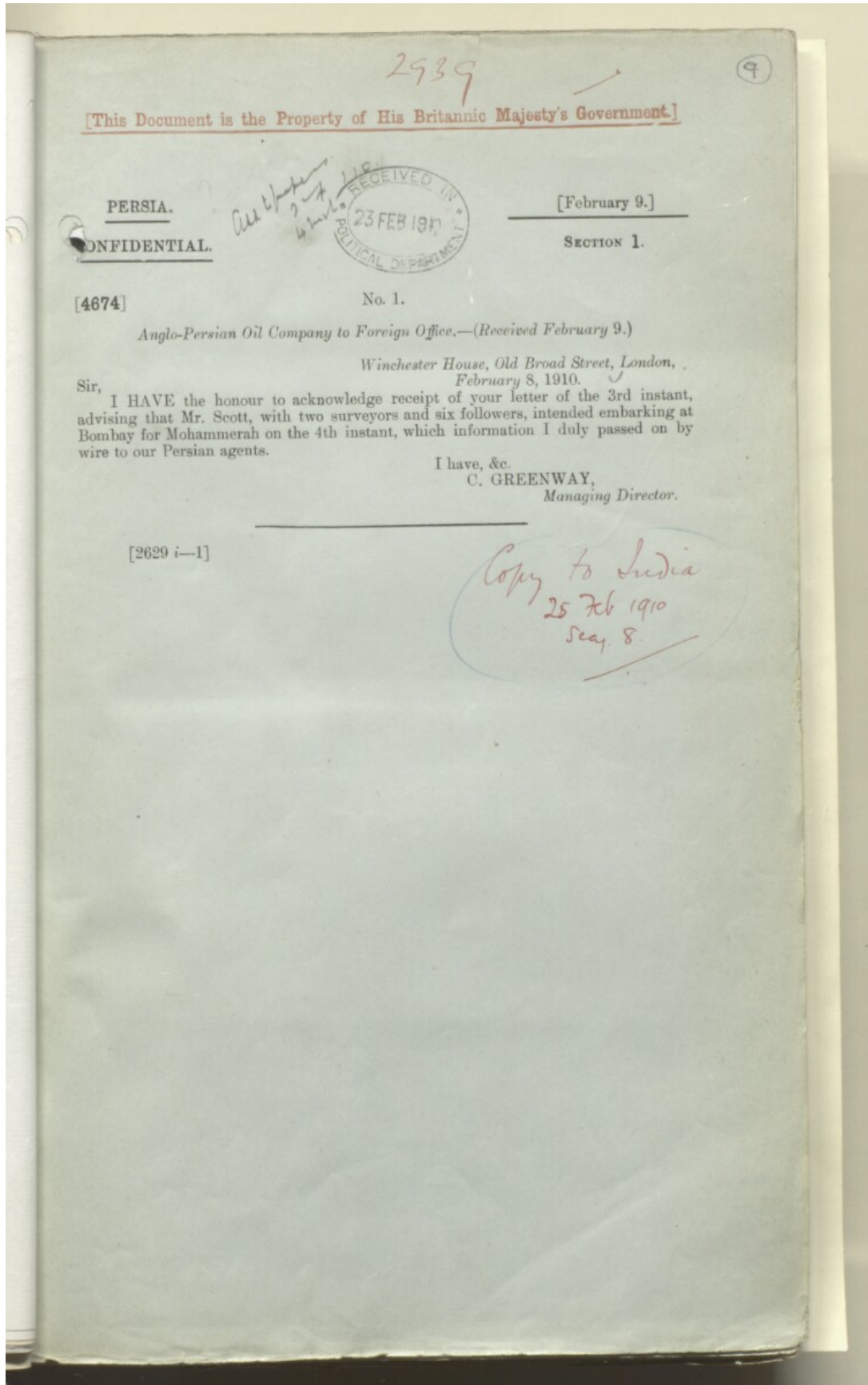


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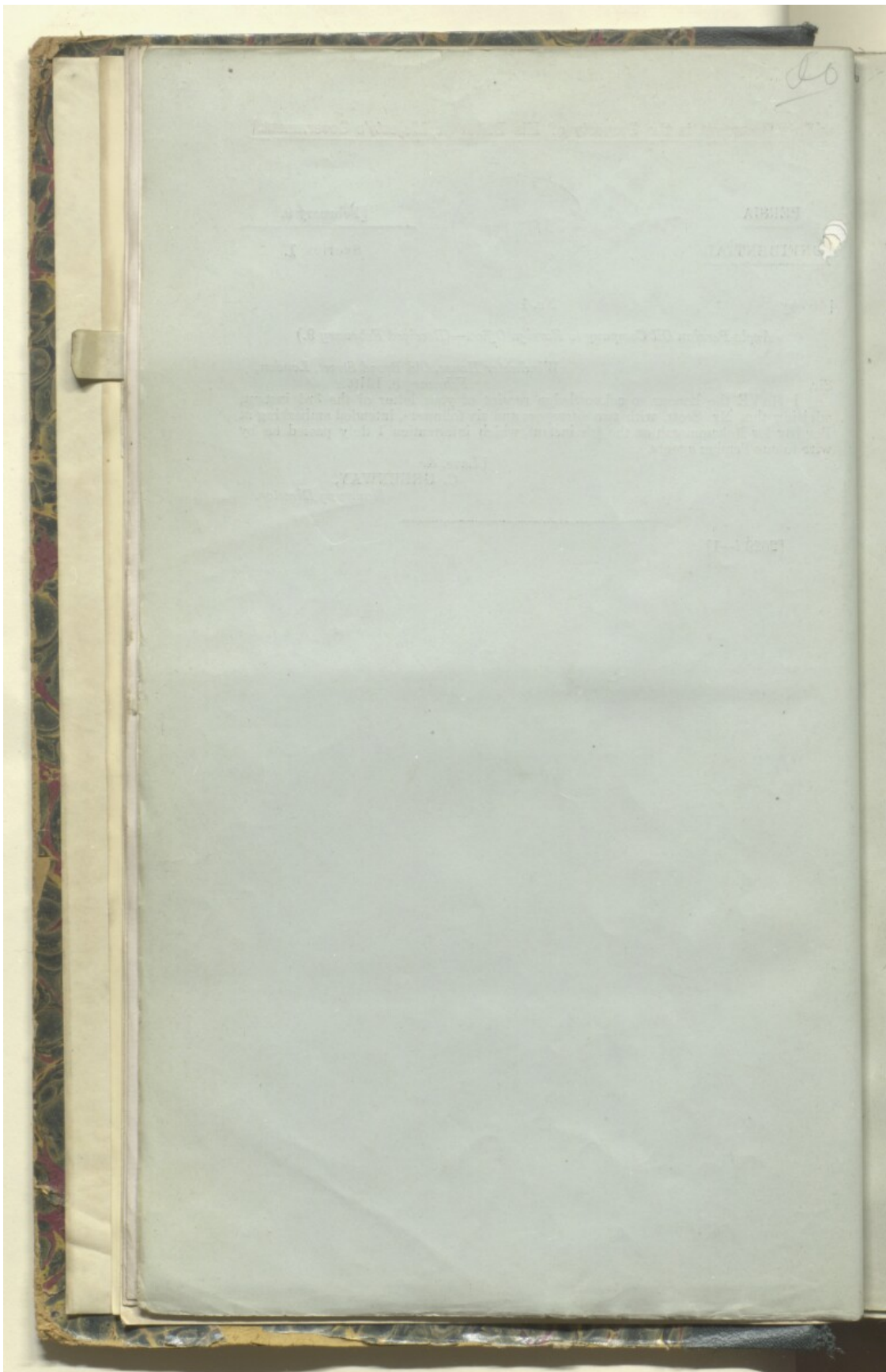


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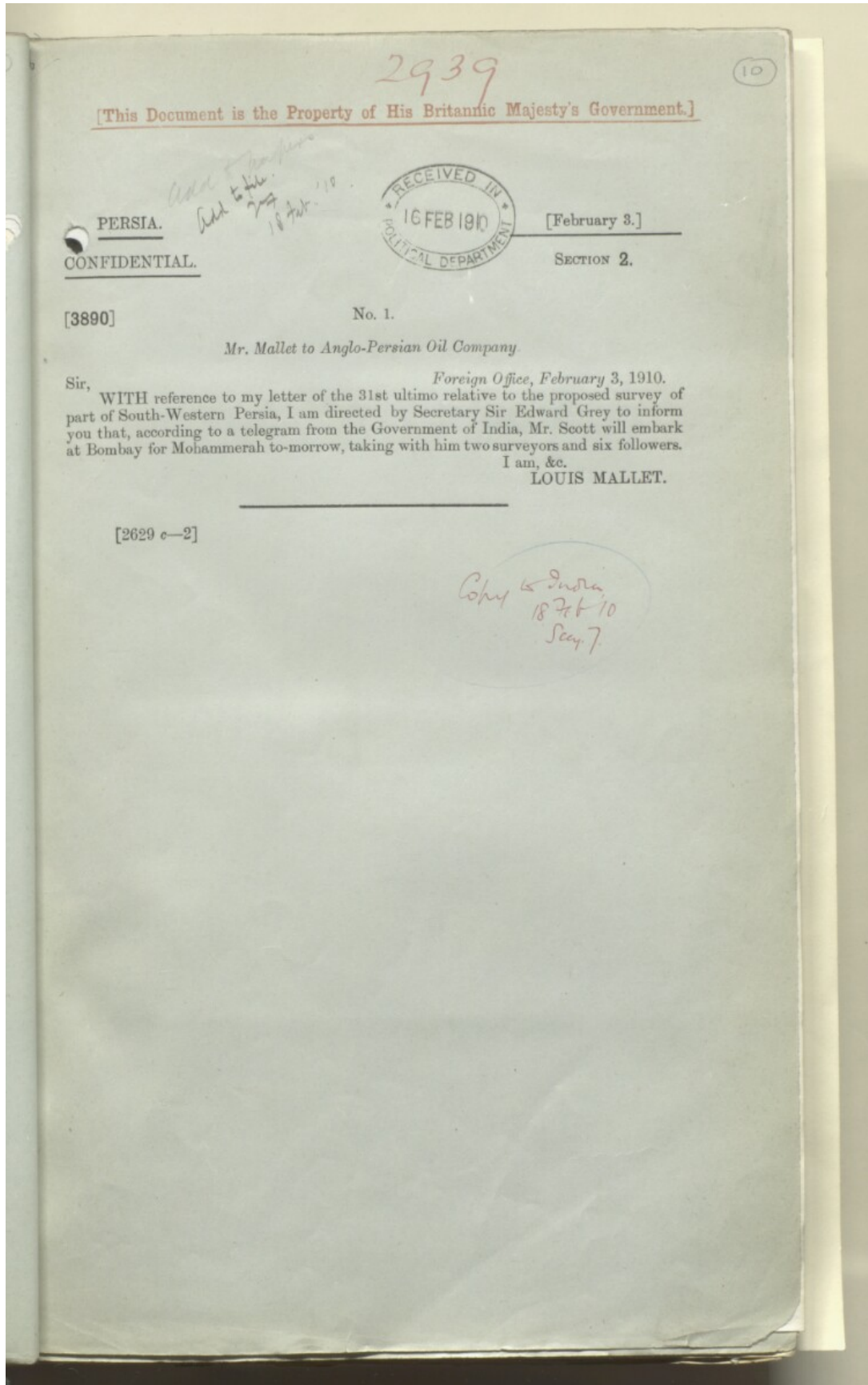


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
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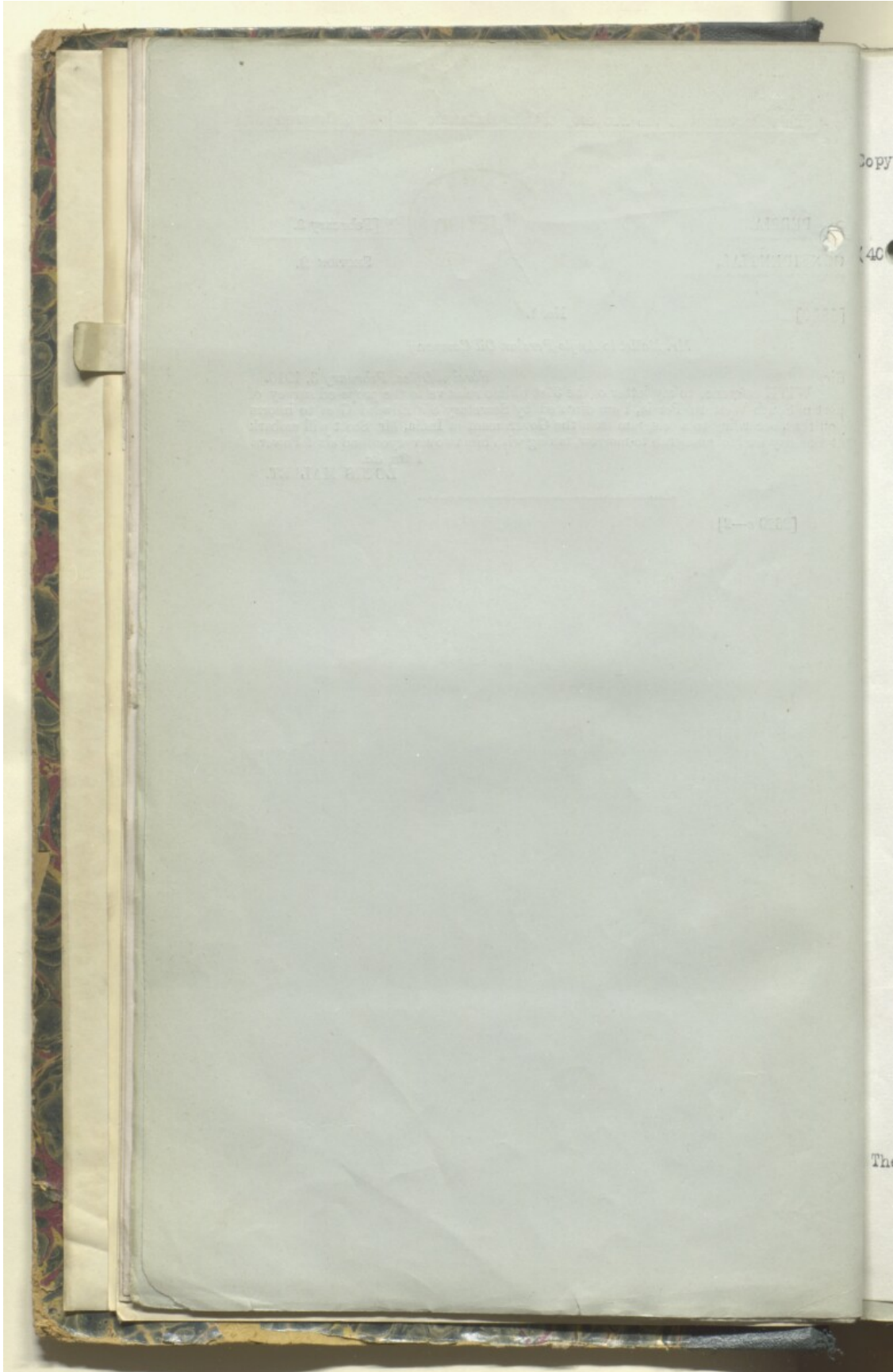


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٠ و] (١٤٢/١٩)



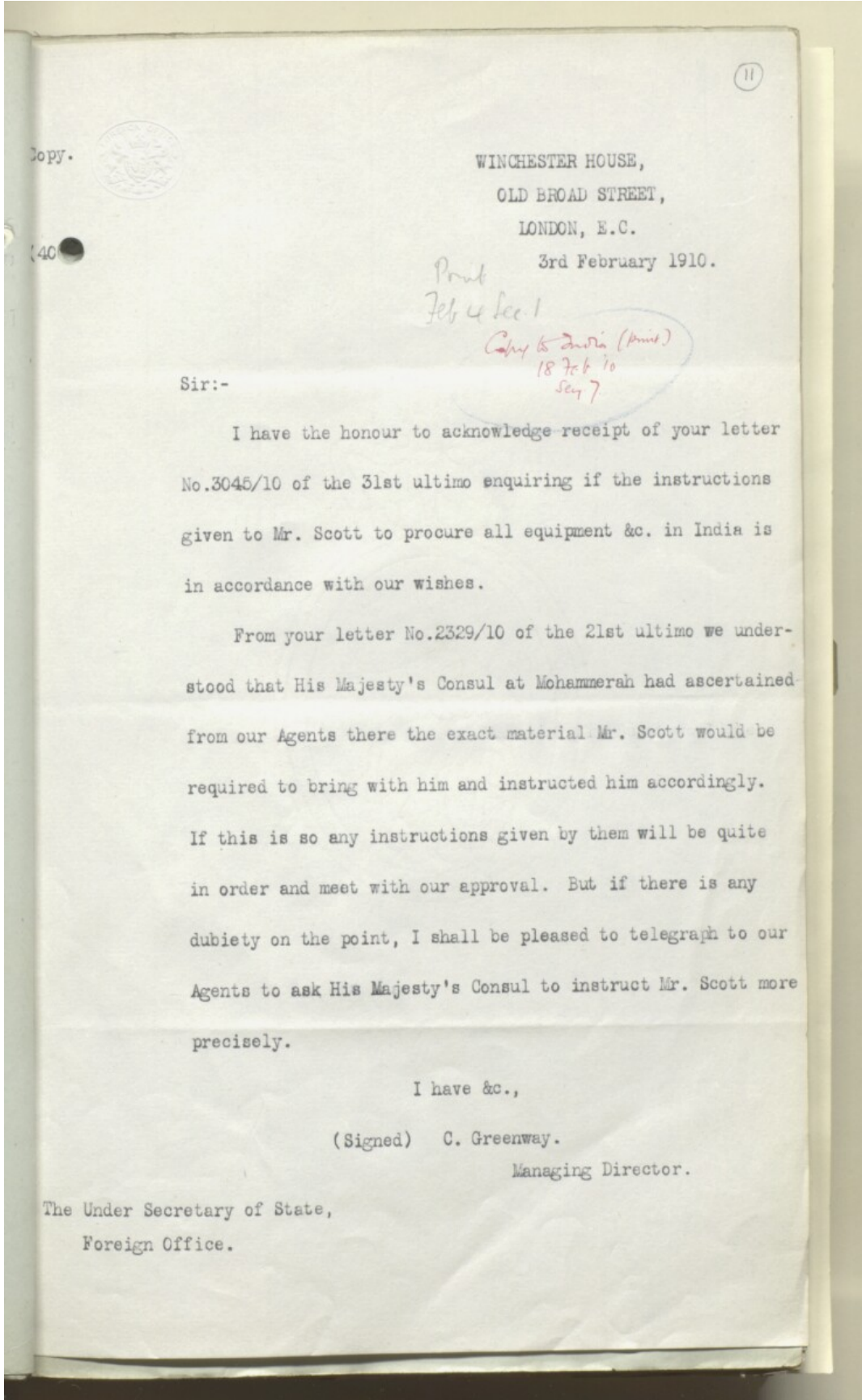


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النفط الأنجلو-فارسية" [١٠ظ] (١٤٢/٢٠)



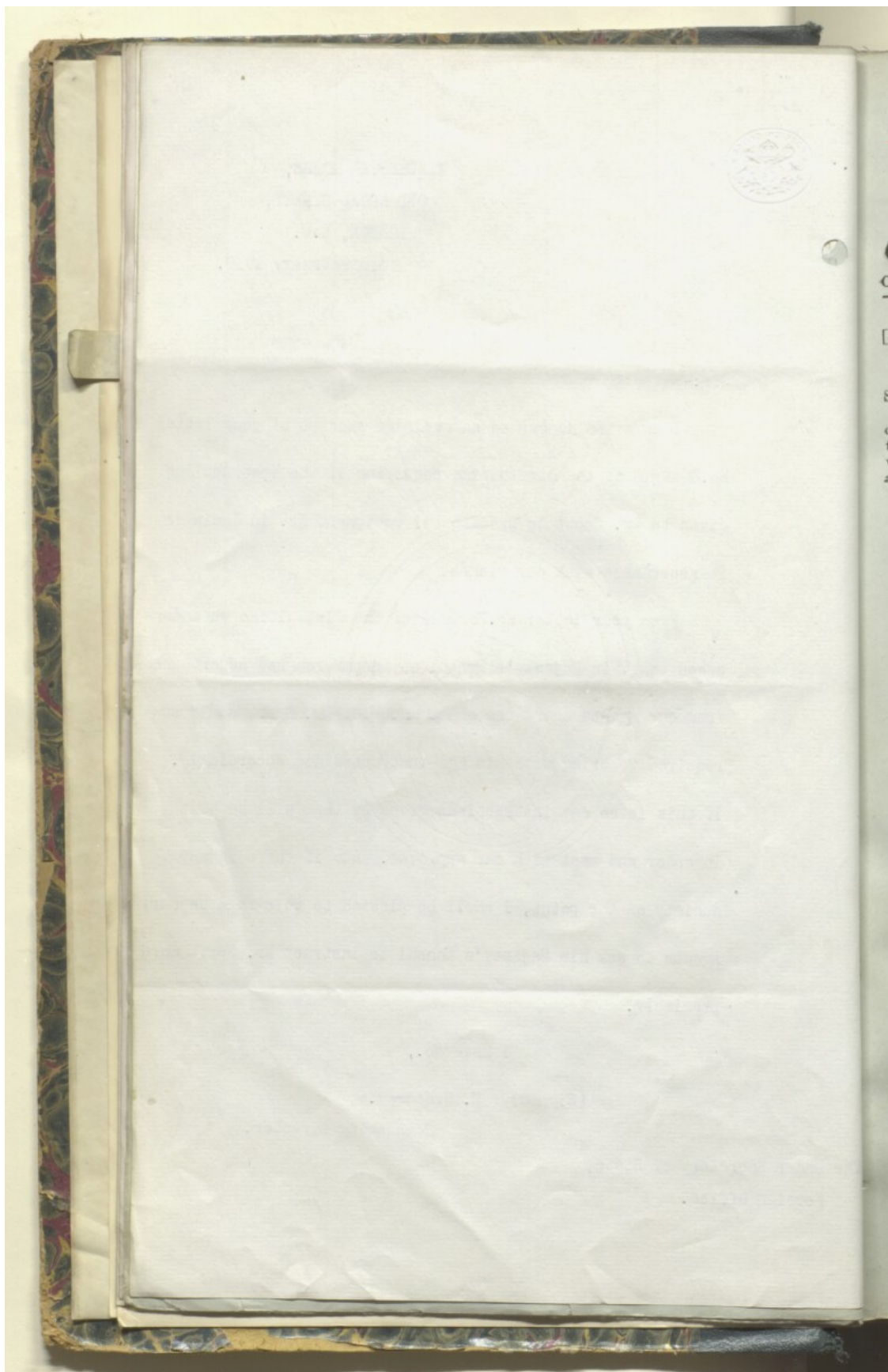


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النفط الأنجلو-فارسية" [١١ و] (١٤٢/٢١)



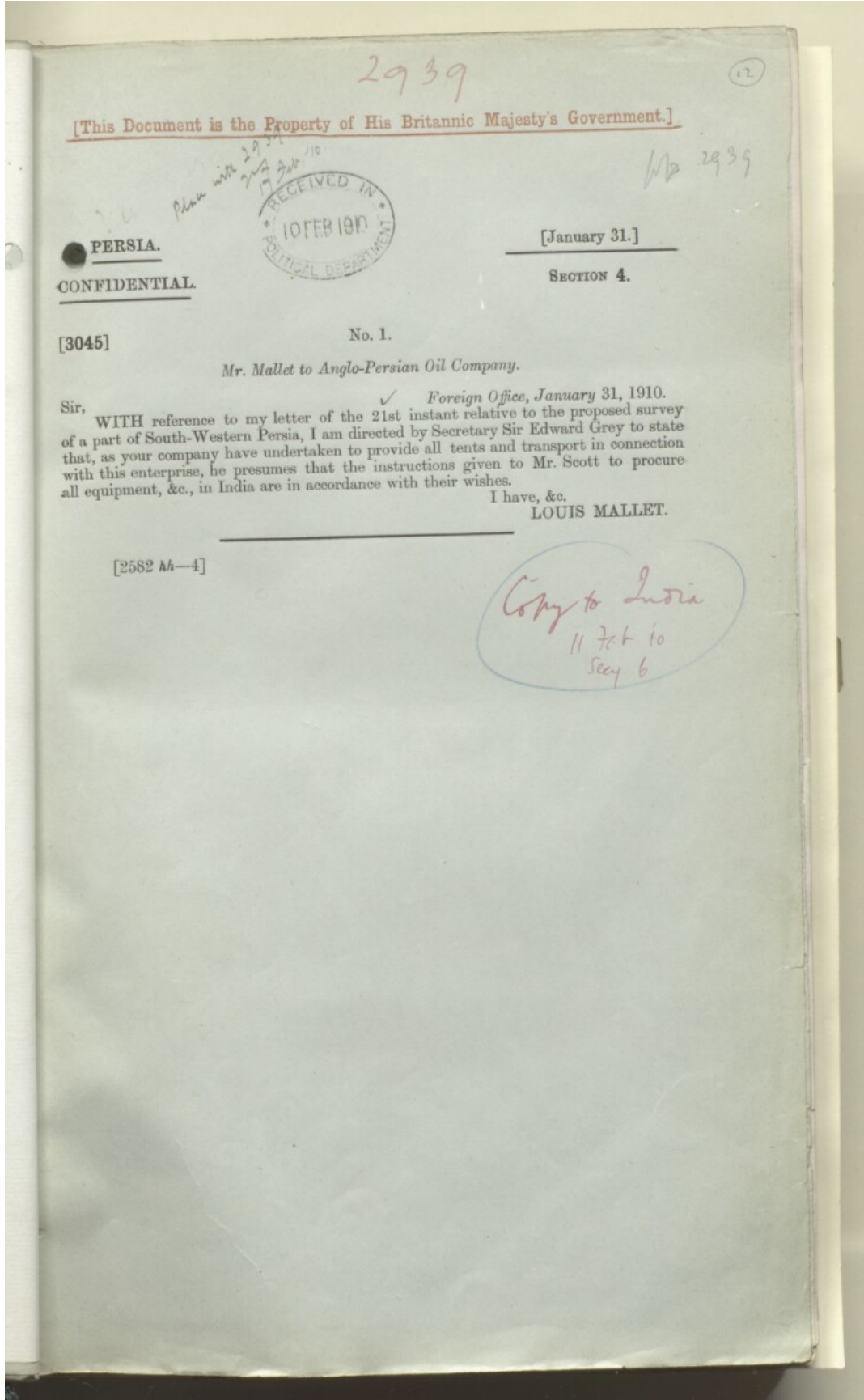


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١١ظ] (١٤٢/٢٢)



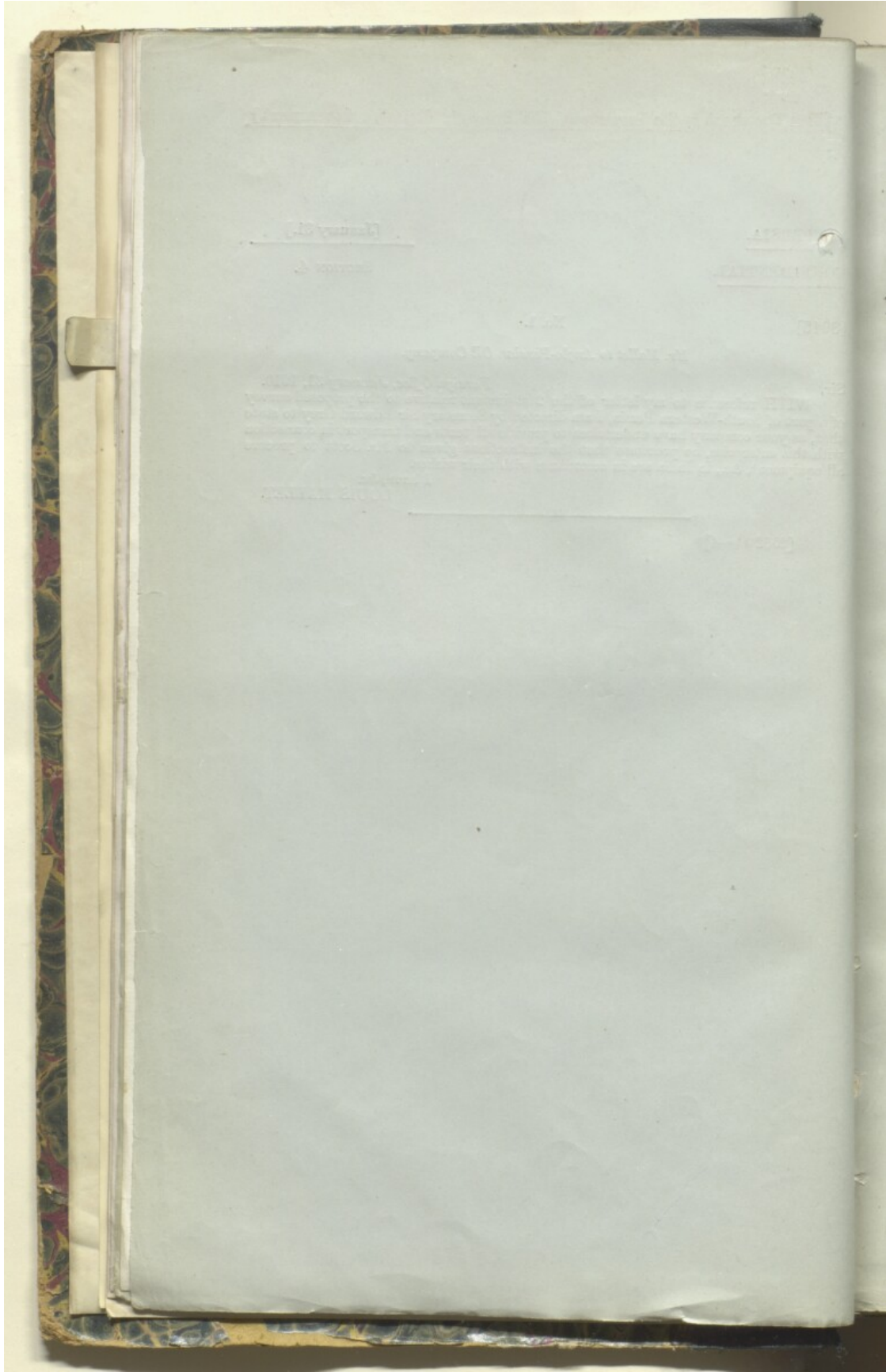


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النفط الأنجلو-فارسية" [١٢ و] (١٤٢/٢٣)



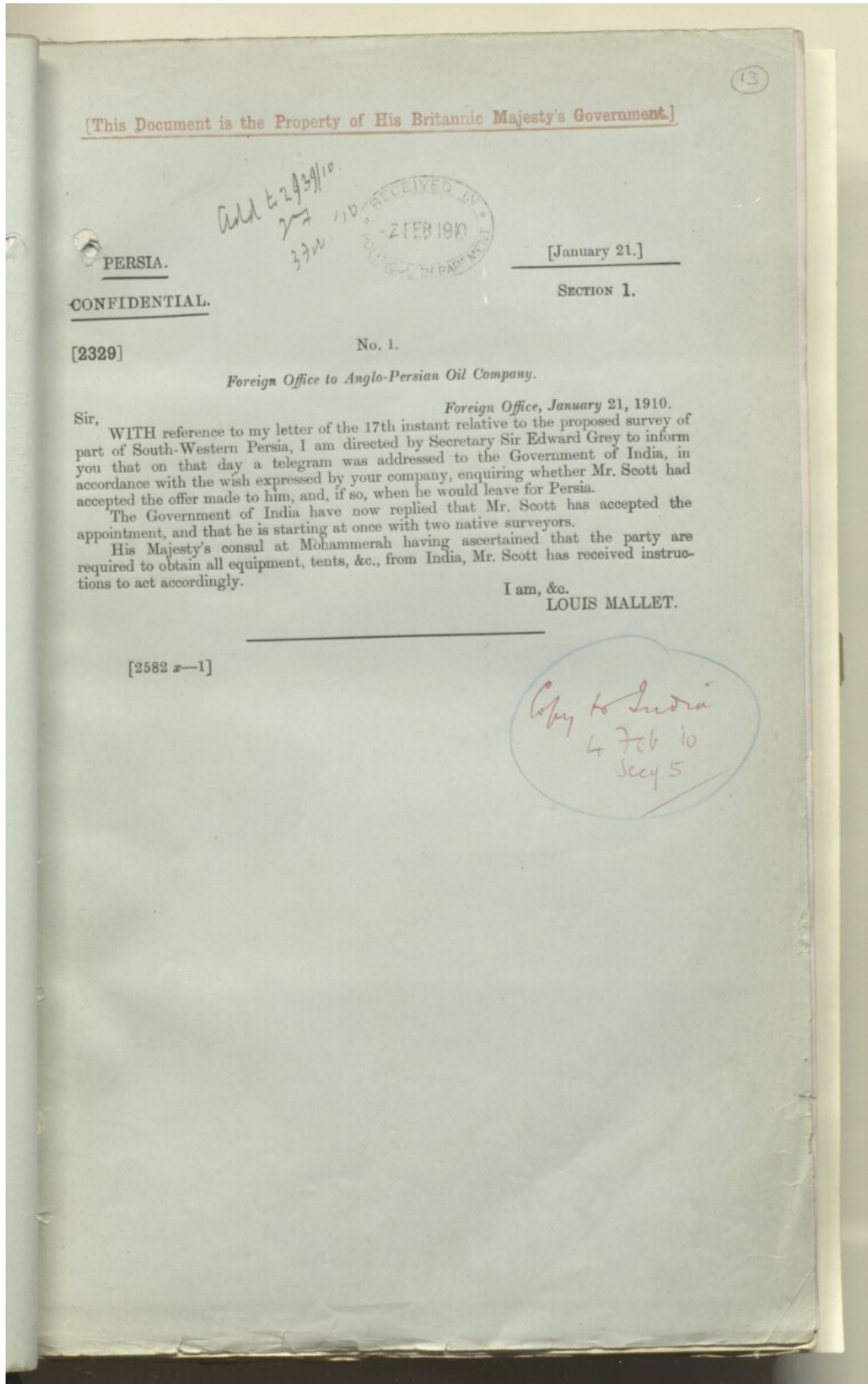


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٢ ظ] (١٤٢/٢٤)



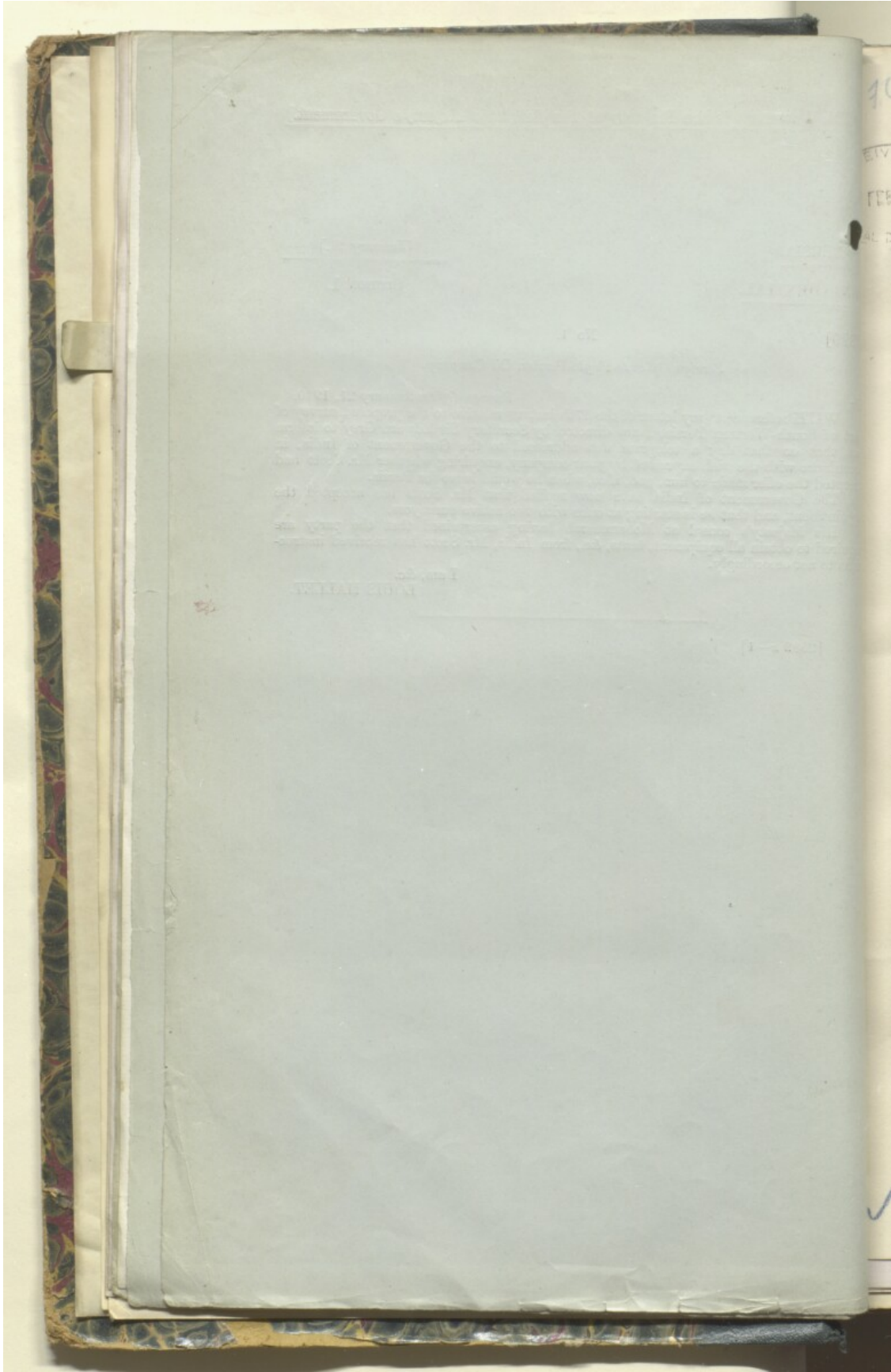


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٣ و] (١٤٢/٢٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣١ ظ] (١٤٢/٢٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٤] و [١٤٢/٢٧]

40' Departments are requested, if they suspect that there is any mistake in this telegram, to communicate immediately with the Private Secretary to the Parliamentary Under Secretary of State. (14)

220 Ph: 162

COPY OF TELEGRAM. X Circulates with 2939

FROM Viceroy

DATED 2nd February

RECEIVED AT LONDON OFFICE 2.31 p.m.

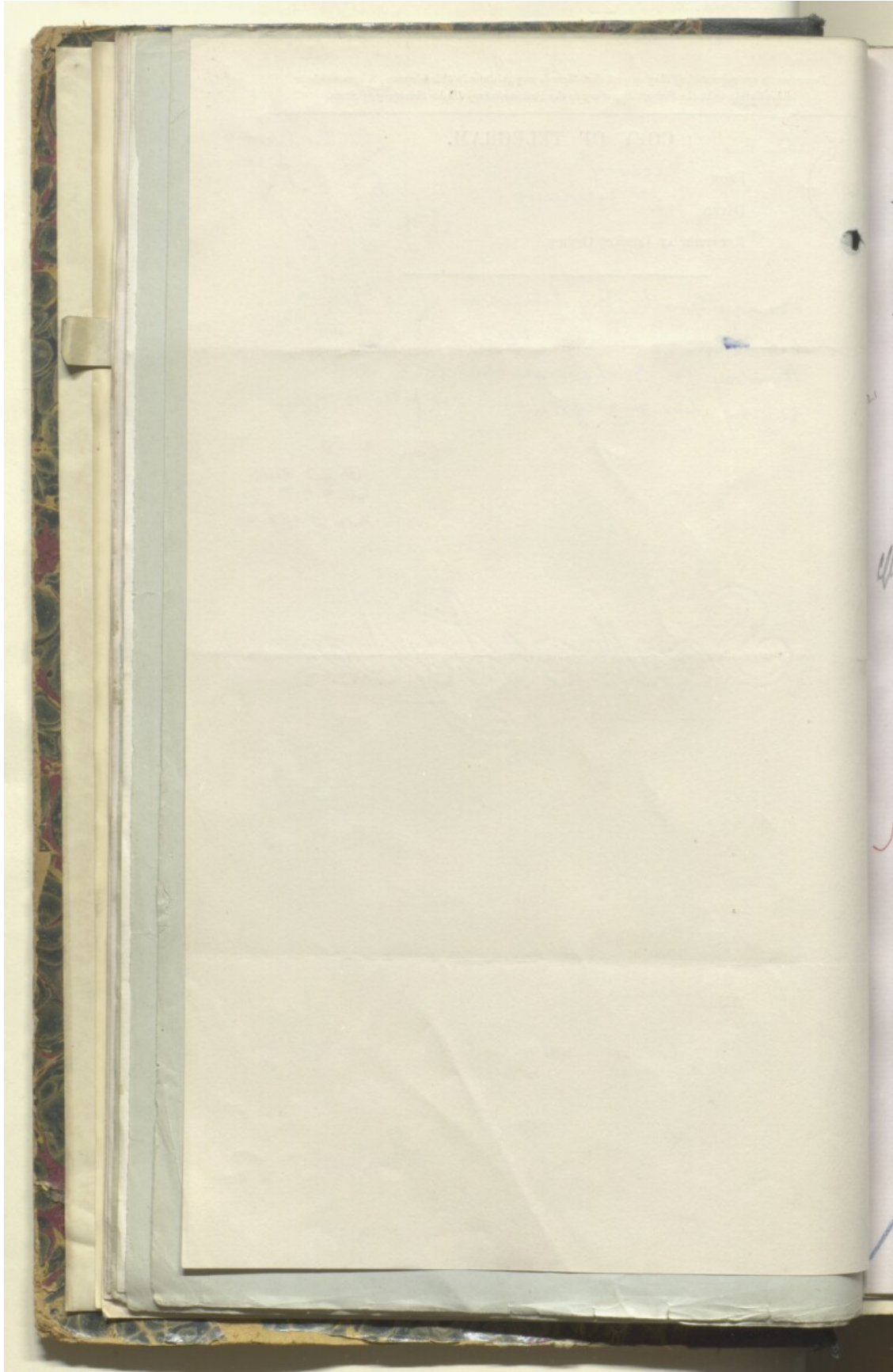
Foreign Secy. My telegram of 20th January.
oil company survey. Scott embarks at
Bombay for Mohammerah on 4th inst.
taking two surveyors and six followers.

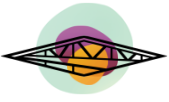
Copy to FO.
{ ⊕ 2.2.10
⊙ 21.2.10
... L.S. ⊙ 25.2.10

Recoverable - See 3279/10



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤١ ظ] (١٤٢/٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٥ و] (١٤٢/٢٩)

(15)

Register No.
162

Secret Department.

Telegram
Letter from Vicary,

Dated } 20 Jan. 1910.
Rec. }

Formally acknowledged

Date.	Initials.	SUBJECT.
Under Secretary..... 21 Jan.	JK	Persia.
Secretary of State..... 22	JK	Oil Company's survey. Mr. Scott has accepted appointment and is starting at once. All equipment, etc. being taken from India.
Committee.....		
Under Secretary.....		
Secretary of State.....		

Copy to
F.O. + 20 Jan. 10.
India 28 Jan 10
Secy. Lt.

FOR USE BY DEPARTMENTS ONLY.

Sgt. to F.O. accordingly

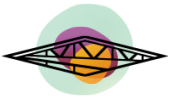
Letter to F.O., 26 Jan.

Sgt. Lt.
25/1/10.

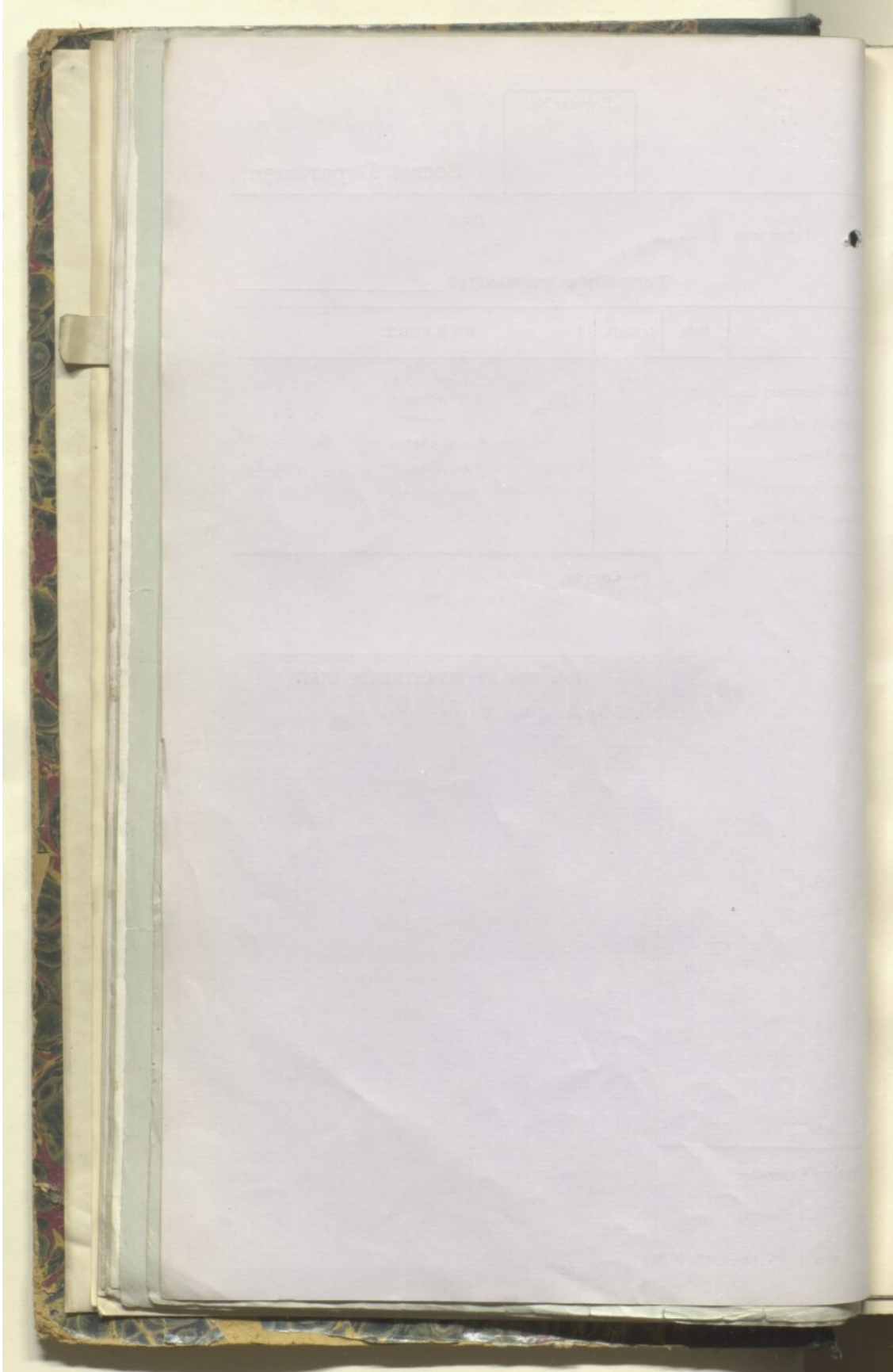
Recd Tel. Comra.,
1 FEB 1910

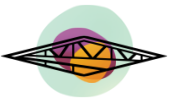
Previous Papers :-
2860

5540. I. 1636. 500.-9/1900. [I. 725.]

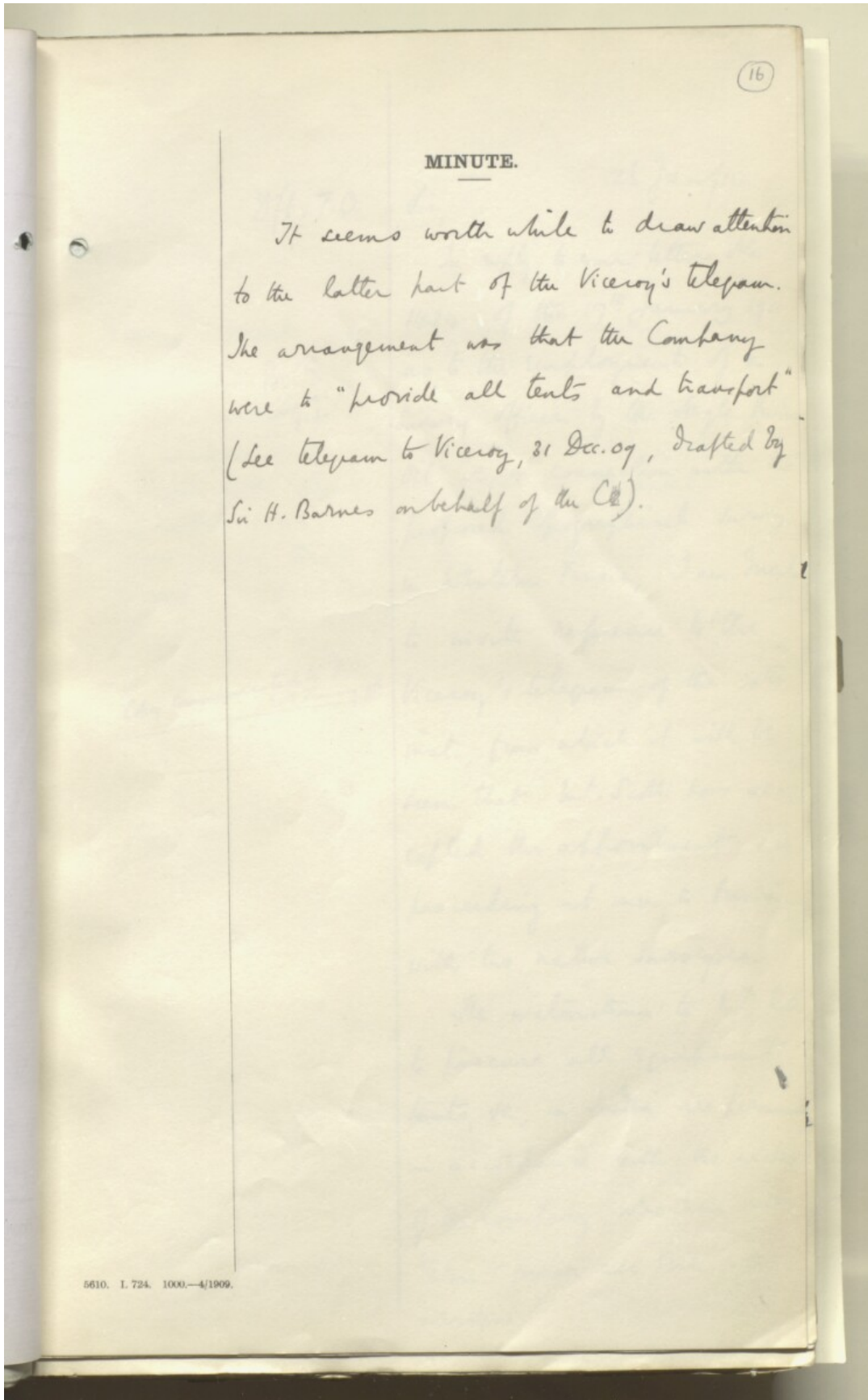


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٥ ظ] (١٤٢/٣٠)



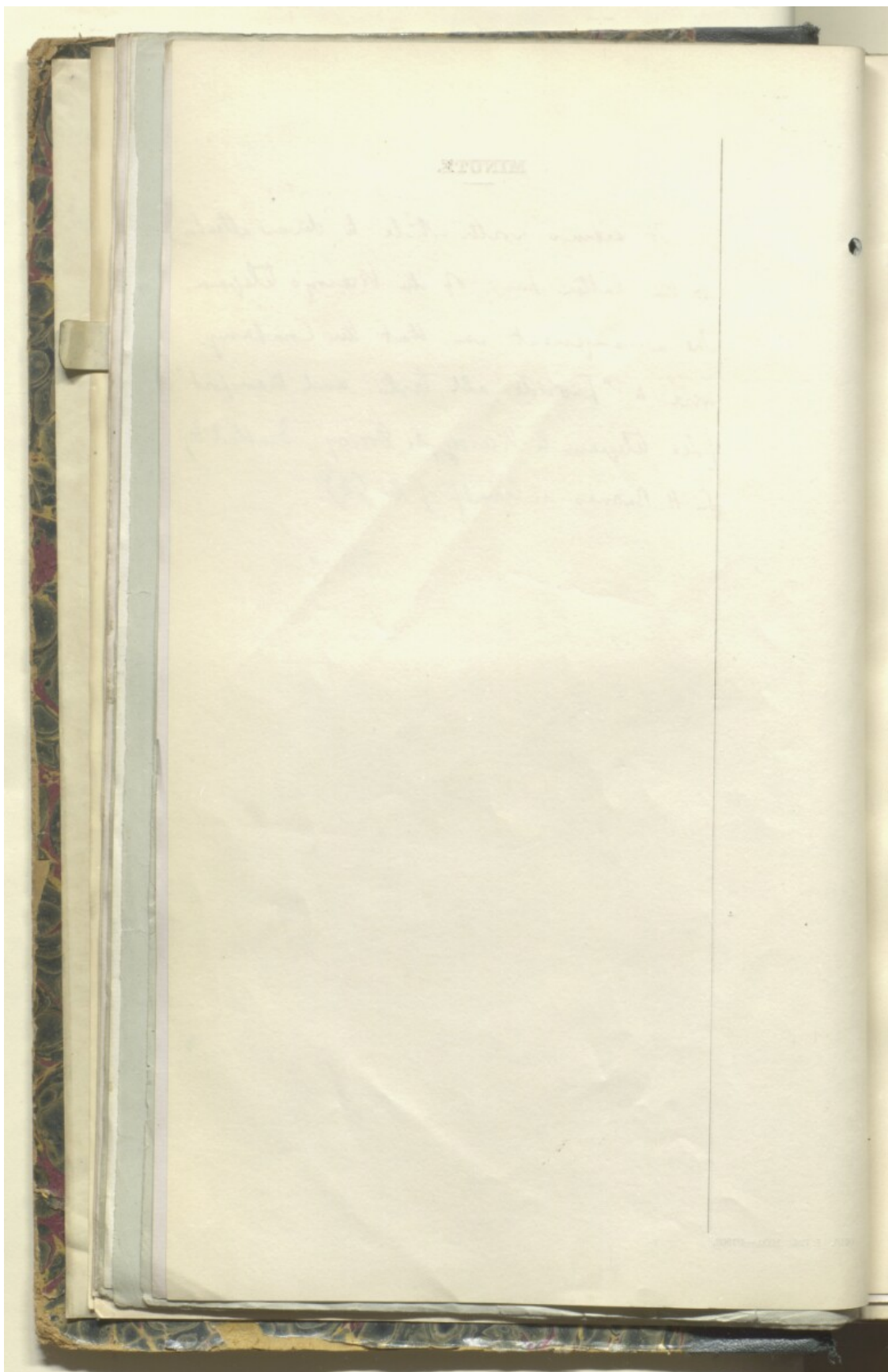


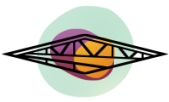
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٦ و] (١٤٢/٣١)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٦ ظ] (١٤٢/٣٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٧ و] (١٤٢/٣٣)

(17)

26 Jan 1910.

8ft. 7.0. Sir,

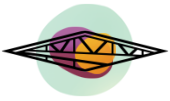
In reply to your letter No. 1424 of the 17th January 1910 as to the employment of a Survey Officer by the Anglo-Persian Oil Co. in connection with the proposed topographical survey in Western Persia, I am directed to invite reference to the Viceroy's telegram of the 20th inst., from which it will be seen that Mr. Scott has accepted the appointment & is proceeding at once to Persia with two native surveyors.

The instructions to Mr. Scott to procure all equipment, tents, &c., in India are perfunctory in accordance with the wishes of the Company, who have undertaken & provide all costs for transport.

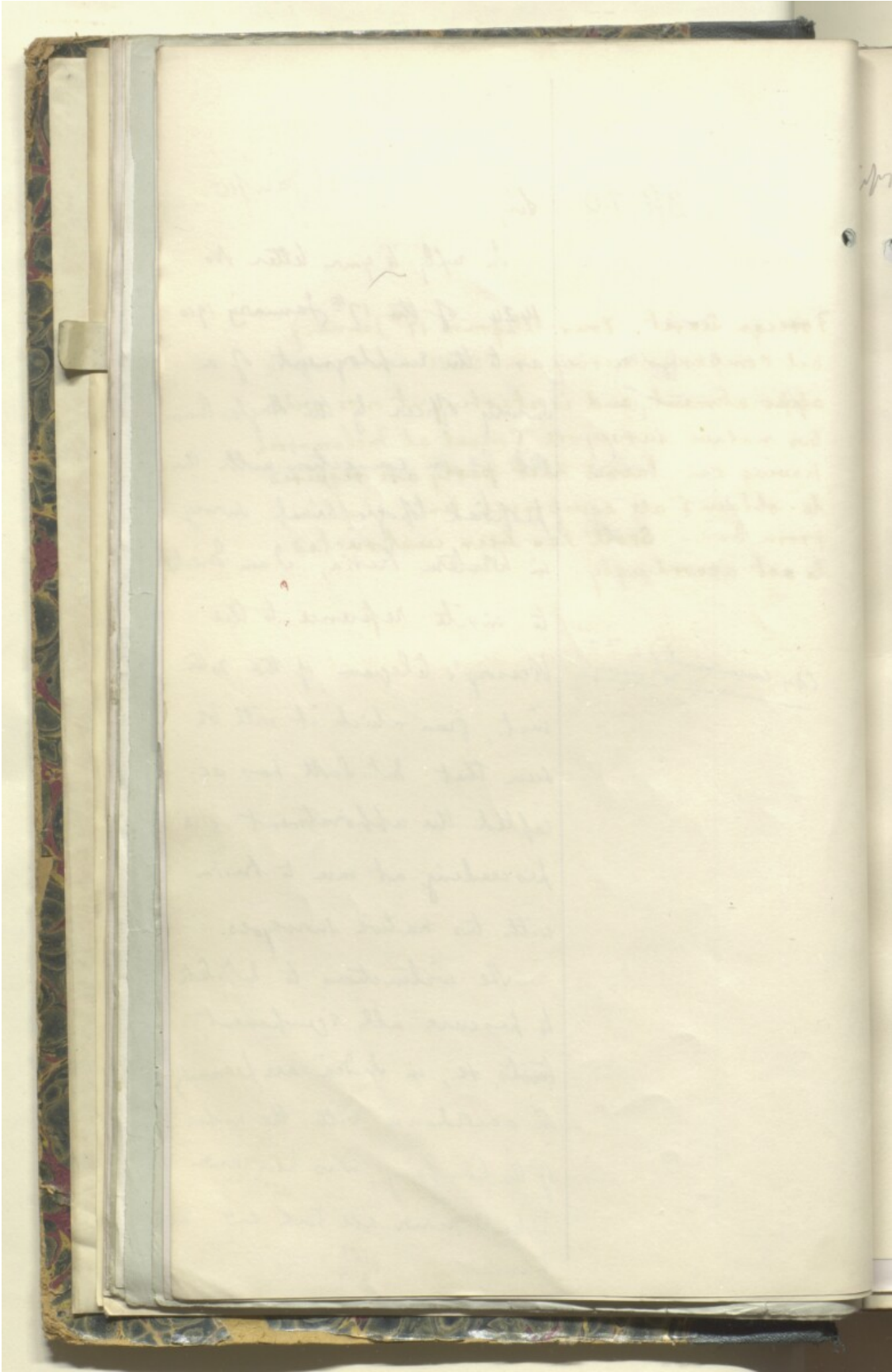
(Sd) R. HITCHIE.

Book
14

Copy communicated to F.O.
20th January 1910



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٧ظ] (١٤٢/٣٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط: عمليات مسح شركة
النفط الأنجلو-فارسية" [١٨ و] (١٤٢/٣٥)

162

1/11.2080
5/179#

(18)

Departments are requested, if they suspect that there is any mistake in this telegram, to communicate immediately with the Private Secretary to the Parliamentary Under Secretary of State.

COPY OF TELEGRAM.

FROM Viceroy

DATED 20th January 1910

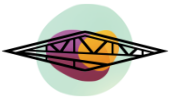
RECEIVED AT LONDON OFFICE 3 - 1 p.m.

Foreign Secret. Your telegram 17th January.
oil company's survey. Mr Scott has accepted
appointment and is starting at once with
two native surveyors. Consul at Mohammerah
having ascertained that party are required
to obtain all equipment, tents, et cetera,
from India, Scott has been instructed
to act accordingly

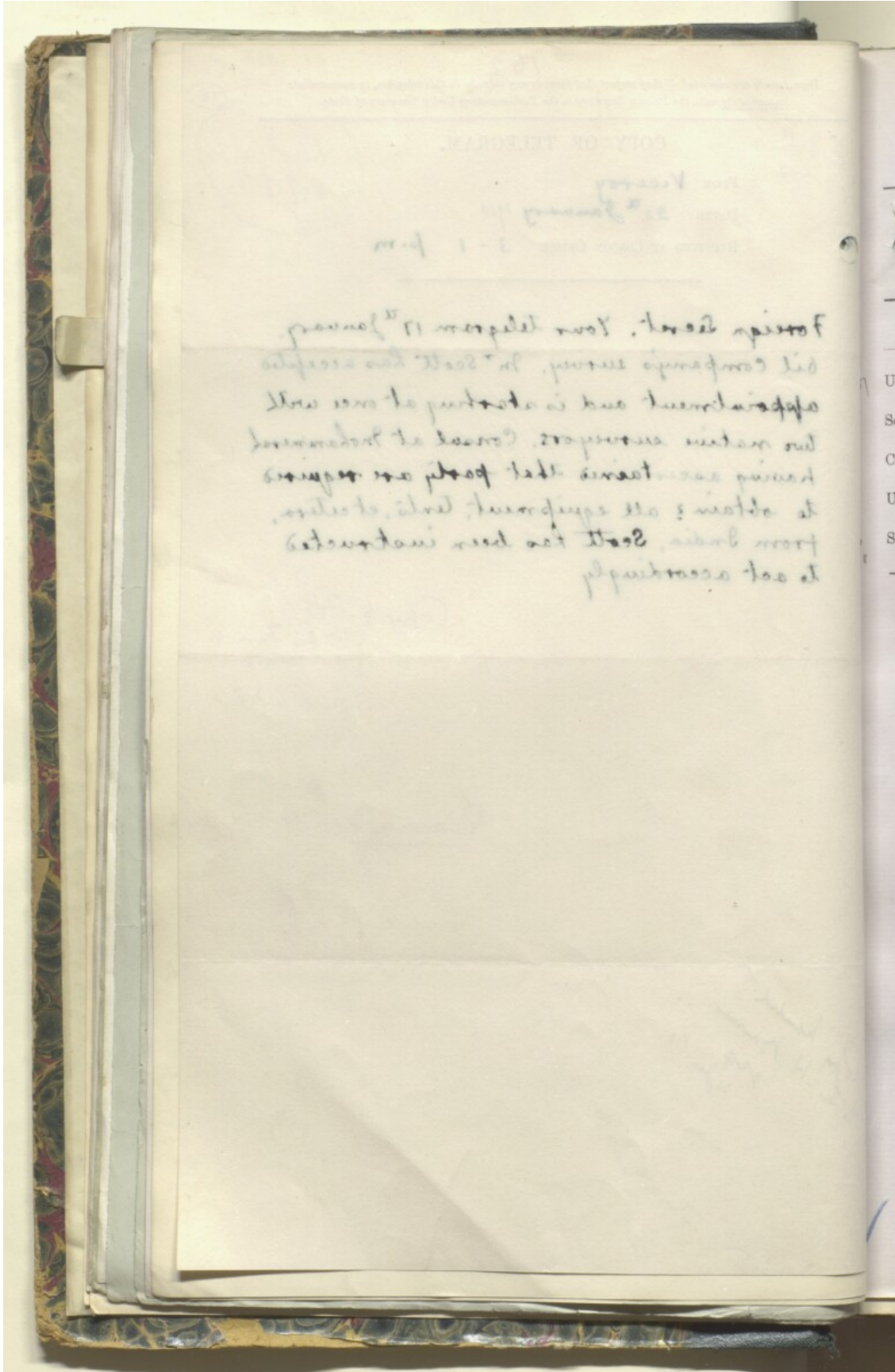
Copy to FO.
{ ⊕ 20 Jan '10.
⊙ 2 Feb '10
- - - Indi ⊙ 4 Feb '10

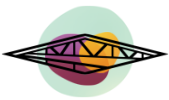
Recoverable - see 3229/10

By hand
to Sir H. Baines.
24
21 Jan '10.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٨١ ظ] (١٤٢/٣٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٩ و] (١٤٢/٣٧)

(19)

Register No.
2860

Secret Department.

Letter from *Z.V.* Dated *17 Jan* } 1910.
Rec. *18* " }

Formally acknowledged _____

	Date.	Initials.	SUBJECT.
Under Secretary.....	<i>17 Jan</i>	<i>Z.V.</i>	<i>Persia.</i>
Secretary of State			
Committee			
Under Secretary.....			
Secretary of State			

*Enquiry as to Mr. Scott's
acceptance of Oil Company's
offer, & date of his start
for Persia.*

Copy to India 21 Jan 10 *the within*
Secy. 3
Z.V. (tel to HQ)
19 Jan 10.

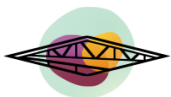
FOR USE BY DEPARTMENTS ONLY.
*Draft tel. to Viceroy, as to Mr. Scott's
acceptance & departure.*

Telegram to Viceroy, 17 Jan.

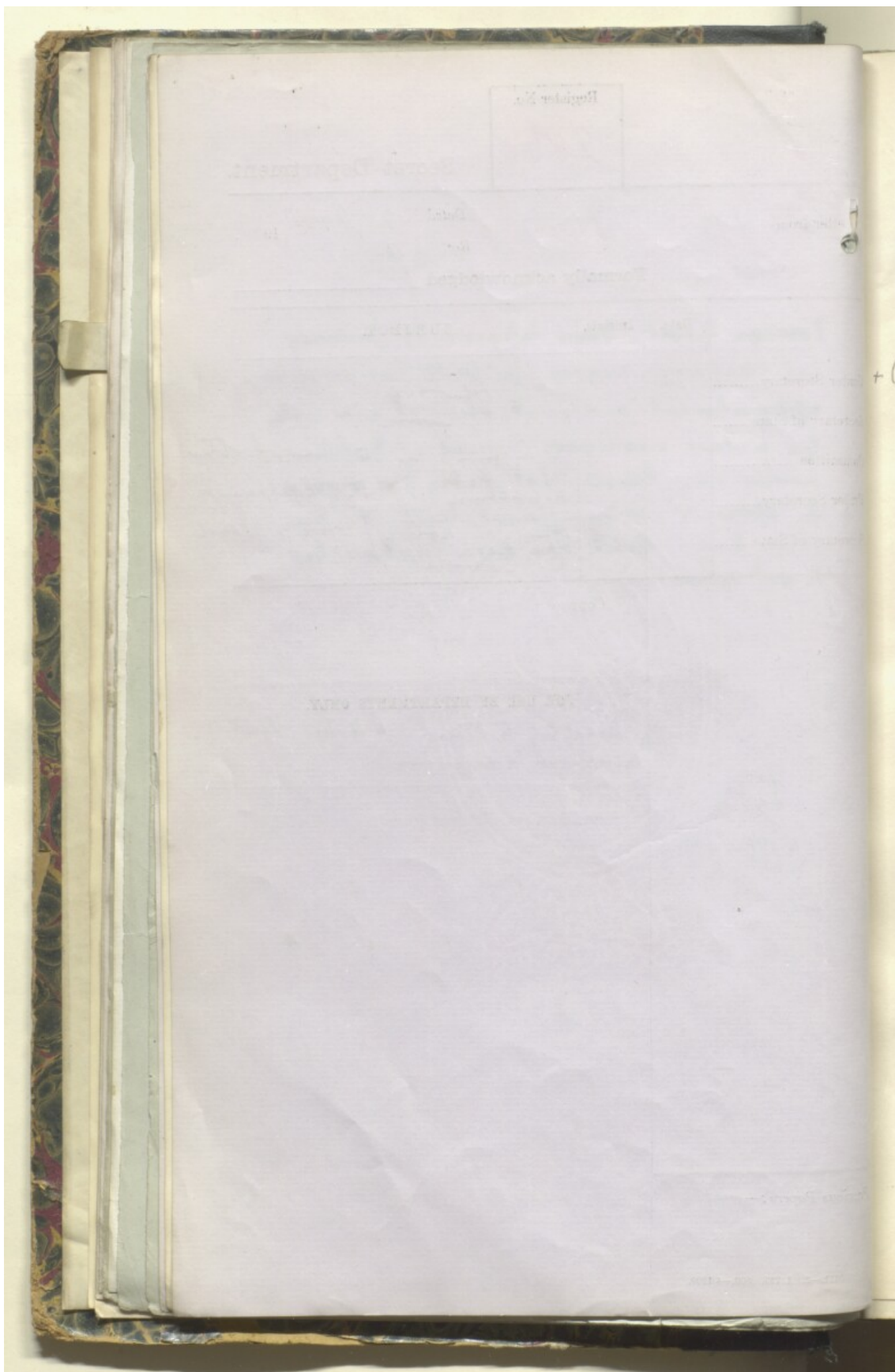
*See Pol. Com. No.
8, FEB. 1910
(with 162)*

Previous Papers:— *2878*

5611.—2. I. 725. 500.—4/1909.

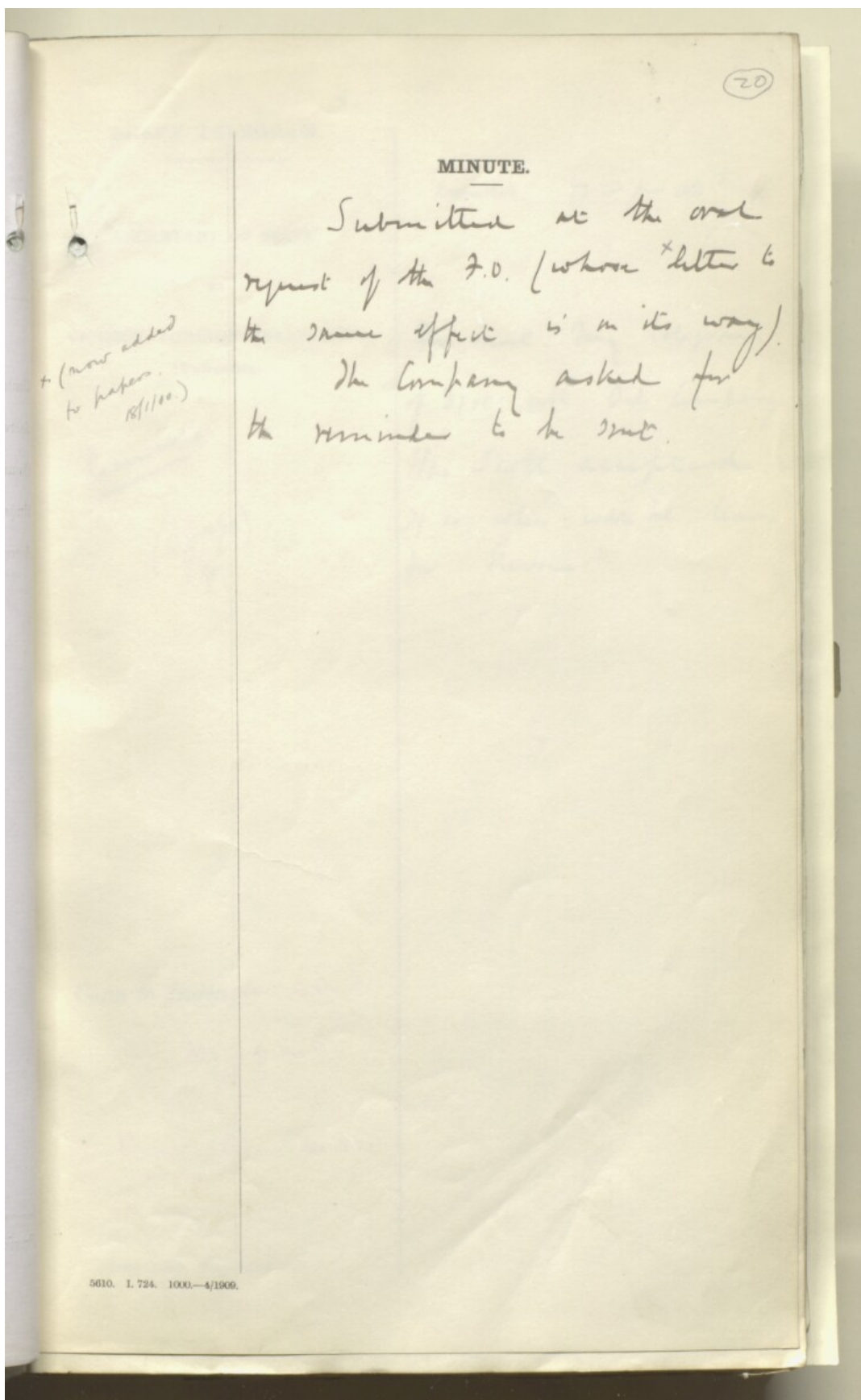


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٩ ظ] (١٤٢/٣٨)



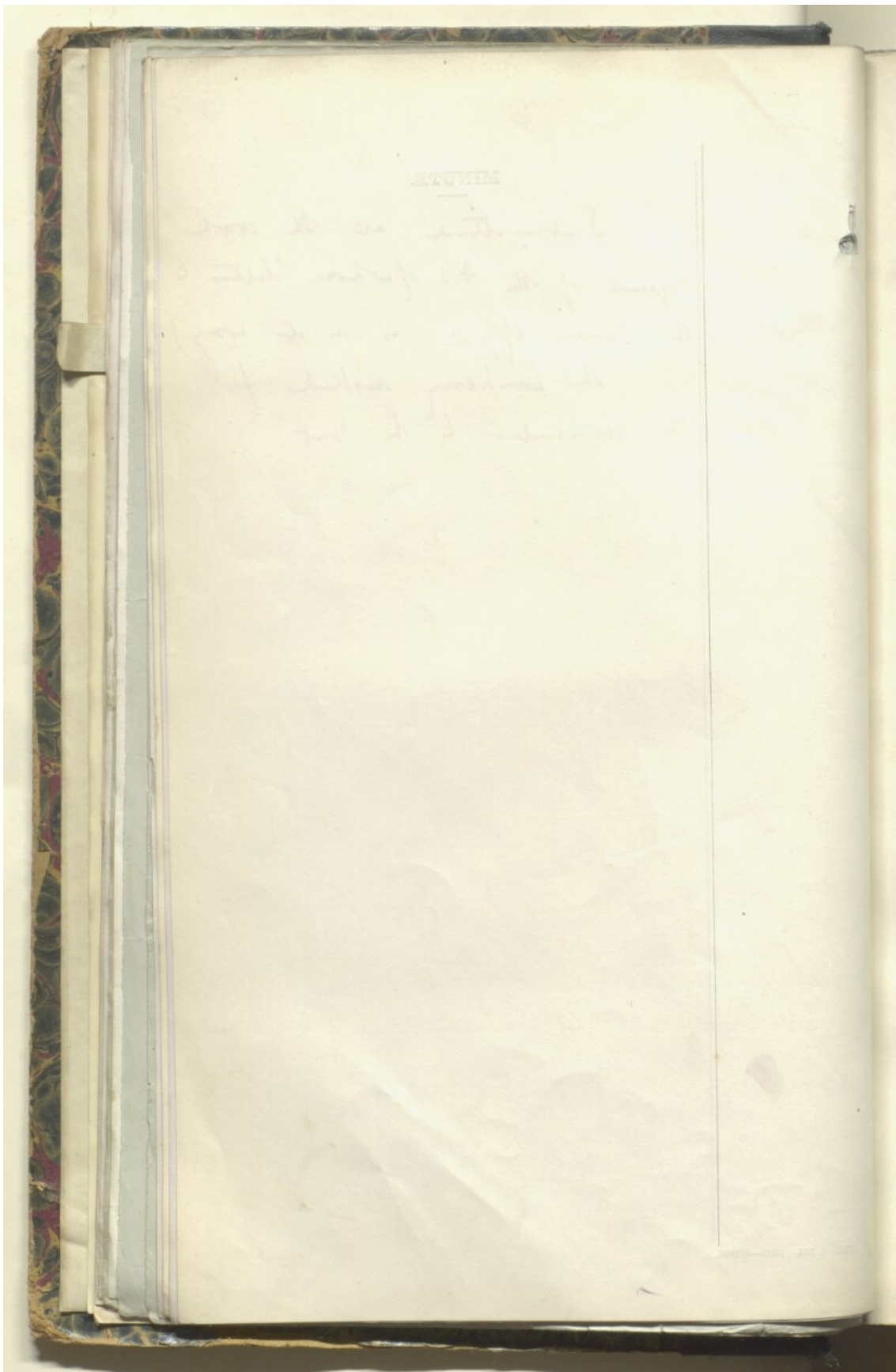


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٠] [١٤٢/٣٩]





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٠ ظ] (١٤٢/٤٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢١ و] (١٤٢/٤١)

(21)

*
DRAFT TELEGRAM.

SECRETARY OF STATE
TO
VICEROY, FOREIGN DEPARTMENT.
(Vafrofum)

Despatched 17-1-1906 +
J.M.

Recoverable.
(14 groups)
J.M.

For. Dept. My telegram
of 31st ult. Oil Company.
Has Scott accepted?
If so, when will he leave
for Persia!

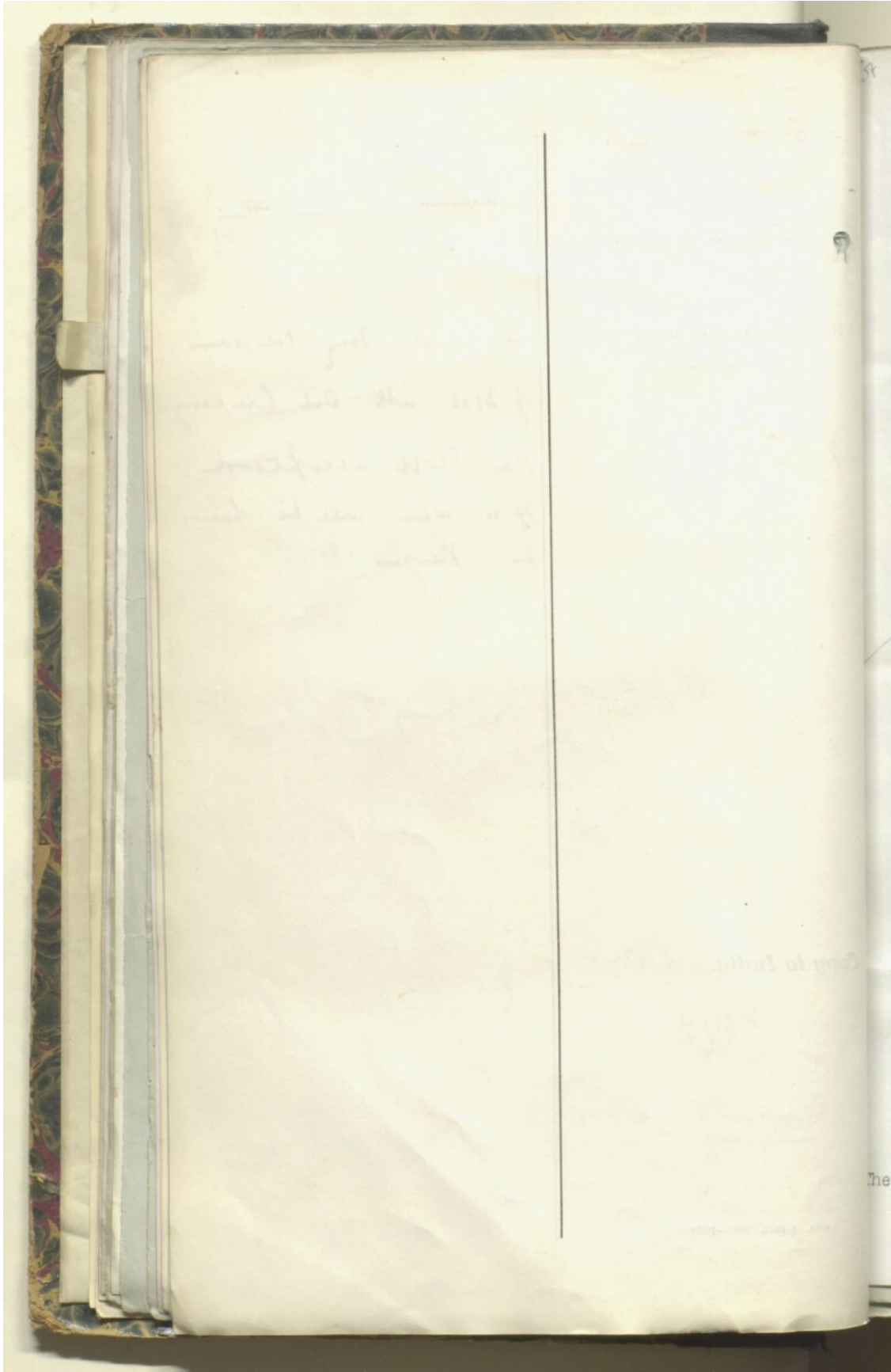
Copy to India. (407) 19 Jan '06.
.. 70 (H) 19 Jan '06
L 31 ..

Recoverable - see 3279/10

18010. L. 1841. 1000.—10/1906.

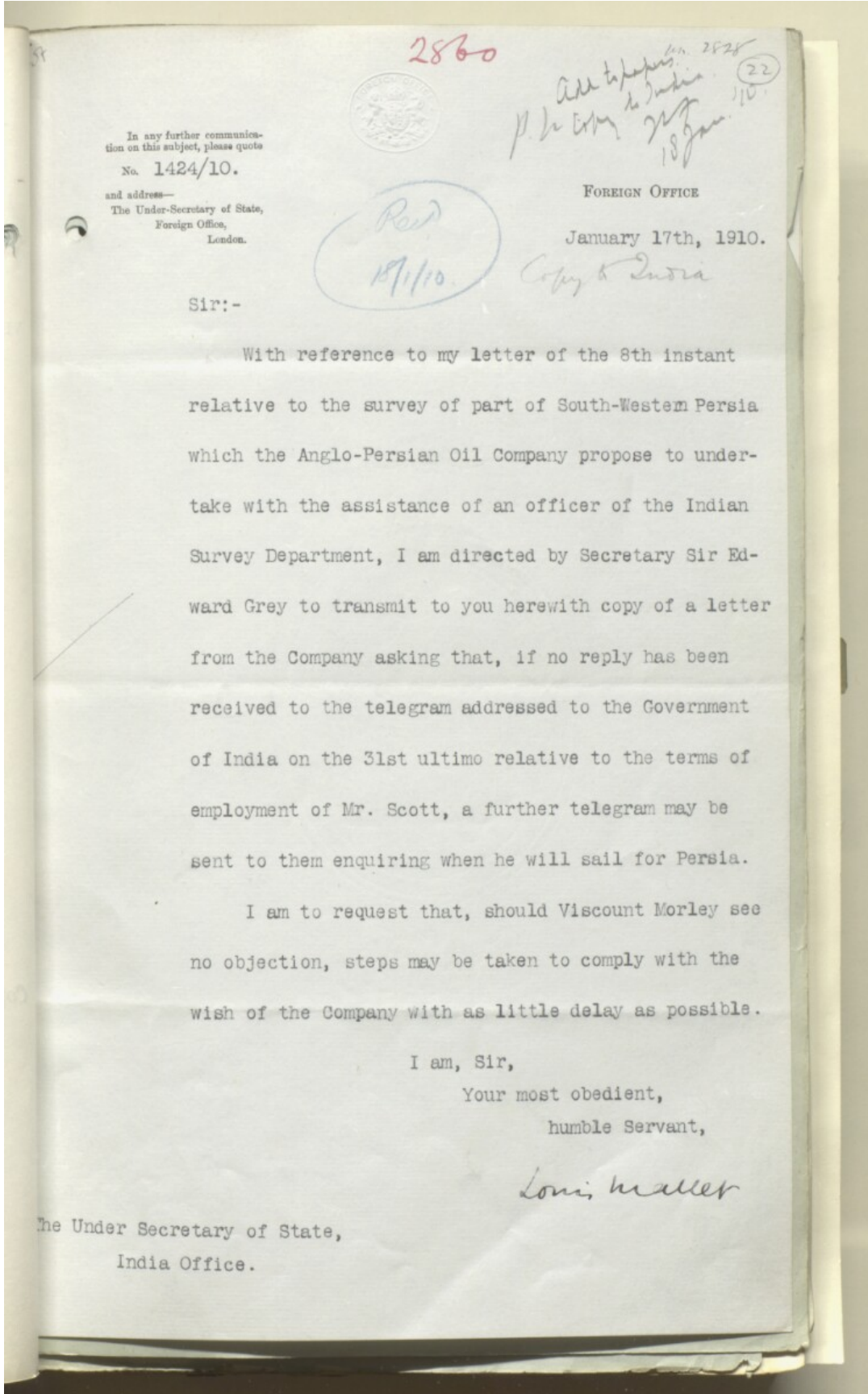


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢١ظ] (١٤٢/٤٢)



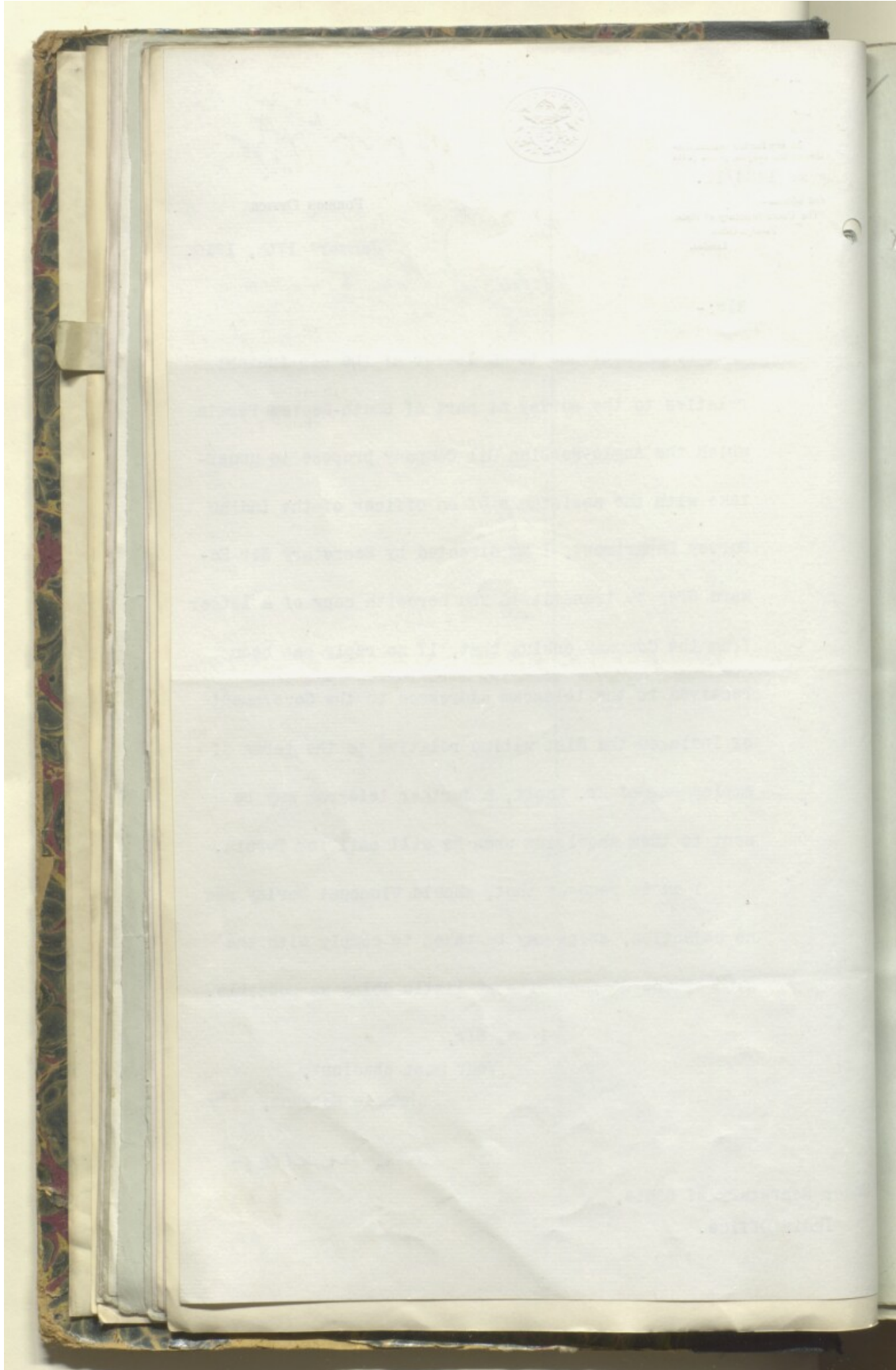


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٢ و] (١٤٢/٤٣)



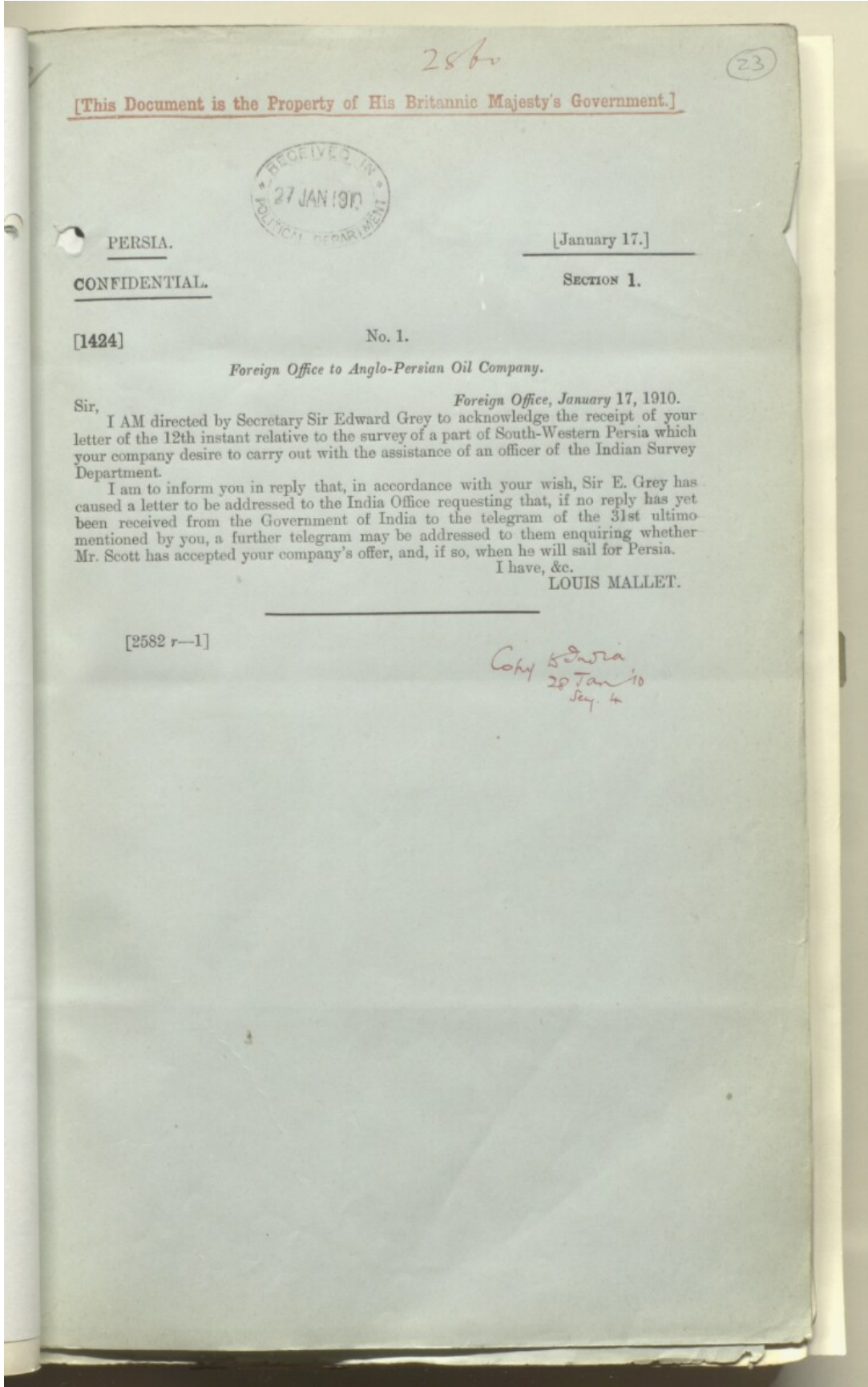


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٢ ظ] (١٤٢/٤٤)



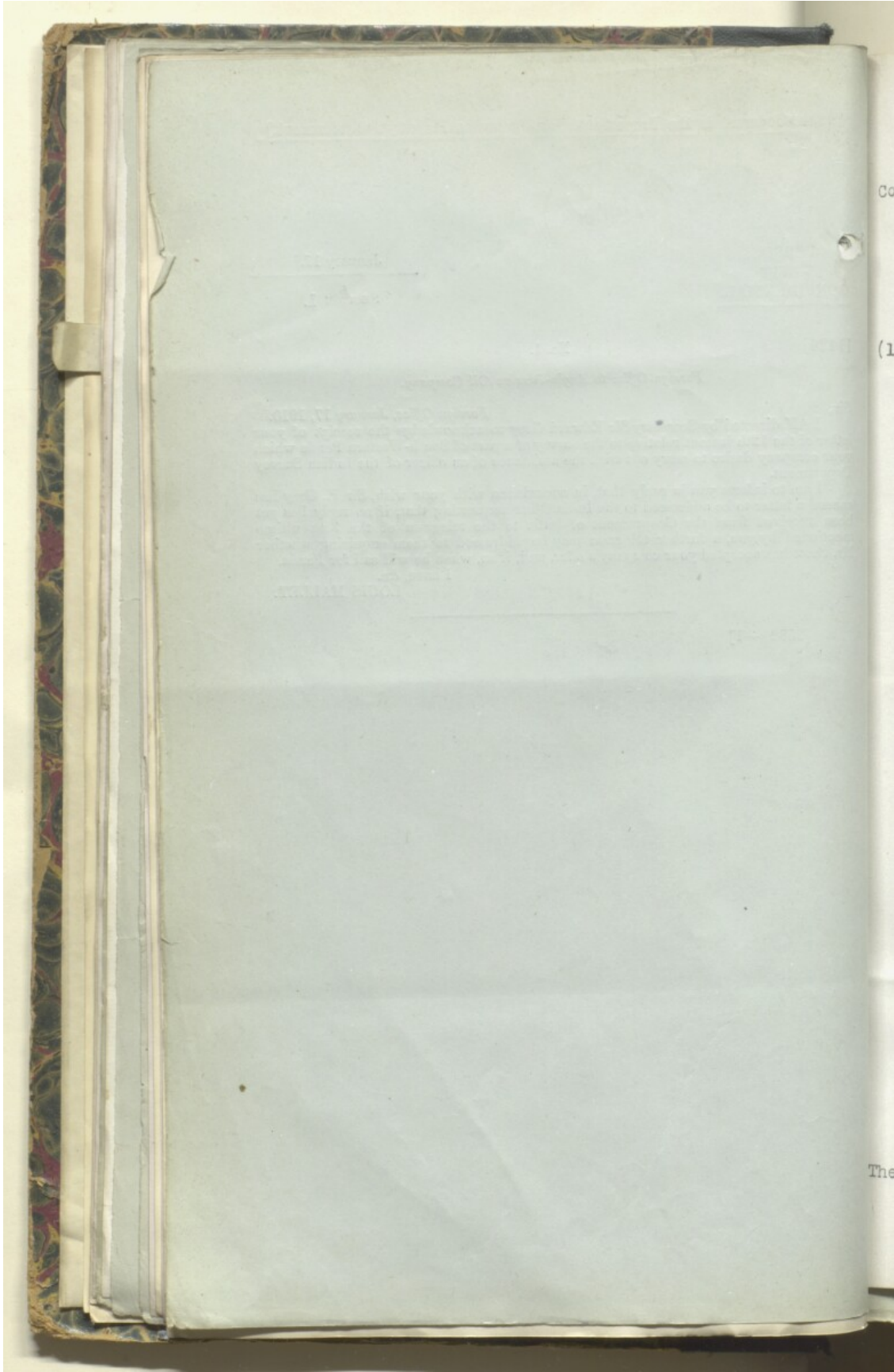


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٣ و] (١٤٢/٤٥)



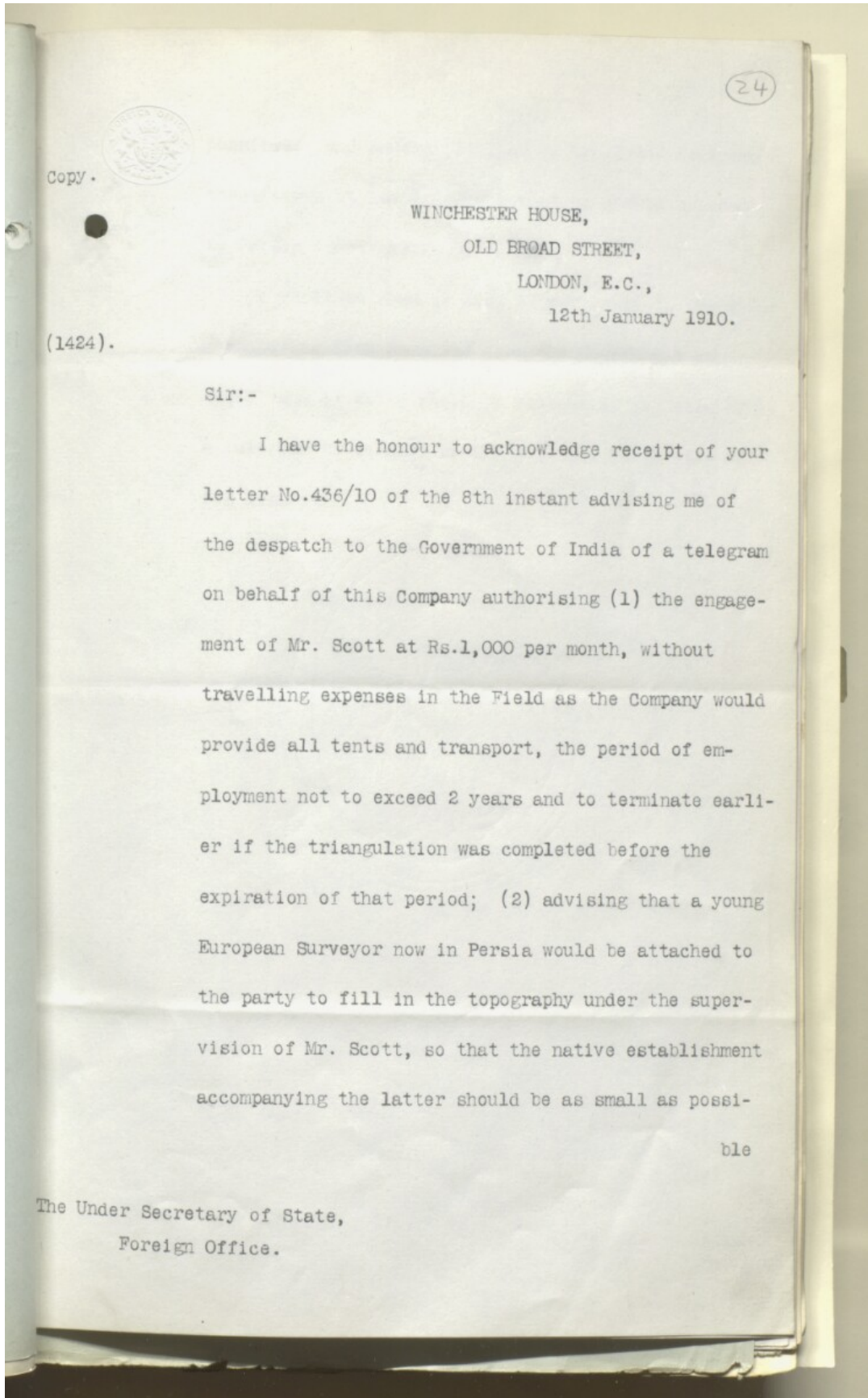


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٣ ظ] (١٤٢/٤٦)



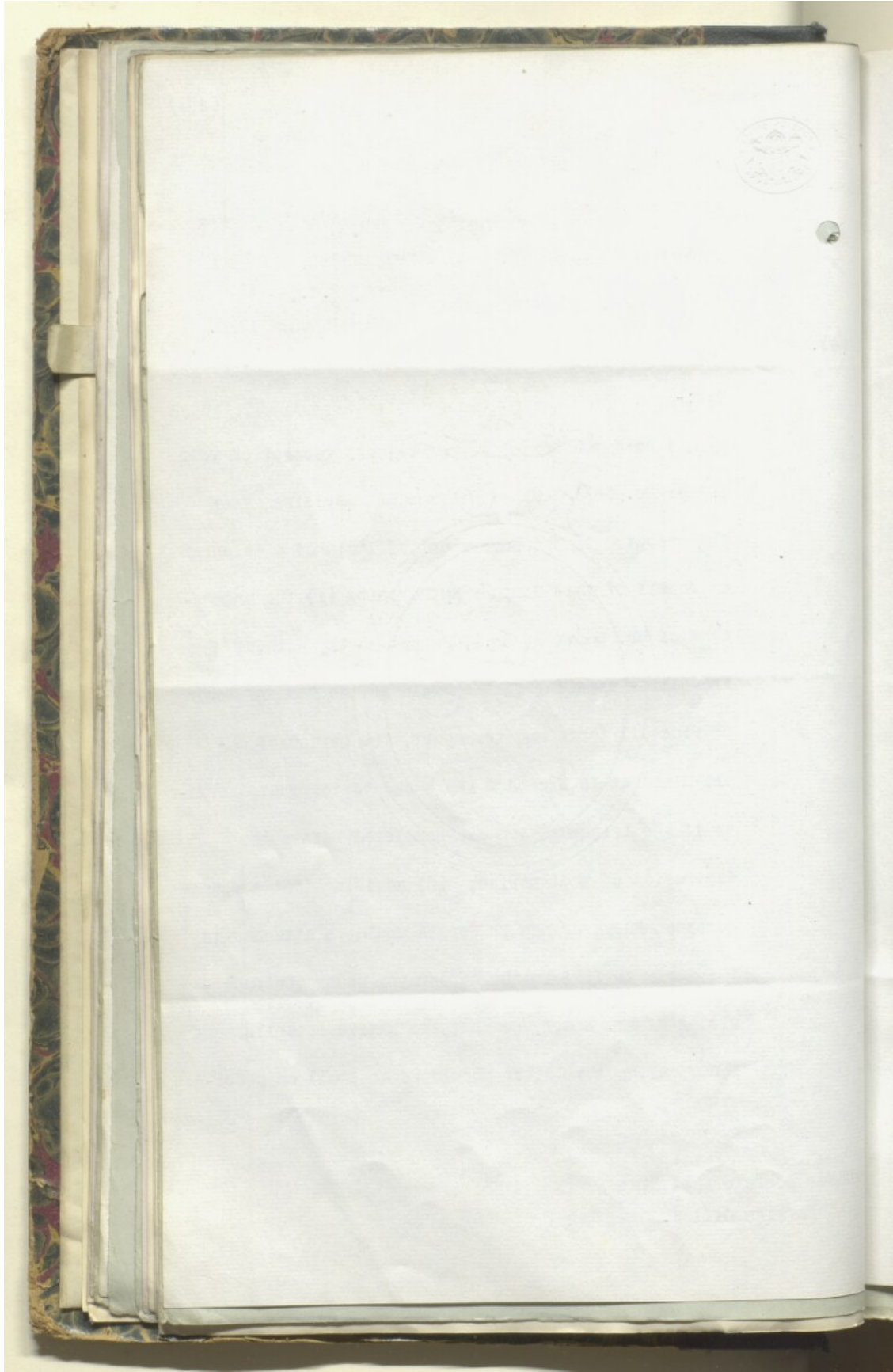


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٤ و] (١٤٢/٤٧)



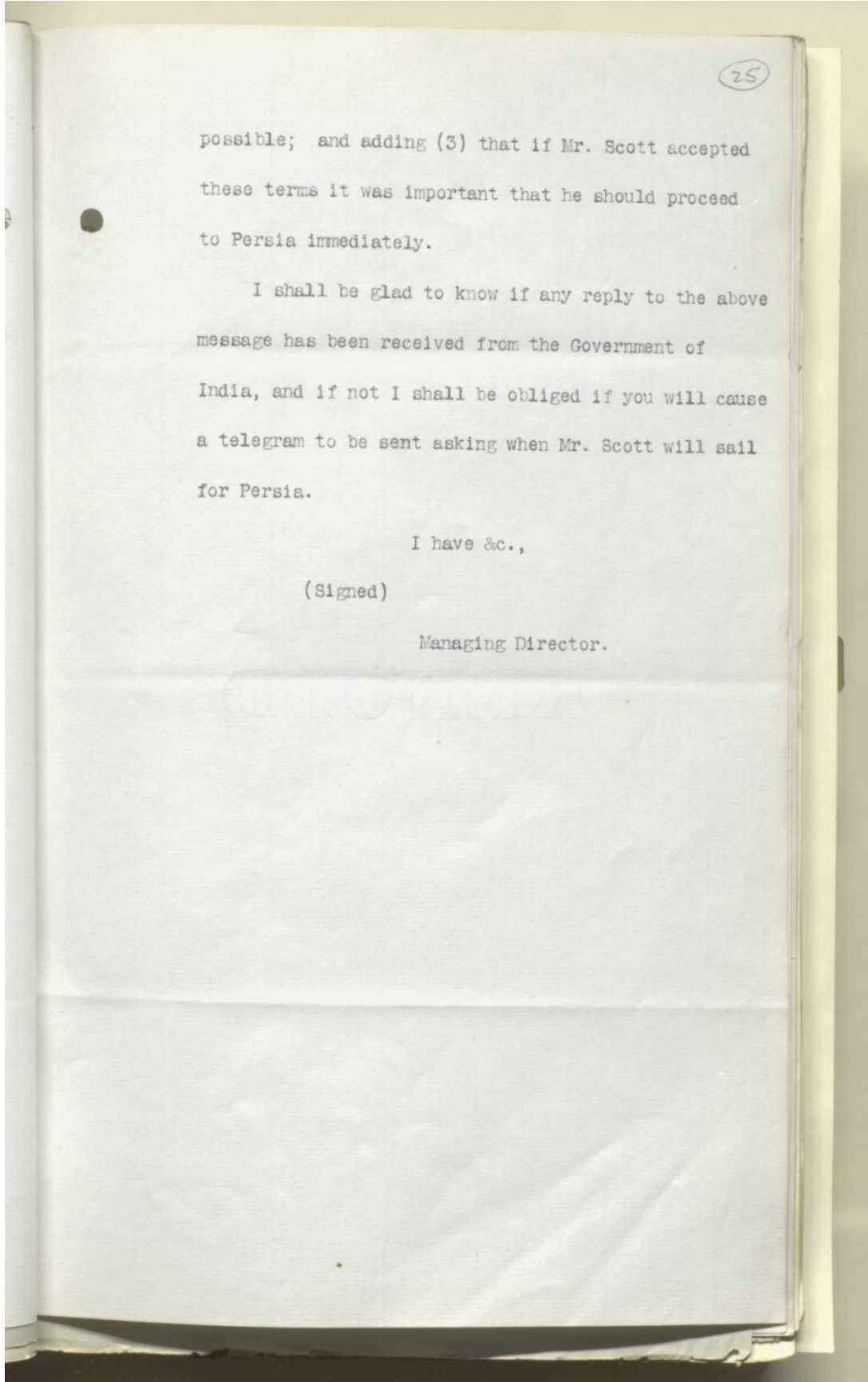


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٤ ظ] (١٤٢/٤٨)



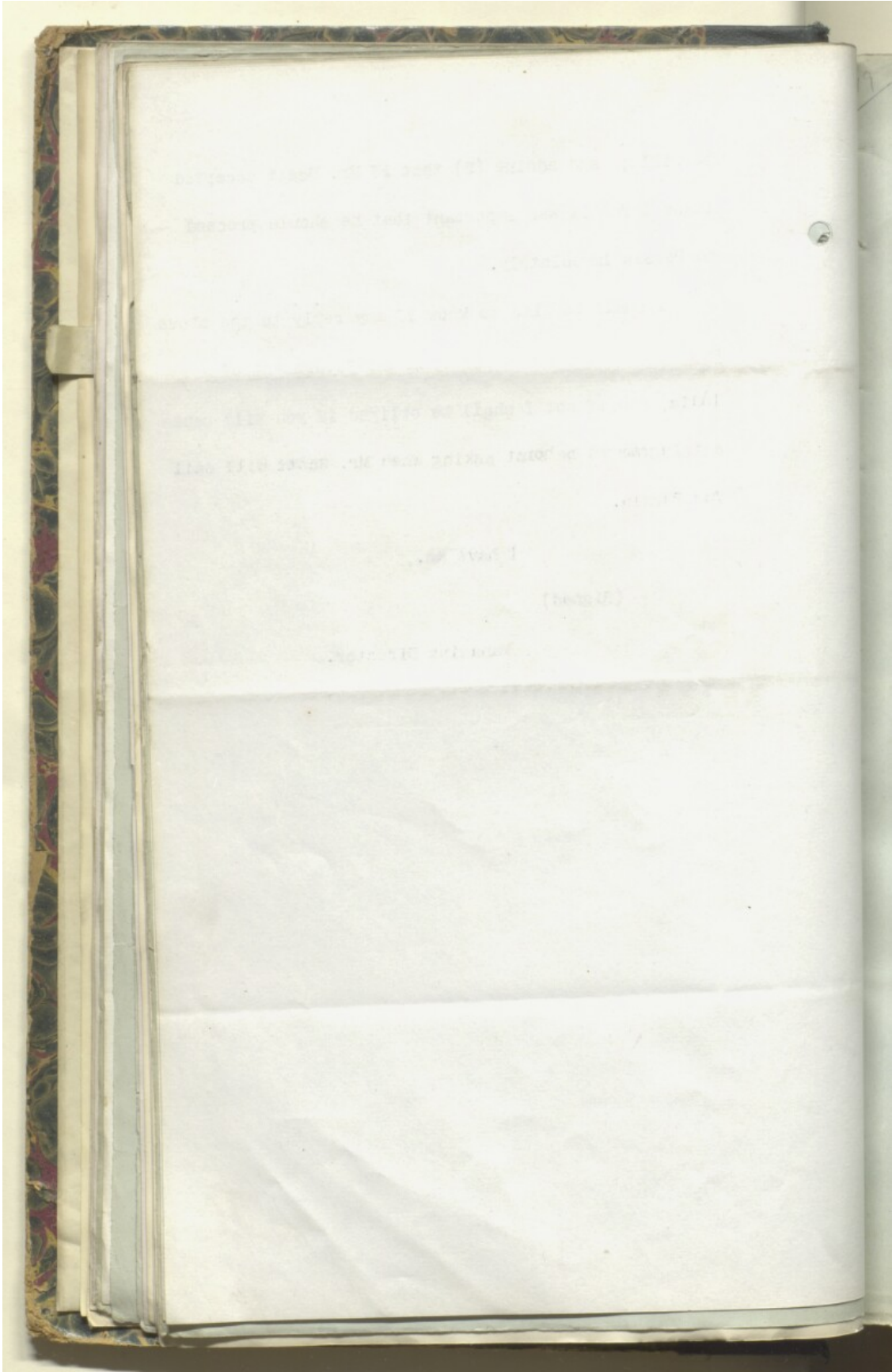


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٥ و] (١٤٢/٤٩)



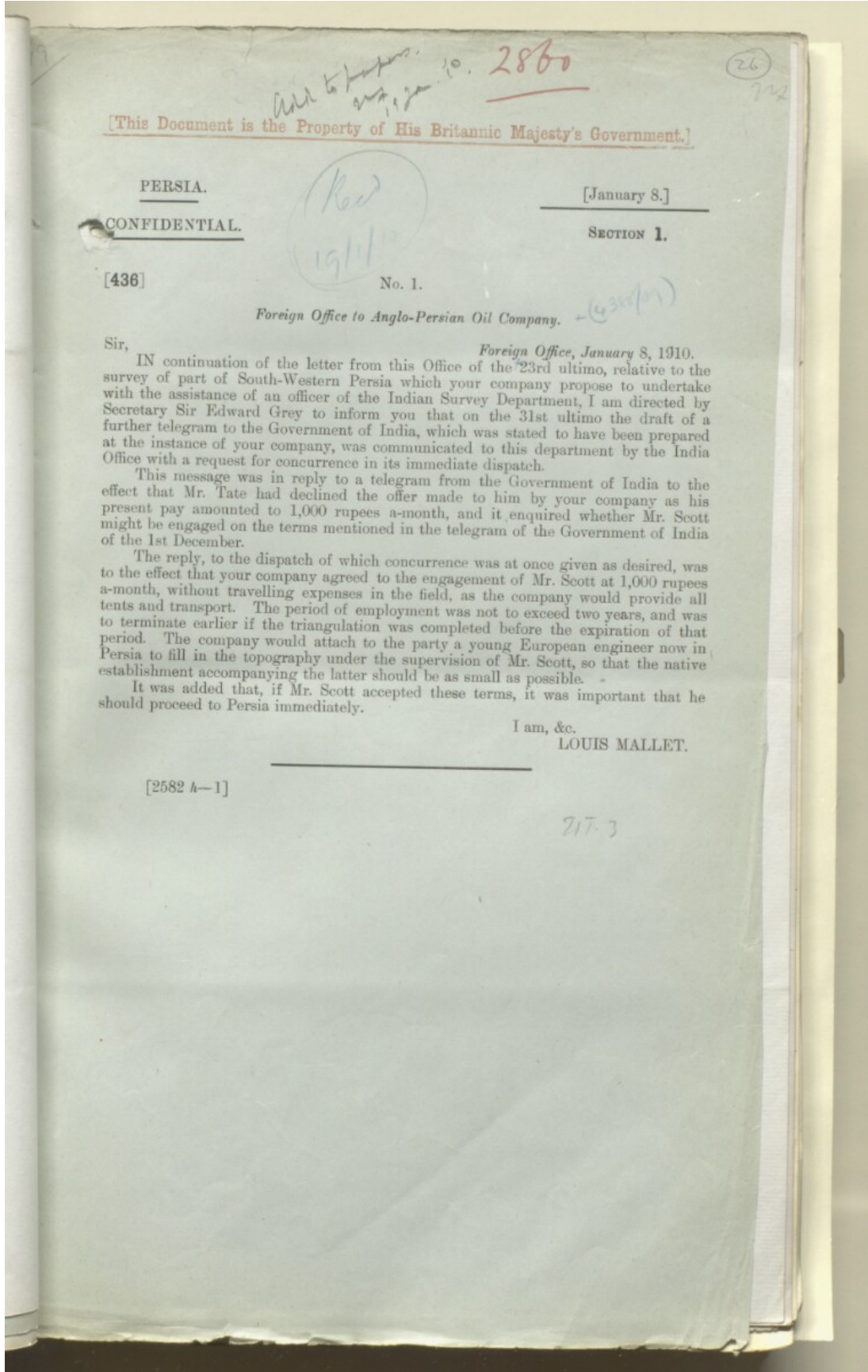


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٥ ظ] (١٤٢/٥٠)



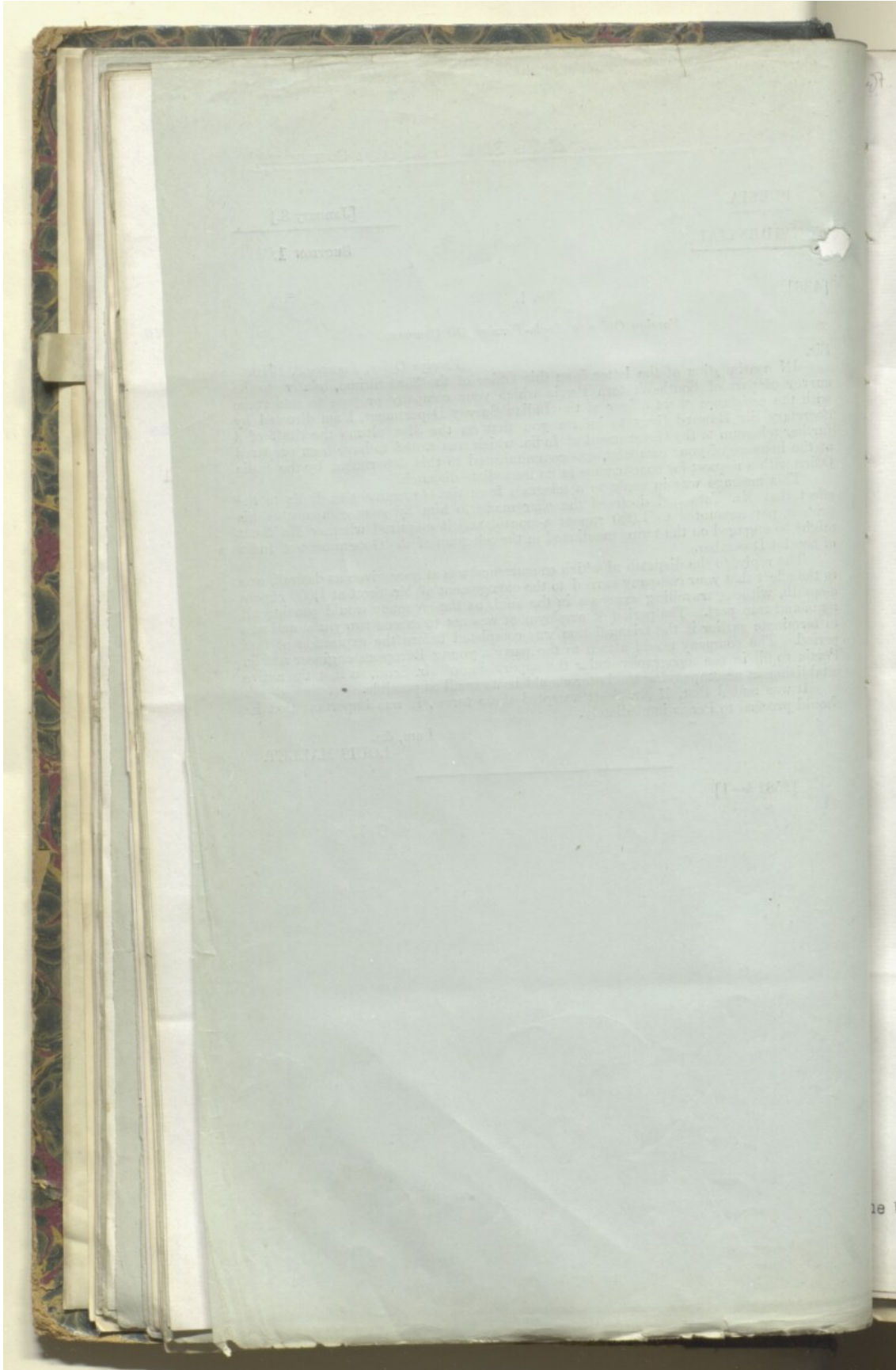


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٦ و] (١٤٢/٥١)



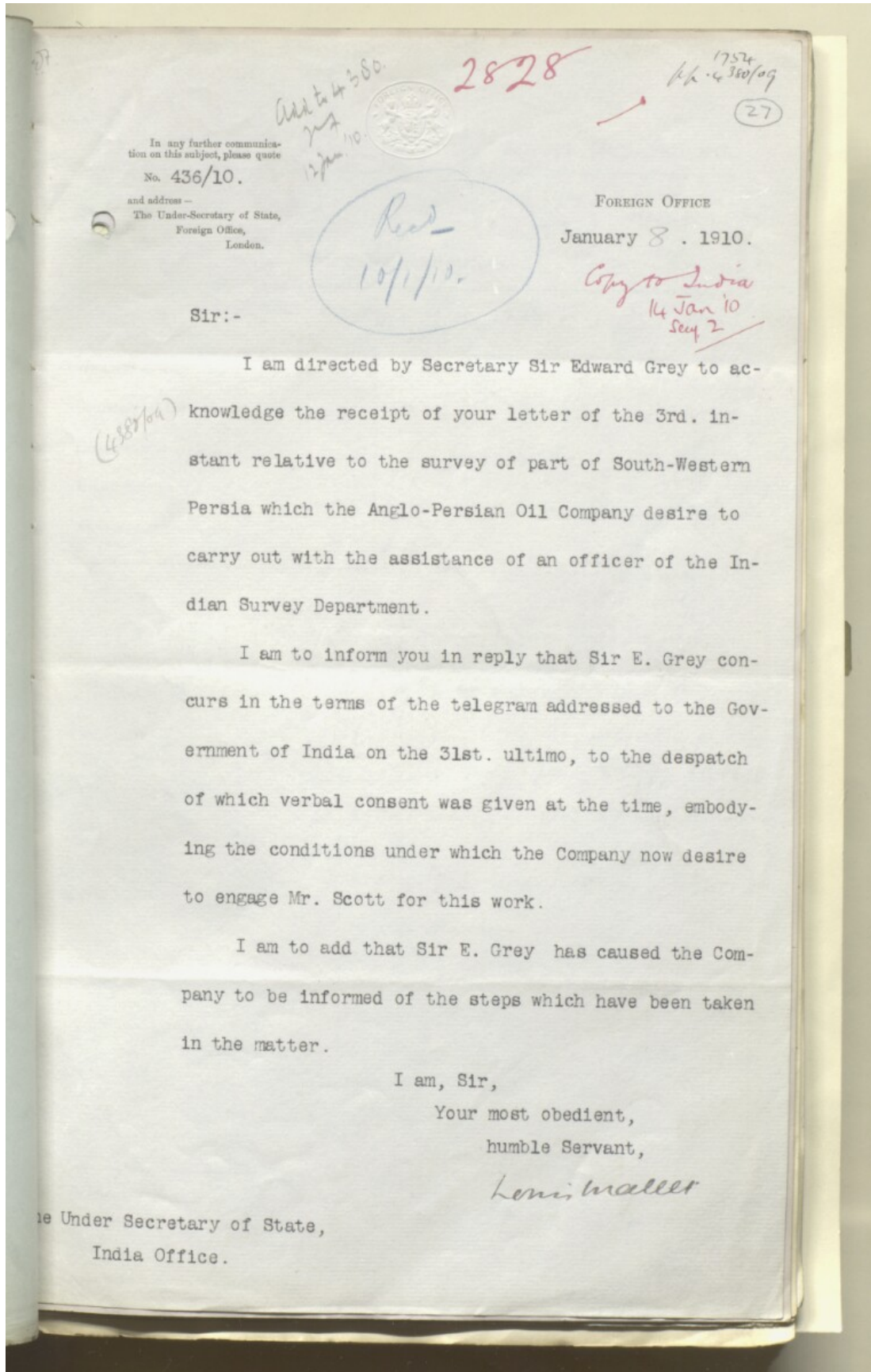


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٦ظ] (١٤٢/٥٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٧ و] (١٤٢/٥٣)



In any further communication on this subject, please quote
No. 436/10.
and address -
The Under-Secretary of State,
Foreign Office,
London.

FOREIGN OFFICE

January 8 . 1910.

Sir:-

I am directed by Secretary Sir Edward Grey to acknowledge the receipt of your letter of the 3rd. instant relative to the survey of part of South-Western Persia which the Anglo-Persian Oil Company desire to carry out with the assistance of an officer of the Indian Survey Department.

I am to inform you in reply that Sir E. Grey concurs in the terms of the telegram addressed to the Government of India on the 31st. ultimo, to the despatch of which verbal consent was given at the time, embodying the conditions under which the Company now desire to engage Mr. Scott for this work.

I am to add that Sir E. Grey has caused the Company to be informed of the steps which have been taken in the matter.

I am, Sir,

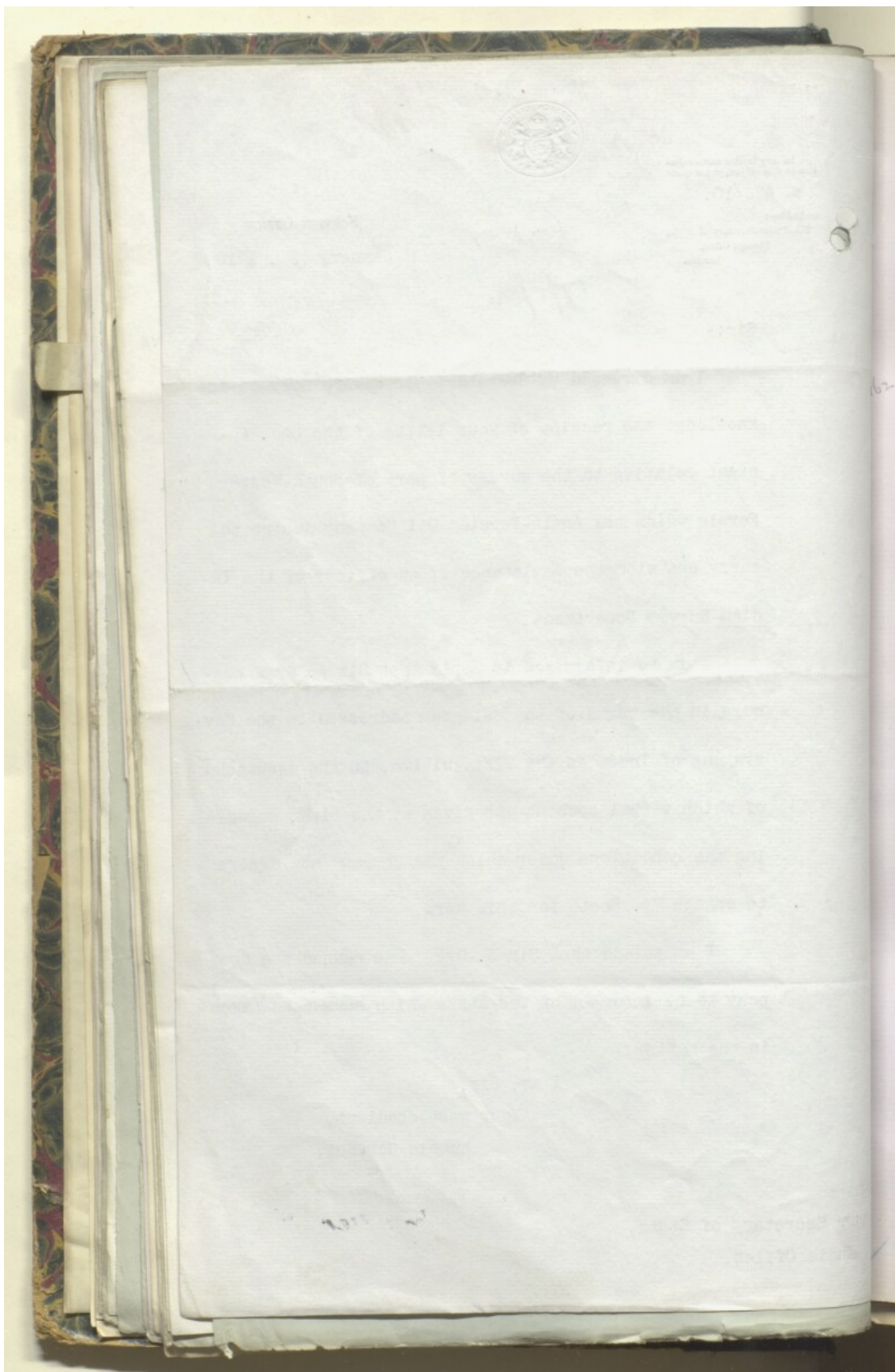
Your most obedient,
humble servant,

Loni Waller

Under Secretary of State,
India Office.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٧ظ] (١٤٢/٥٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٨ و] (١٤٢/٥٥)

(28)

Register No.
4380
1754

Secret Department.

Letter from F.O.
 Telegram from Viceroy

Dated 23, 29 } Dec. 1909.
Rec. 27, 24, 29 }

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	31 Dec.	Zark	<u>Persia</u> Oil Company's Survey. Mr. Tate's refusal to accept terms offered him. As to engagement of Mr. Scott on terms originally proposed.
Secretary of State.....			
Committee.....			
Under Secretary.....			
Secretary of State.....			

Copy to India 24 Dec 9-sep 52
India 7 Jan 10

FOR USE BY DEPARTMENTS ONLY.

Sft. telegram to Viceroy (prepared by Sir H. Barnes on behalf of the Coy) agreeing to engage Mr. Scott at Rs 1000 p. m. (£800 p. a), but without travelling expenses

Sft. to F.O. forwarding copy of telegraphic conce. with Viceroy

Telegram to Viceroy 31 Dec/09
Letter to F.O. 3 Jan. /10.

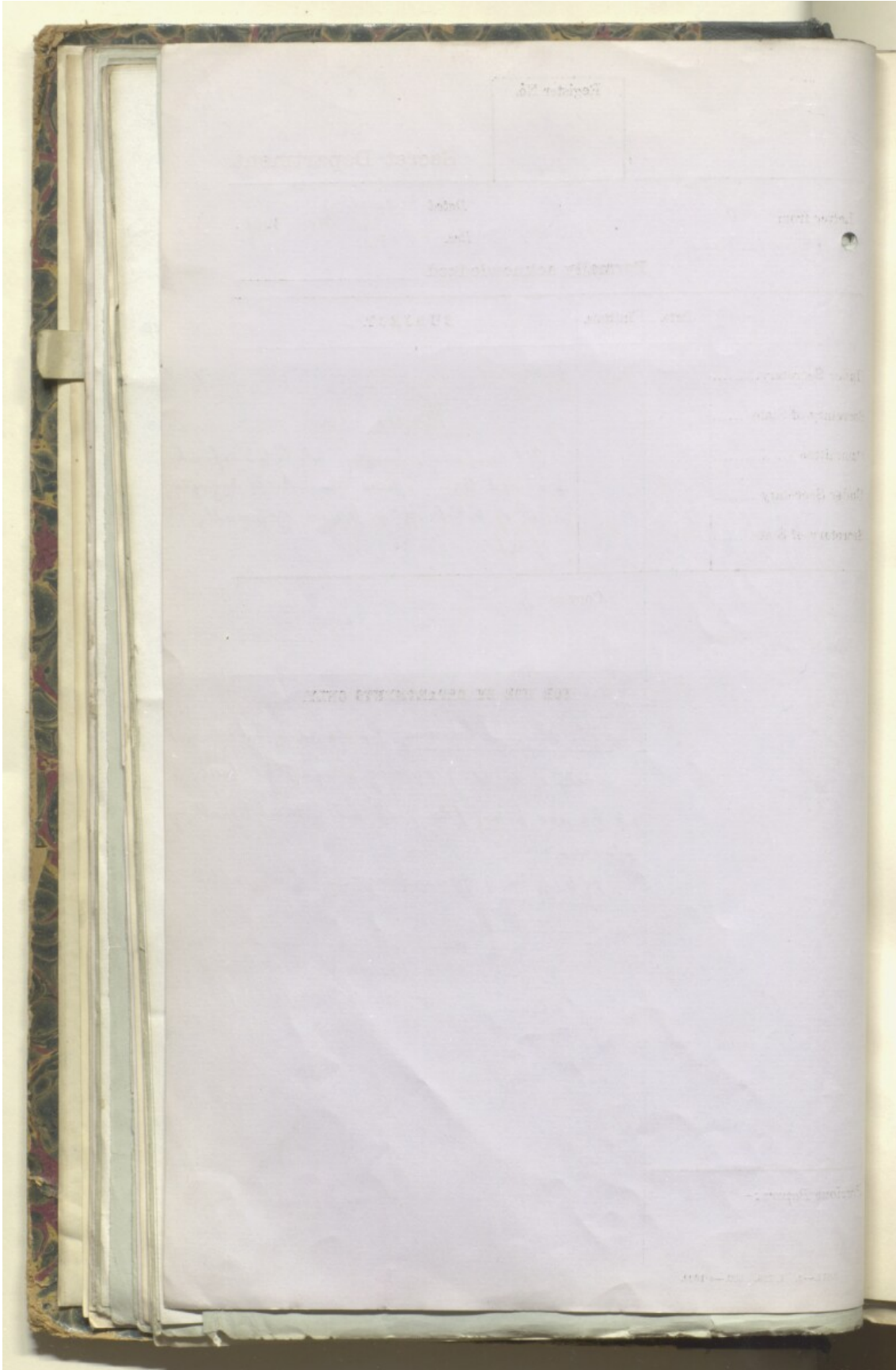
Secy. Pol. Com'ee.,
17 JAN 1910

Previous Papers:—

6611.—2. I. 725. 600.—4/1909.

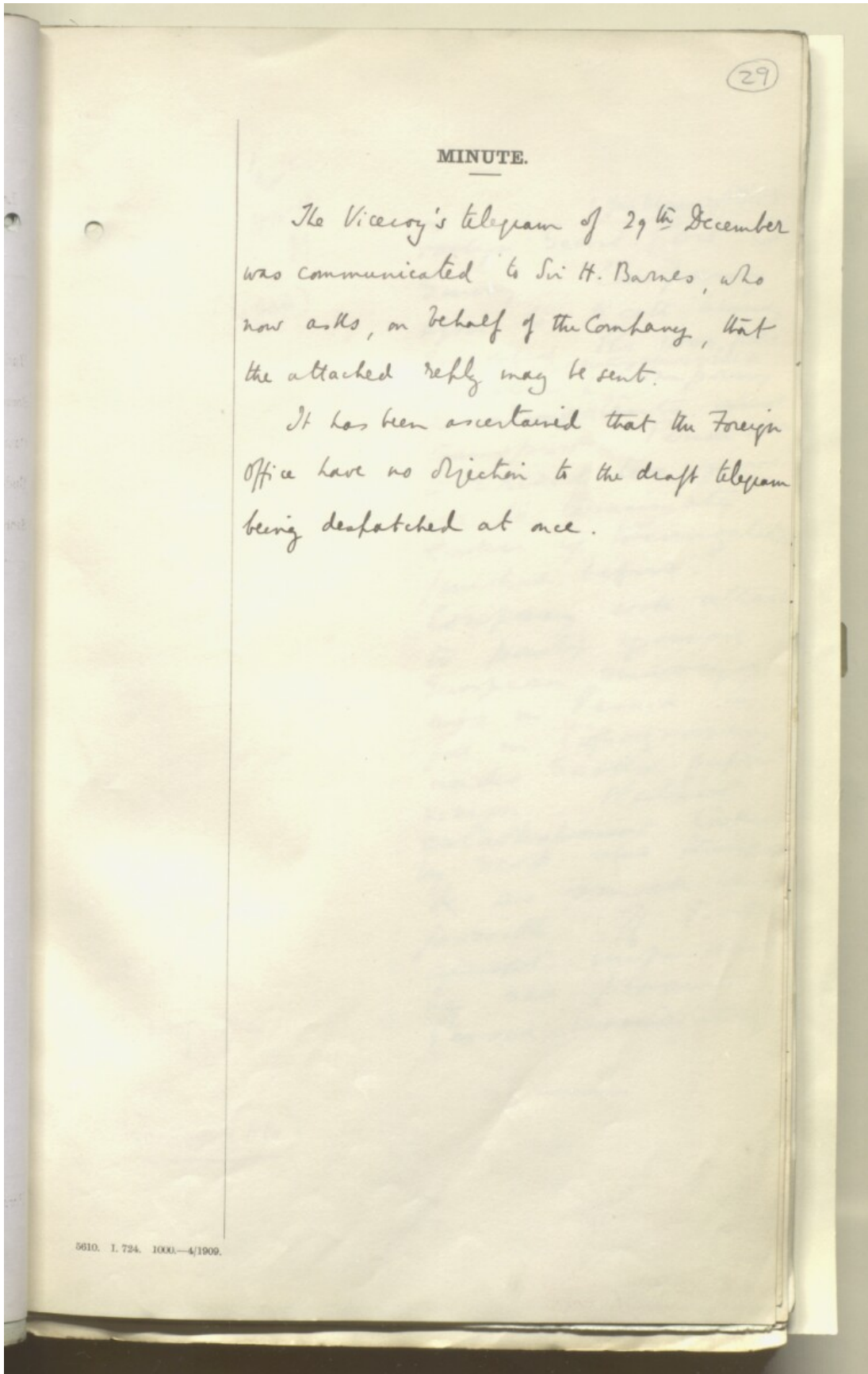


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٨ظ] (١٤٢/٥٦)



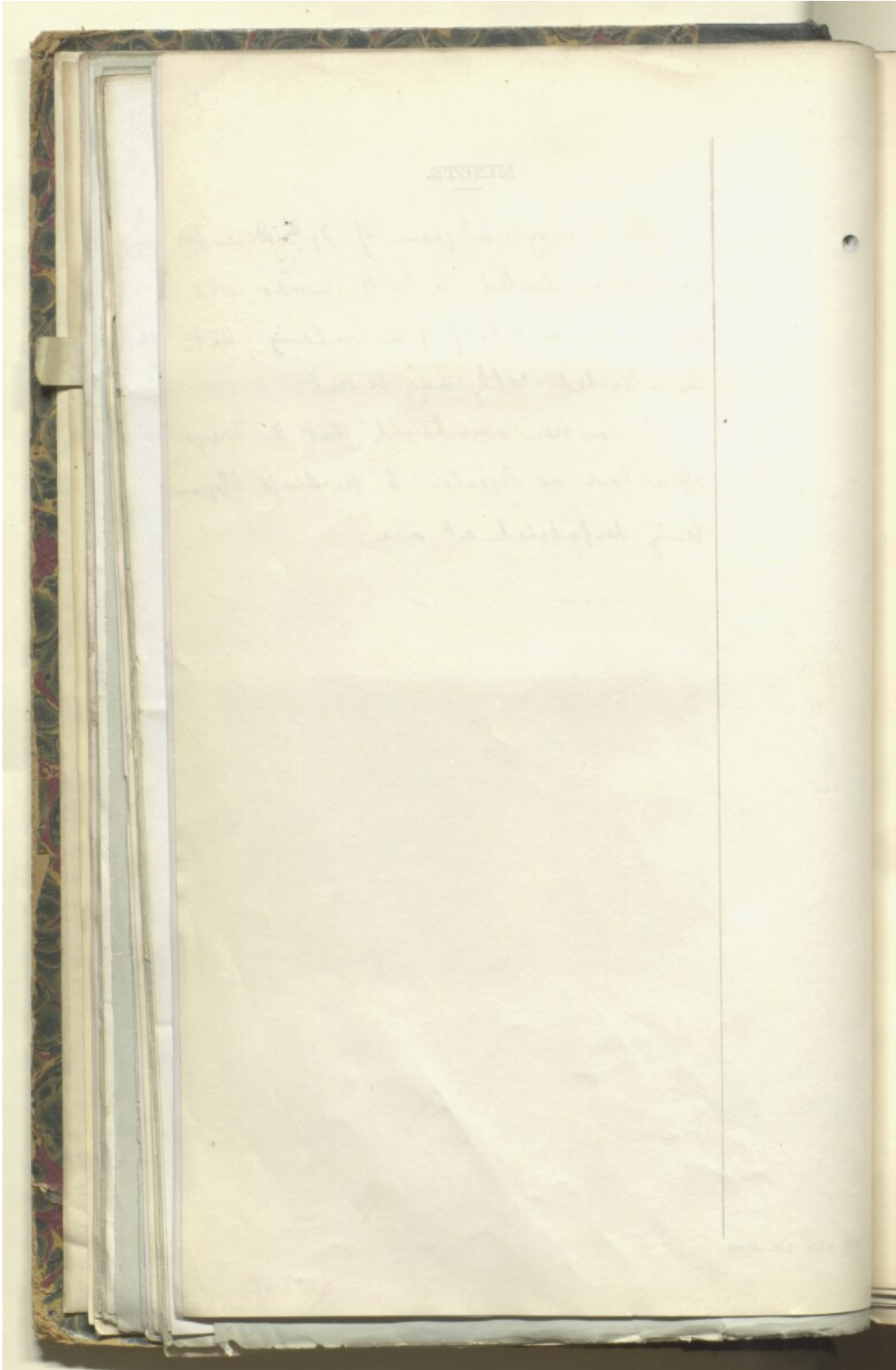


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٩ و] (١٤٢/٥٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٩ظ] (١٤٢/٥٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٠] [١٤٢/٥٩]

(30)

Text
3112-09
1/1
(70 proofs)

(You telegraph 29th Dec.)

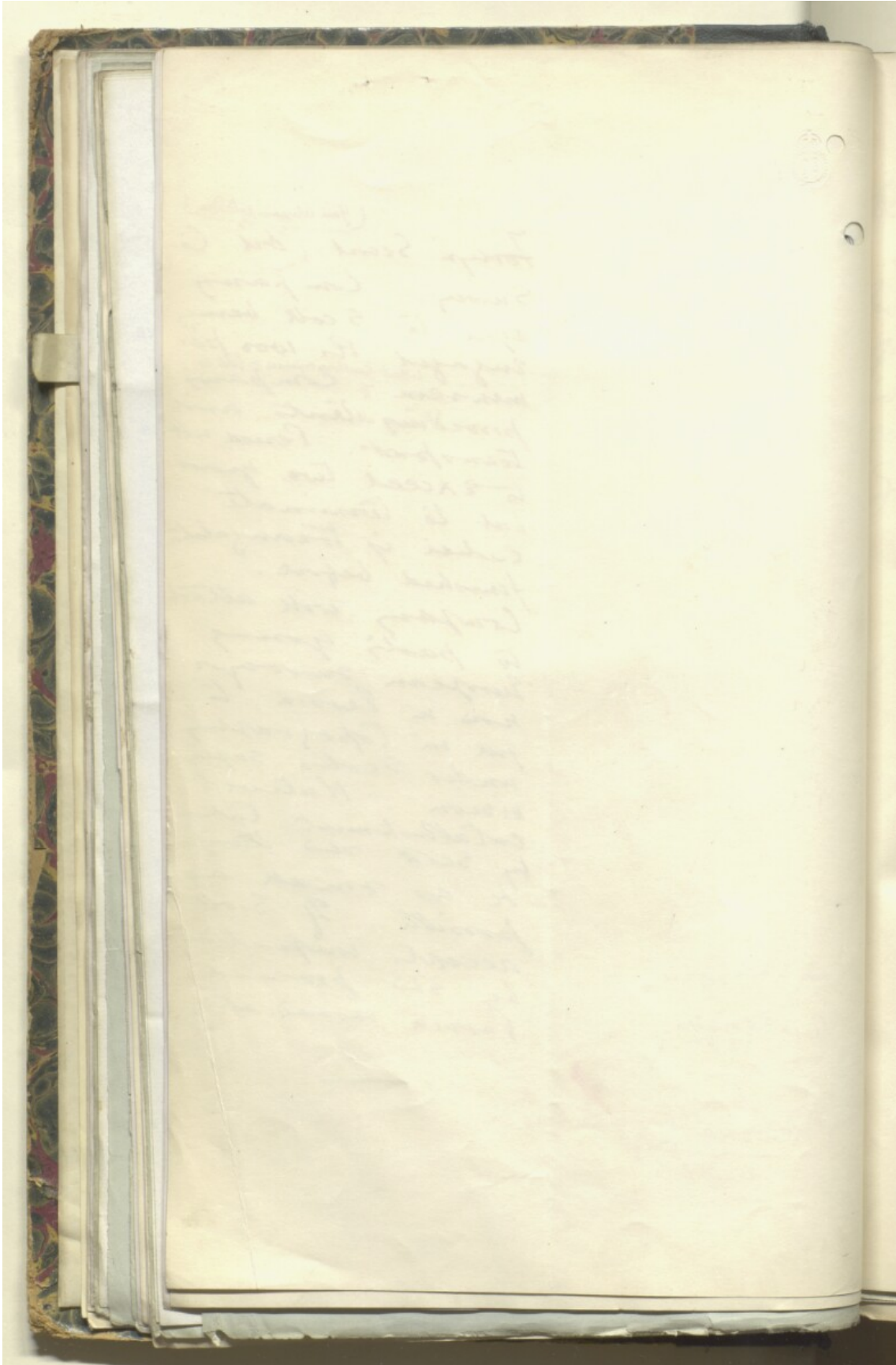
Forlay's Secret. [Oil Co.
Survey Company
agree to Scott being
engaged Rs 1000 per
mensem ^{without travelling expenses in field as} Company
providing all tents and
transport. Period not
to exceed two years
but to terminate
earlier if triangulation
finished before.
Company will attach
to party young
European surveyor
now in Persia to
fill in topography
under Scott's super-
vision. Native
establishment taken
by Scott shd transfer
be as much as
possible. If Scott
accepts important
he shd proceed
Persia immediately

Copy to India (188) 7 Jan.
Copy to [?] (4) 3 Jan.
6.

Recoverable - 50 3229/10

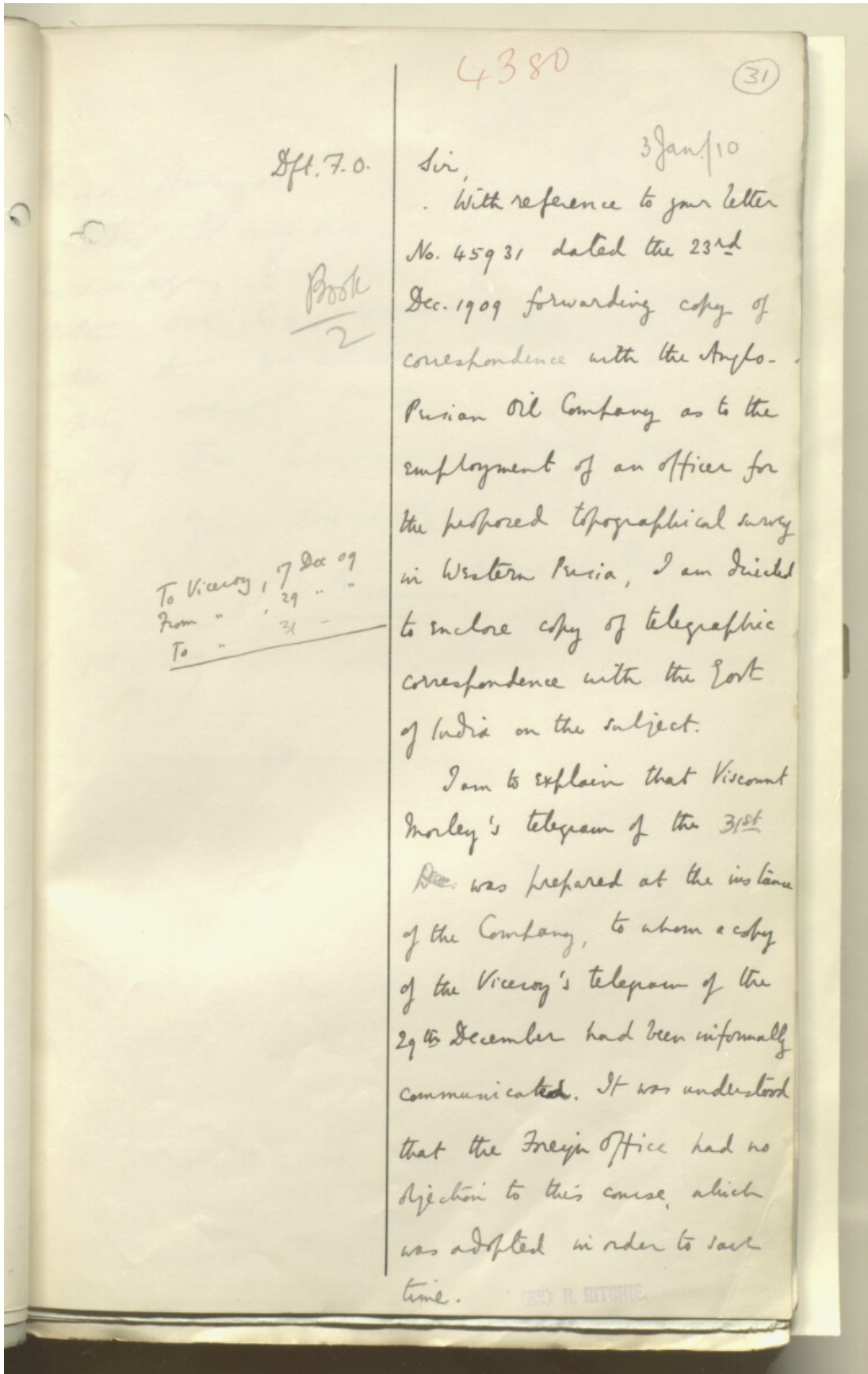


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٠ظ] (١٤٢/٦٠)



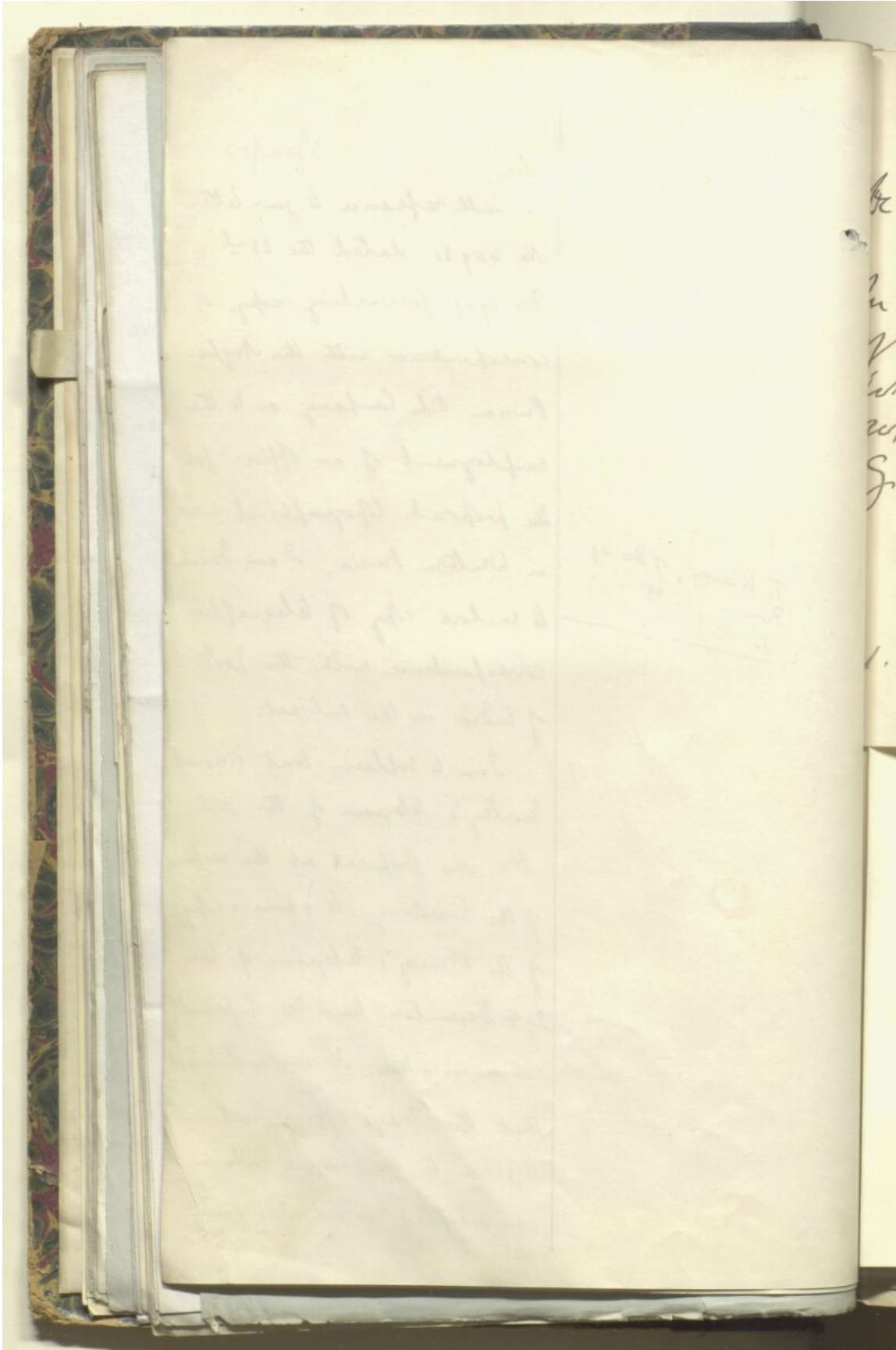


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣١ و] (١٤٢/٦١)



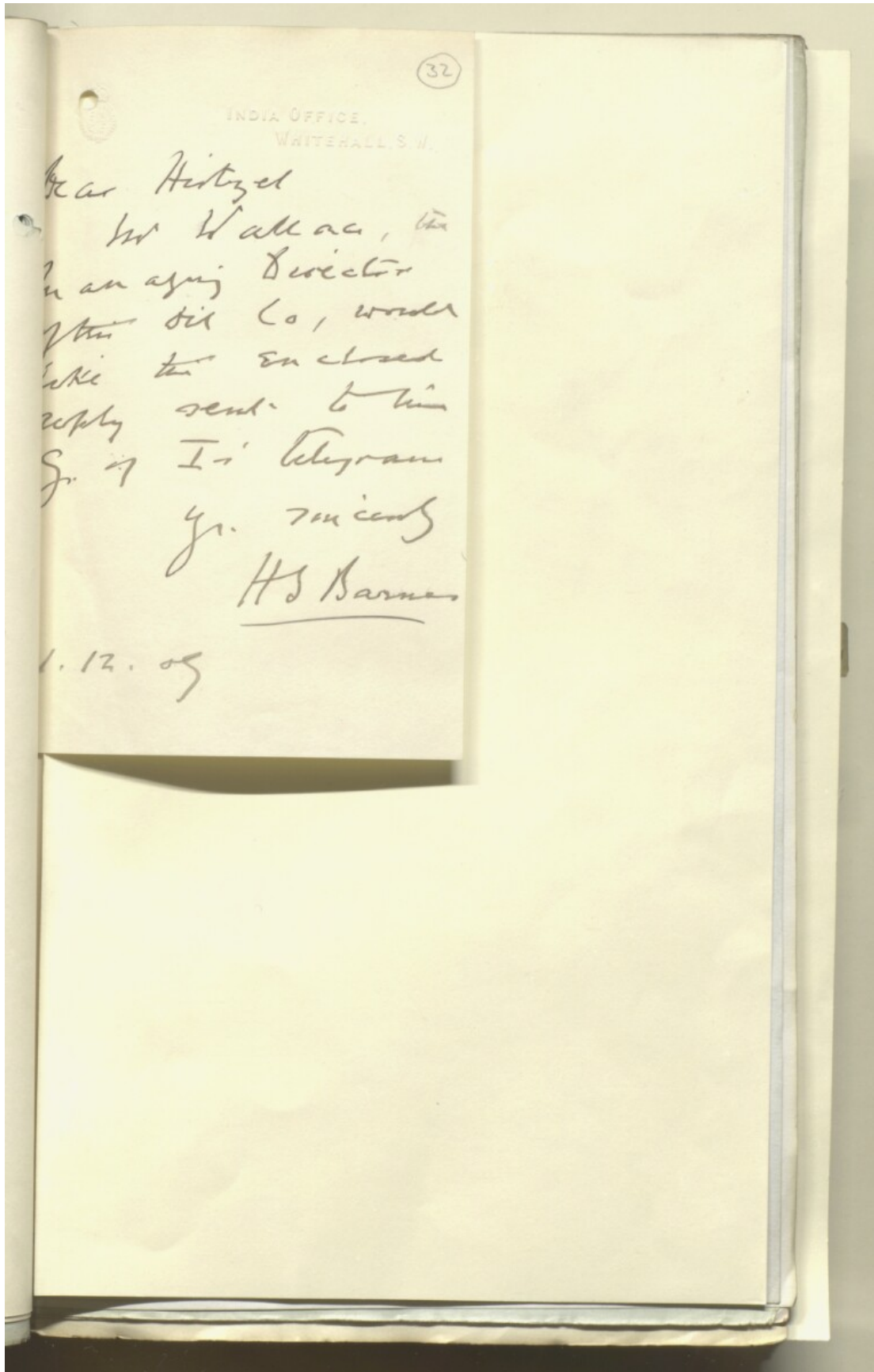


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣١ ظ] (١٤٢/٦٢)



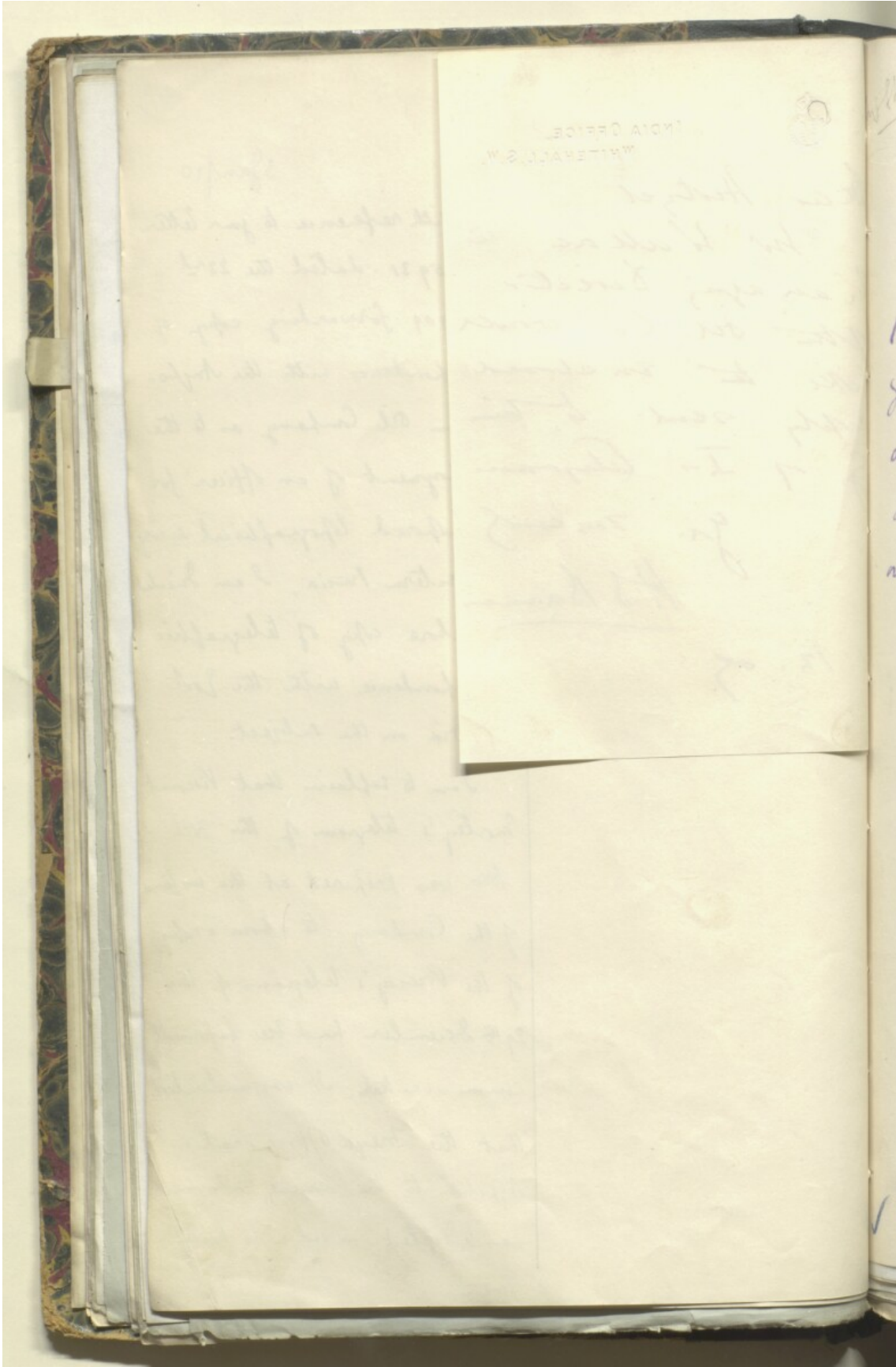


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٢و] (١٤٢/٦٣)



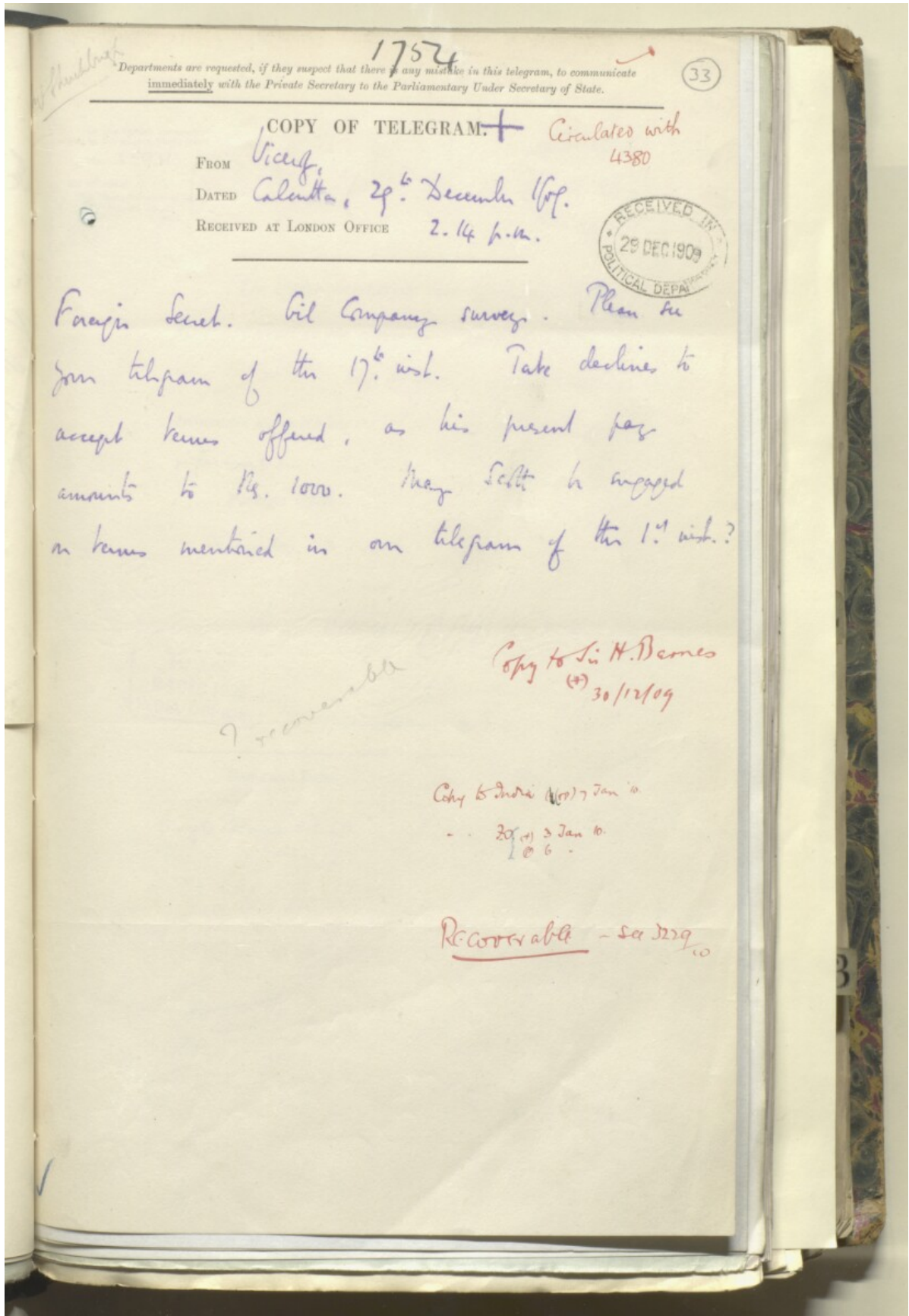


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٢ظ] (١٤٢/٦٤)



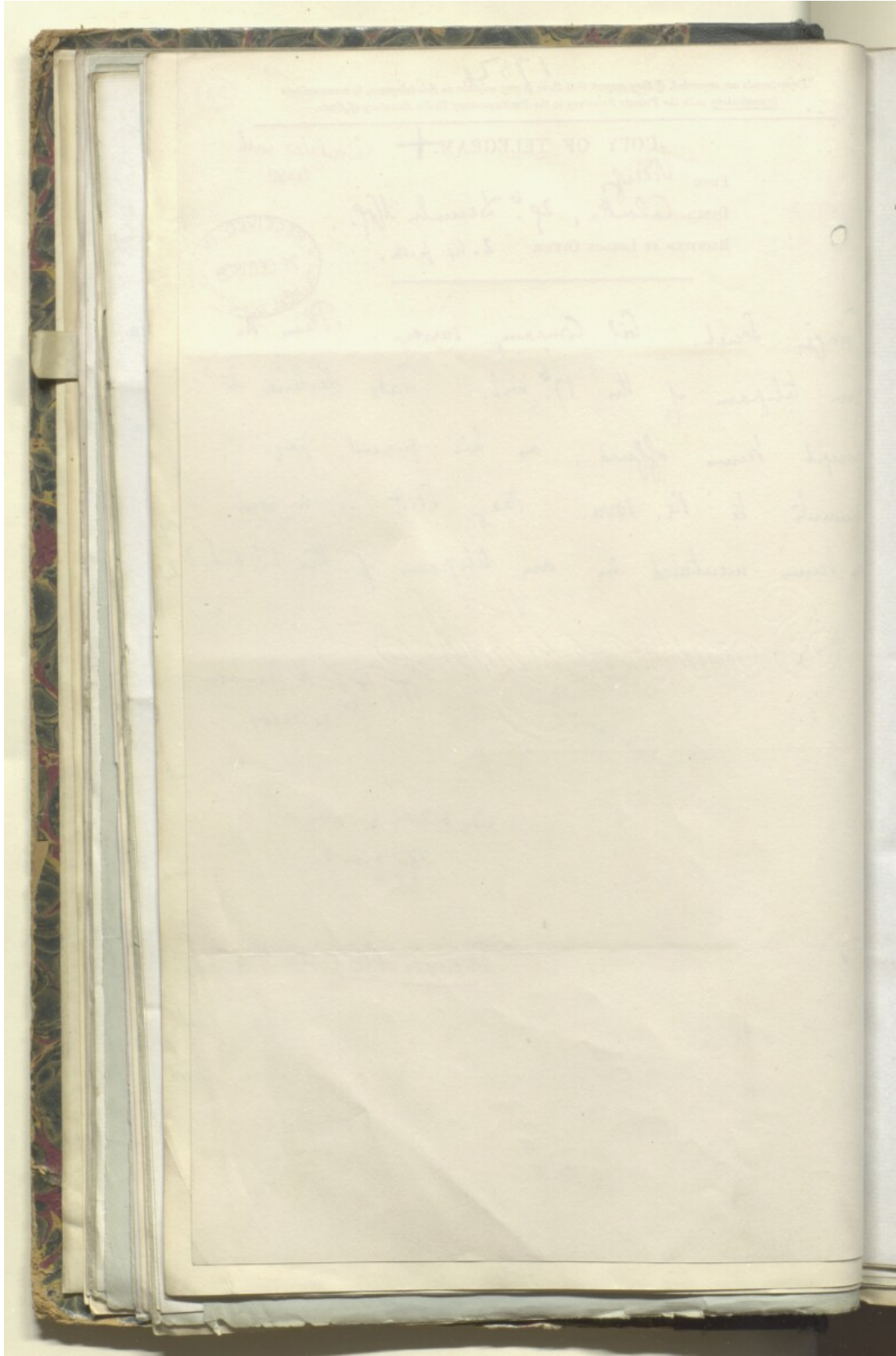


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٣ و] (١٤٢/٦٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٣ظ] (١٤٢/٦٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٤ و] (١٤٢/٦٧)

*Keep till date -
refuse to me 23/12*

4350

1/1662
34

In any further communication on this subject, please quote
No. 45931
and address—
The Under-Secretary of State,
Foreign Office,
London.

RECEIVED IN
24 DEC 1909
POLITICAL DEPT

The Under-Secretary of State for Foreign Affairs presents
his compliments to the Under-Secretary of State for *India*
and, by direction of the Secretary of State,
transmits herewith copies of the under-mentioned papers for his
information.

Foreign Office,
December 23, 1909.

Reference to previous letter:
J.O. Secy (1882/11)

RECEIVED
10 a.m.
24 DEC 1909
INDIA OFFICE.

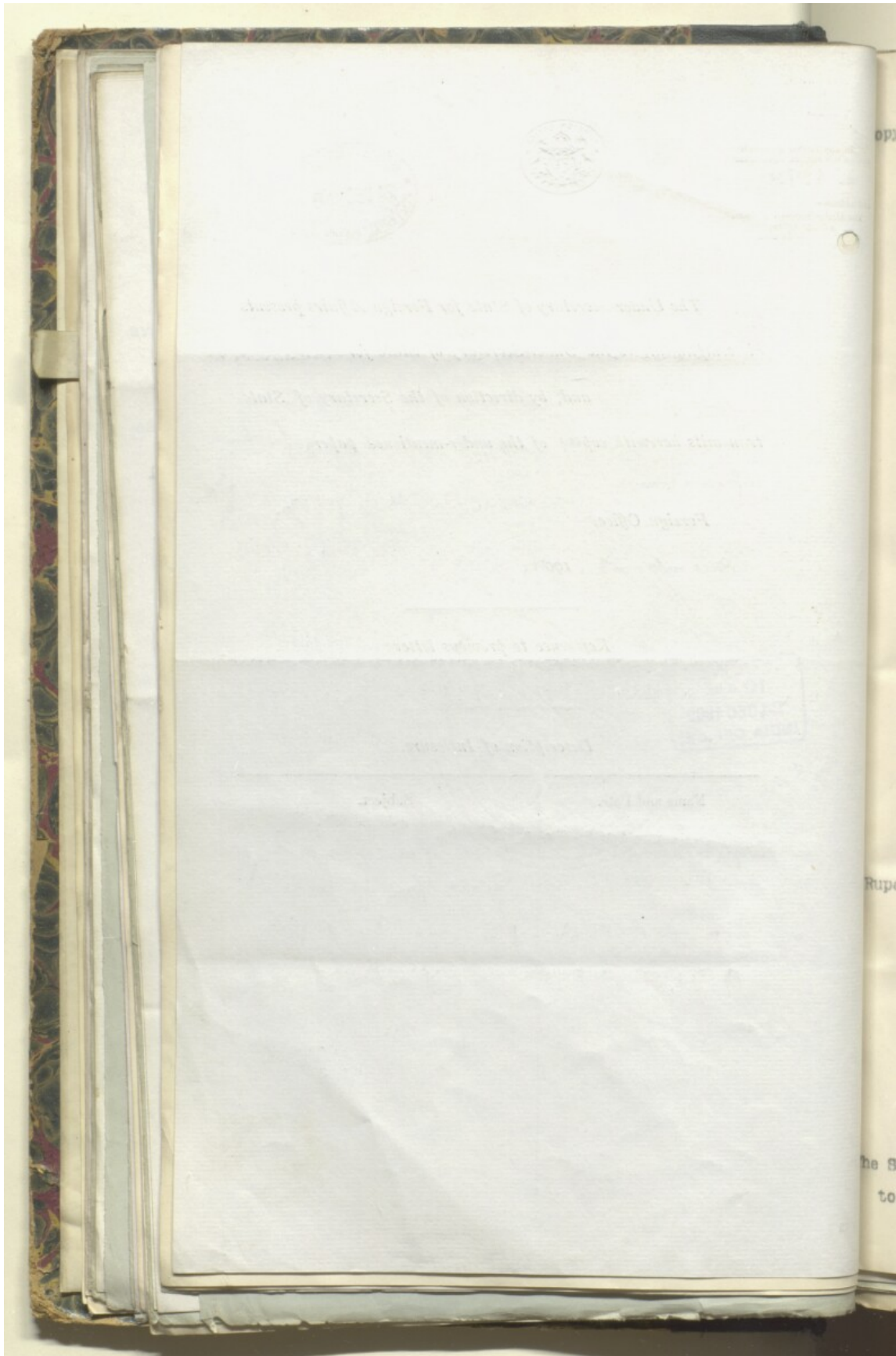
Description of Inclosure.

Name and Date.	Subject.
<i>Anglo Persian Oil Co. Dec 17</i>	<i>Survey of part of South Western Persia for the Company</i>
<i>To ditto Dec 23</i>	
<i>Cohy to India 7 Jan '10 Secy</i>	

[12]

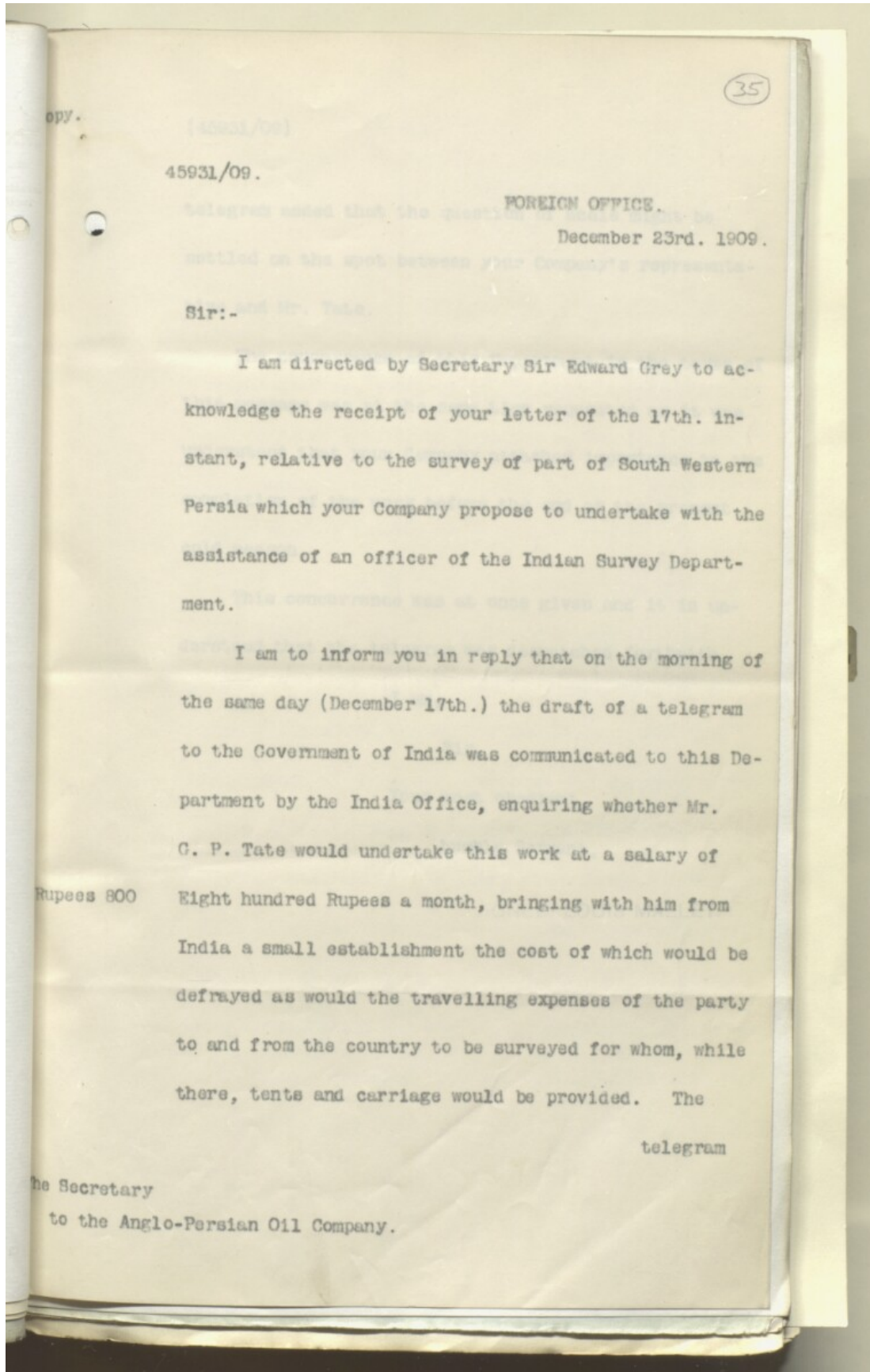


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٤ظ] (١٤٢/٦٨)



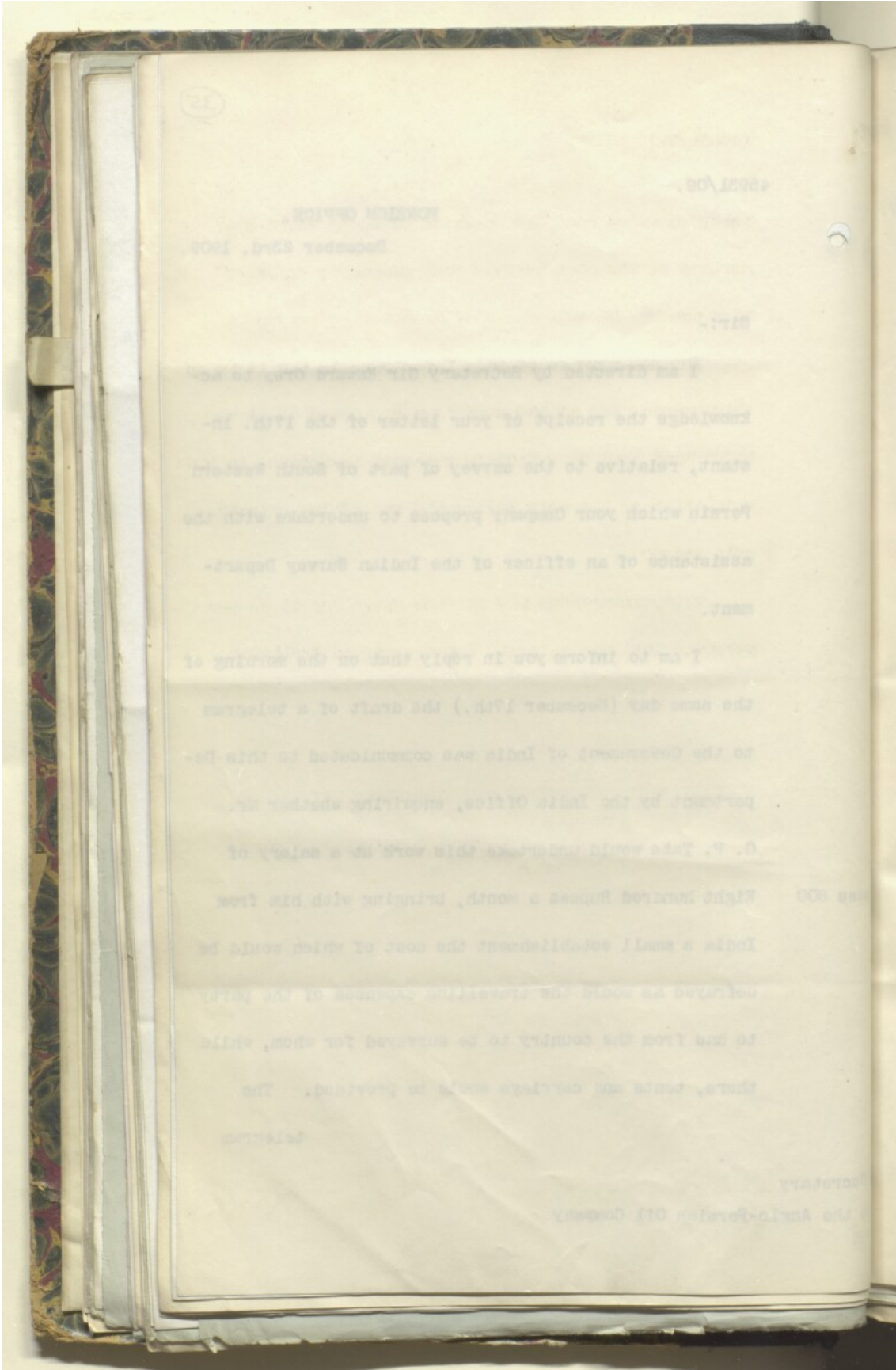


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٥ و] (١٤٢/٦٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٥ ظ] (١٤٢/٧٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٦ و] (١٤٢/٧١)

(36)

(45931/09)

telegram added that the question of scale might be settled on the spot between your Company's representative and Mr. Tate.

The concurrence of this Department in the terms of this message was at the same time requested as it was understood that your Company attached importance to the completion of the work before the end of the present cold season.

This concurrence was at once given and it is understood that the telegram was despatched forthwith.

I am,

Sir,

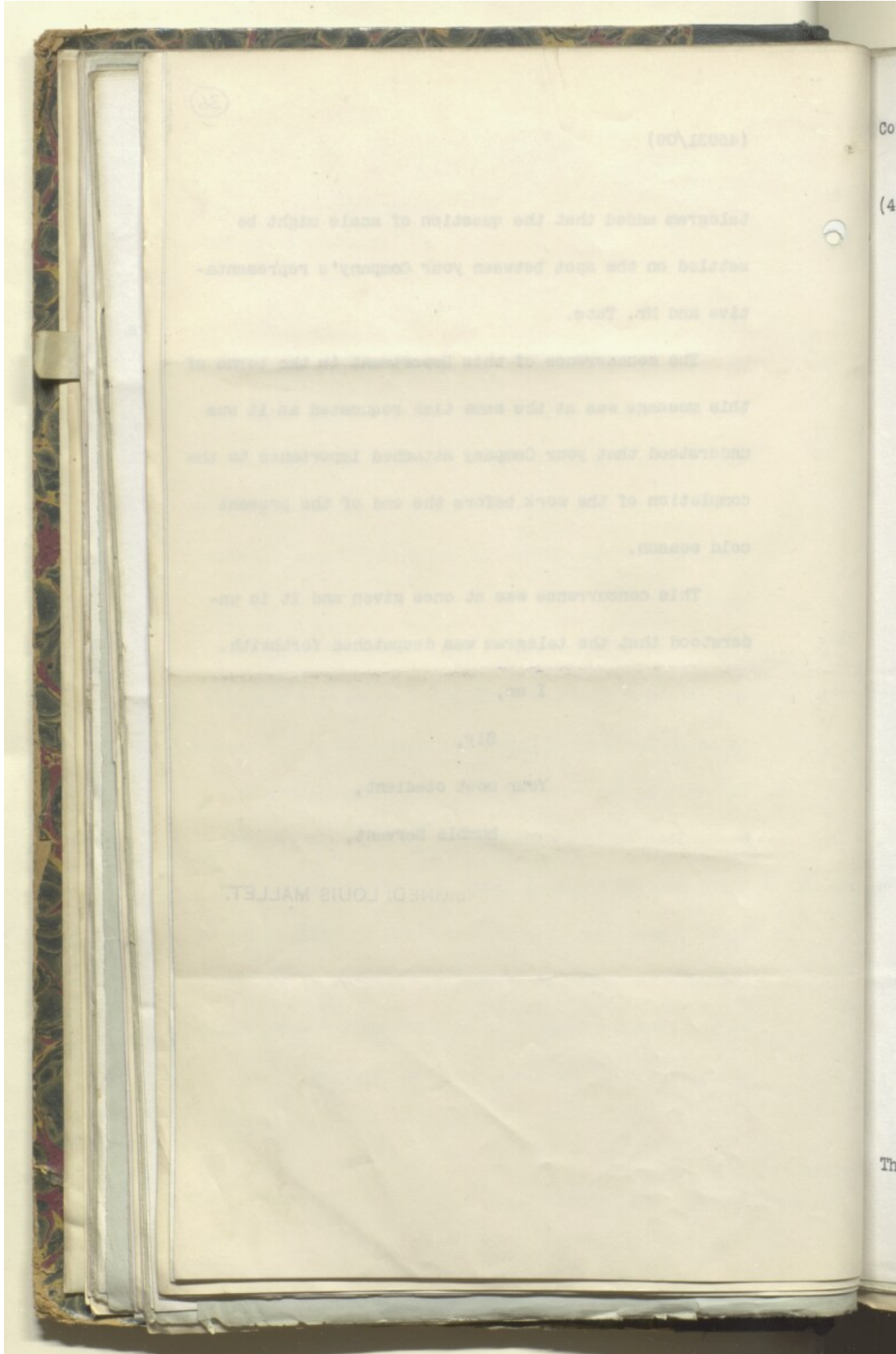
Your most obedient,

humble Servant,

(SIGNED) LOUIS MALLET.

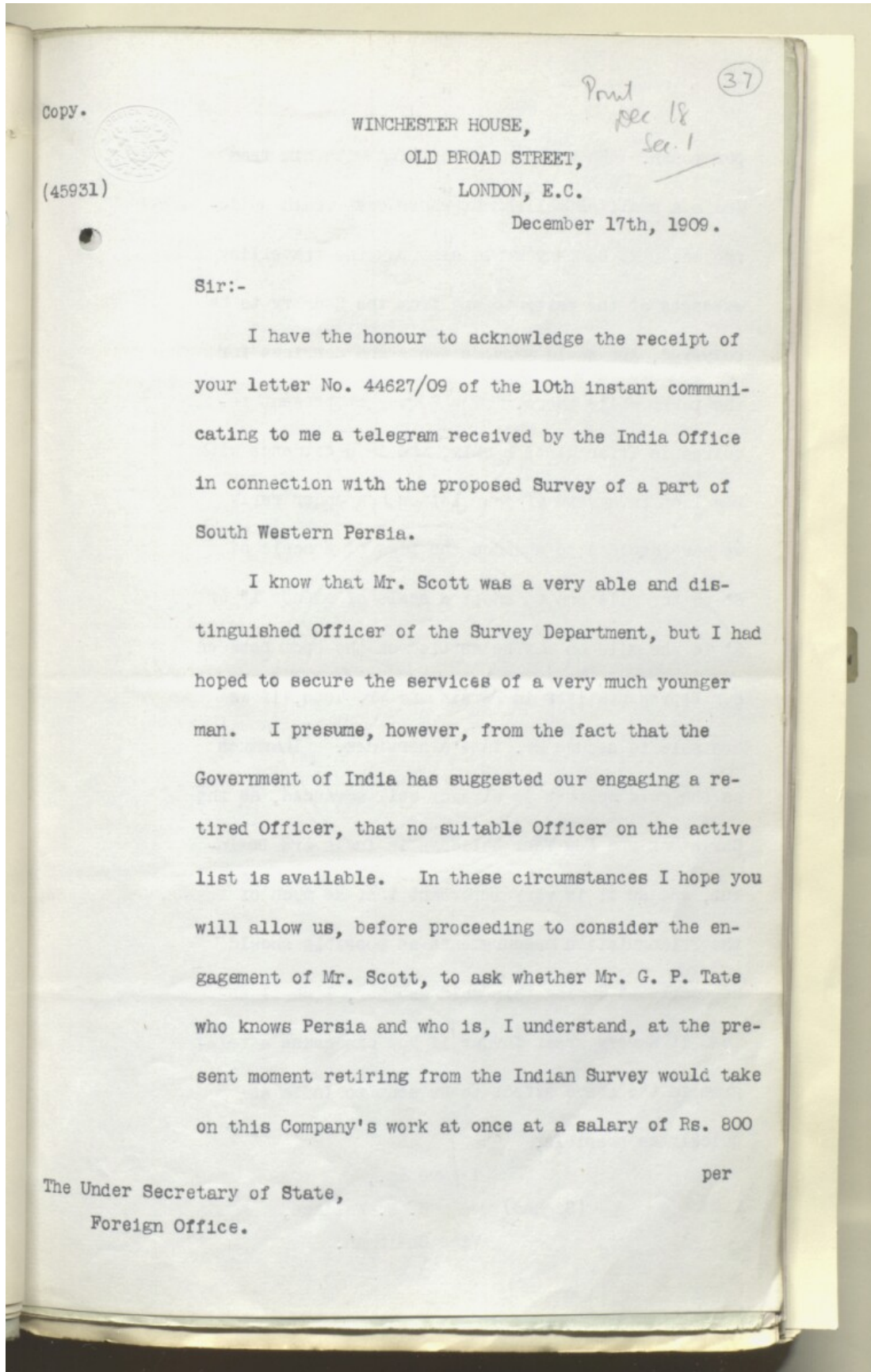


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٦ظ] (١٤٢/٧٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٧ و] (١٤٢/٧٣)



Copy.

(45931)

WINCHESTER HOUSE,
OLD BROAD STREET,
LONDON, E.C.

December 17th, 1909.

Sir:-

I have the honour to acknowledge the receipt of your letter No. 44627/09 of the 10th instant communicating to me a telegram received by the India Office in connection with the proposed Survey of a part of South Western Persia.

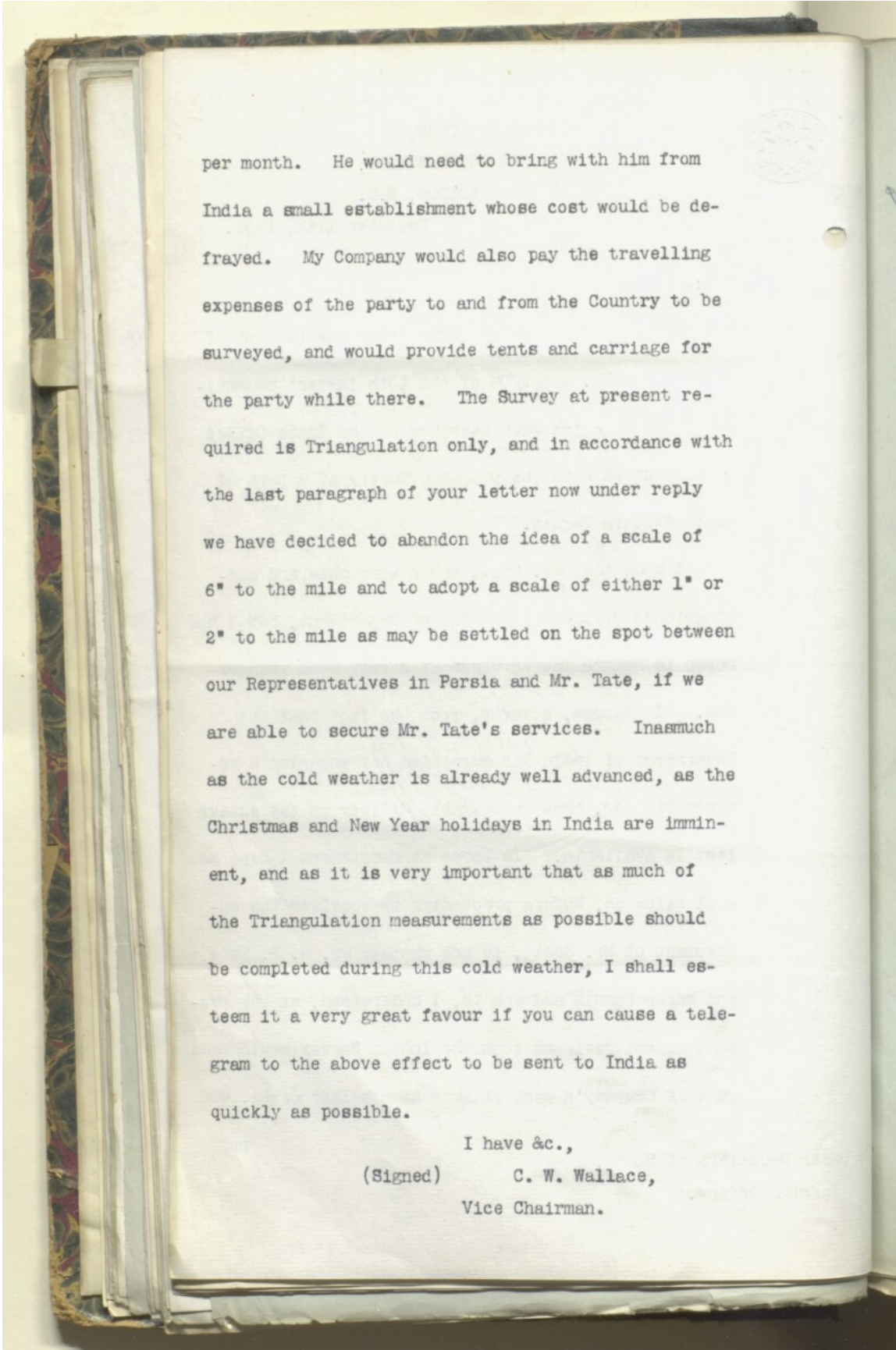
I know that Mr. Scott was a very able and distinguished Officer of the Survey Department, but I had hoped to secure the services of a very much younger man. I presume, however, from the fact that the Government of India has suggested our engaging a retired Officer, that no suitable Officer on the active list is available. In these circumstances I hope you will allow us, before proceeding to consider the engagement of Mr. Scott, to ask whether Mr. G. P. Tate who knows Persia and who is, I understand, at the present moment retiring from the Indian Survey would take on this Company's work at once at a salary of Rs. 800

per

The Under Secretary of State,
Foreign Office.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٧ظ] (١٤٢/٧٤)

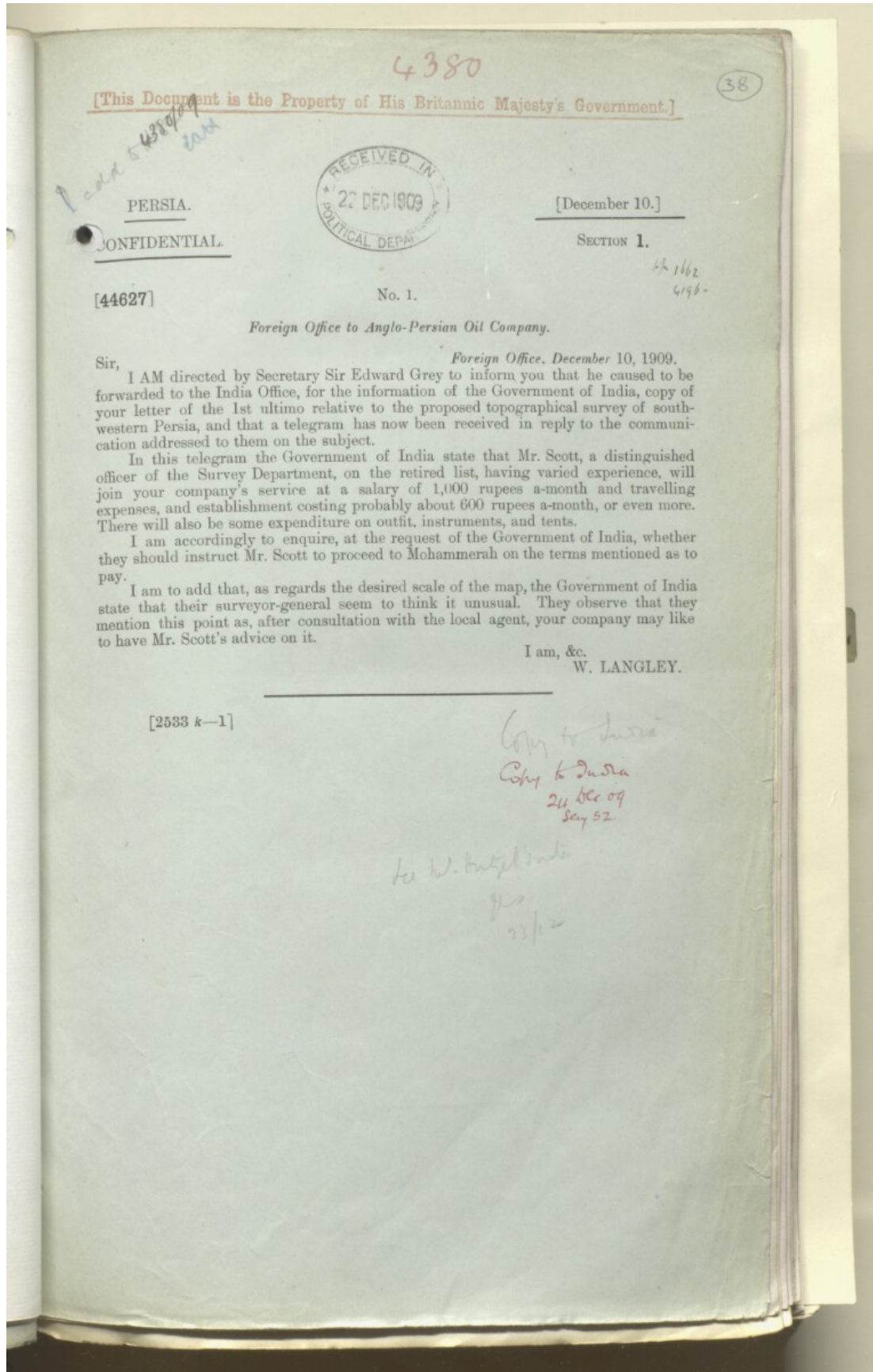


per month. He would need to bring with him from India a small establishment whose cost would be defrayed. My Company would also pay the travelling expenses of the party to and from the Country to be surveyed, and would provide tents and carriage for the party while there. The Survey at present required is Triangulation only, and in accordance with the last paragraph of your letter now under reply we have decided to abandon the idea of a scale of 6" to the mile and to adopt a scale of either 1" or 2" to the mile as may be settled on the spot between our Representatives in Persia and Mr. Tate, if we are able to secure Mr. Tate's services. Inasmuch as the cold weather is already well advanced, as the Christmas and New Year holidays in India are imminent, and as it is very important that as much of the Triangulation measurements as possible should be completed during this cold weather, I shall esteem it a very great favour if you can cause a telegram to the above effect to be sent to India as quickly as possible.

I have &c.,
(Signed) C. W. Wallace,
Vice Chairman.

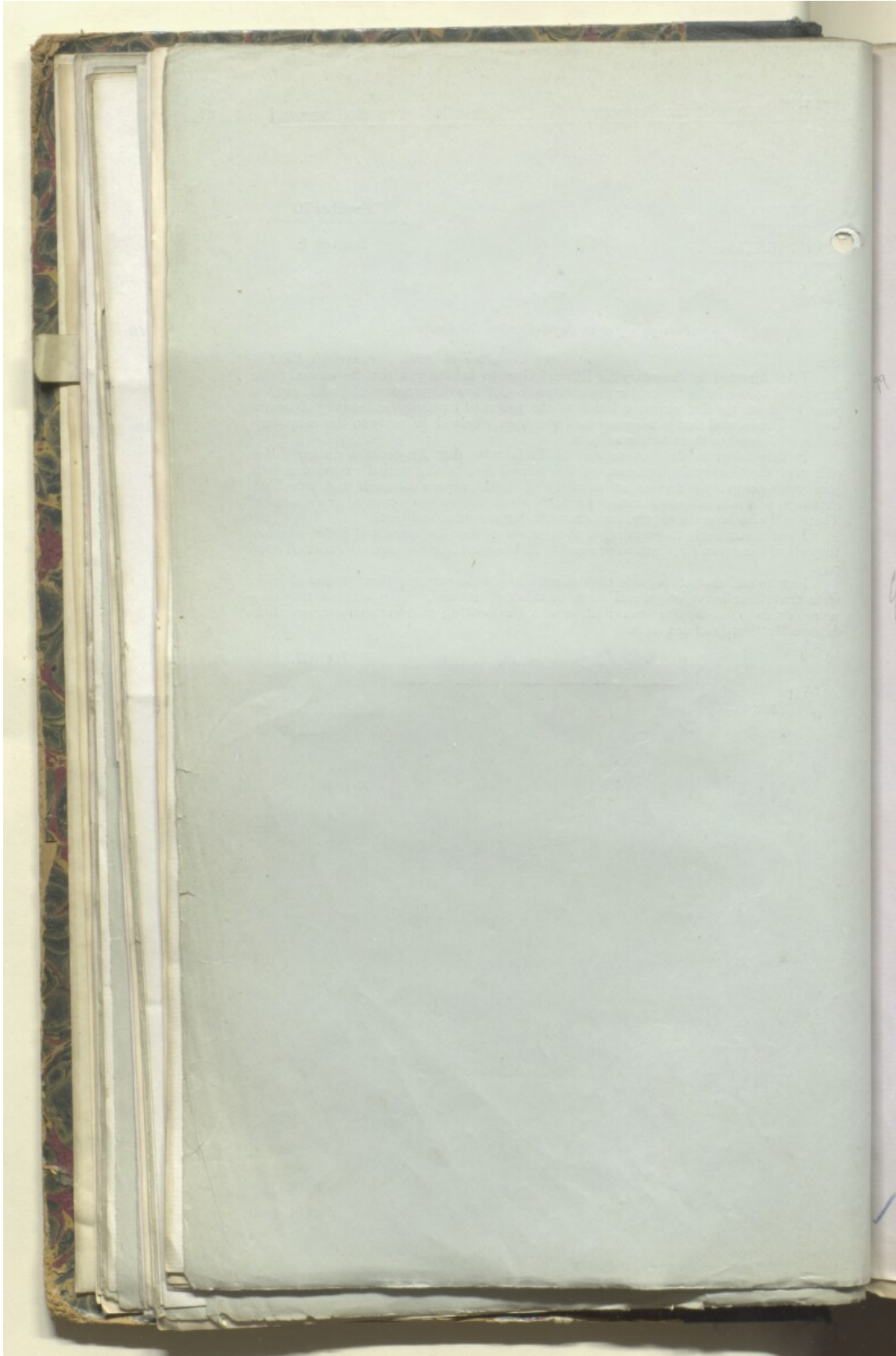


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٨ و] (١٤٢/٧٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٨ ظ] (١٤٢/٧٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٩ و] (١٤٢/٧٧)

(39)

Register No.
16625

Secret Department.

Letter from _____ Dated December, 1909.
Rec. _____

Formally acknowledged _____

	Date.	Initials.	SUBJECT.
Under Secretary.....	17 Dec	2006	K.S. Persia. Proposed topographical survey in W. Persia. Anglo-Persian Oil Co. ask whether Mr. J.P. Tate will undertake the work.
Secretary of State			
Committee			
Under Secretary.....			
Secretary of State			

Copy to
F.O. 3 Jan 1910 sent to 1752
(4380)

FOR USE BY DEPARTMENTS ONLY.

Off telegram to G. of S. drafted by Sir Hugh Plumer
on behalf of Anglo-Persian Oil Company.

Telegram to Govt. of India, 17 Dec.

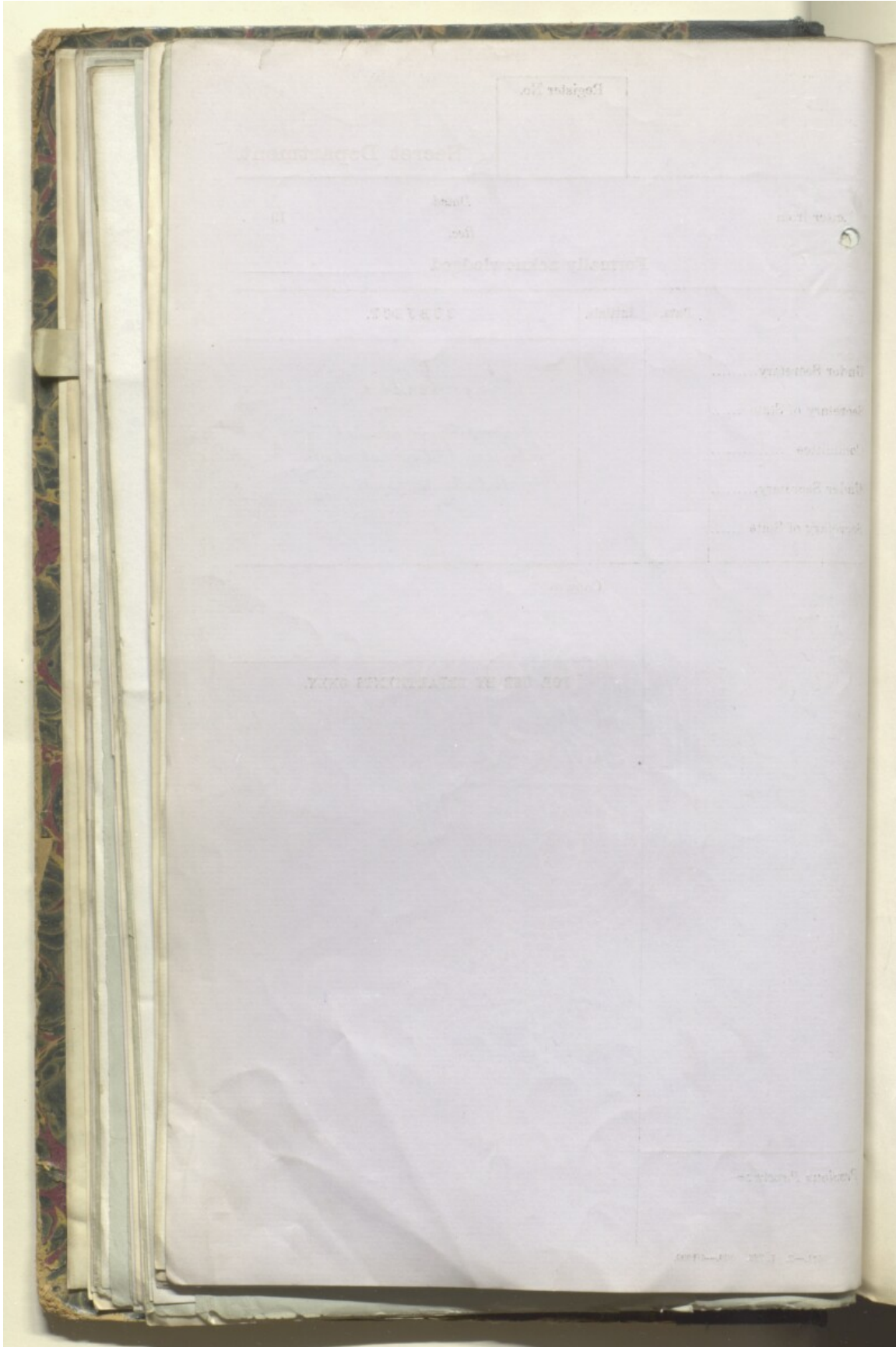
Seen Pol. Com'ee.,
11 JAN 1910
(with 4380)

Previous Papers :-
16625

5611.-2. 1. 725. 500.-4/1909.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٩ظ] (١٤٢/٧٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٠ و] (١٤٢/٧٩)

1662⁴ (40)

DRAFT TELEGRAM.

SECRETARY OF STATE
TO
VICEROY, FOREIGN DEPARTMENT.
(Vafrorum)

Despatched 17 Dec 1909.
ER

Foreign Secret. Your foreign
secret telegram of 1st instant.
Anglo-Persian Oil Co. would
have preferred younger man but
enquire whether ~~Mr.~~ G.P. Tate
who knows Persia and is understood
to be retiring would be willing
to undertake ~~the~~ ~~same~~ work
at once on 800/month bringing
small Indian establishment, ~~Company~~
tents and carriage ~~to be supplied~~
~~by Company.~~
will supply

Survey at present required
triangulation only on 2^{inch} or 1^{inch}
scale as may be settled with
Tate.

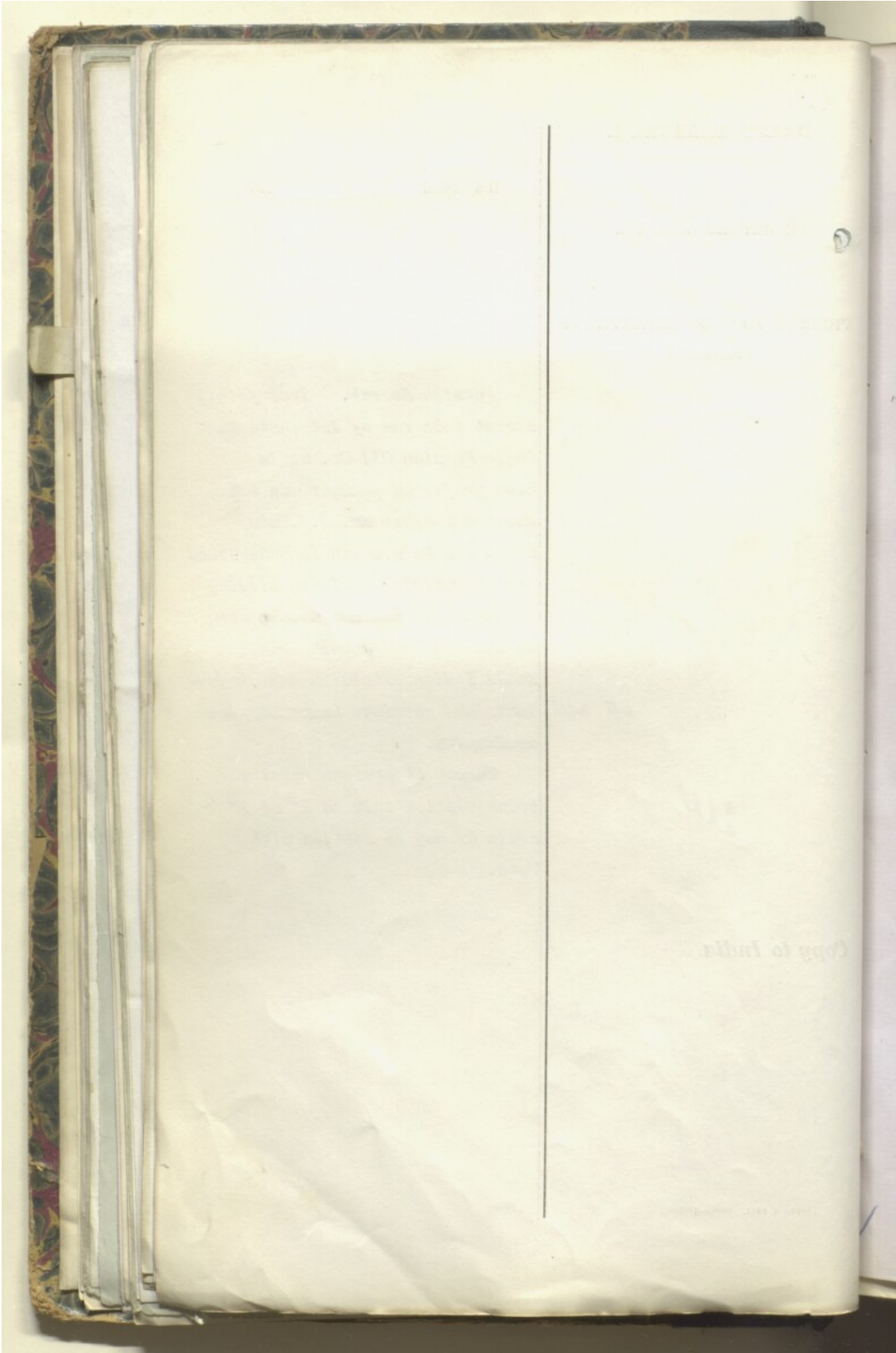
Copy to India. (+) 9 Jan.
20. (+) 3 Jan 10.
3.0. Concur. for Mr. Mallet's initials above.
2/11/10

Recoverable
(- see 2229¹⁰)

18010. I. 1841. 1000.-10/1906.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٠ظ] (١٤٢/٨٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤١ و] (١٤٢/٨١)

Register No. 1662^a (41)

Secret Department.

Telegram Letter from Viceroy, Dated 17 Decr. 1909.
Rec. 2

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	2 Dec.	East	Persia. WW Proposed topographical survey in W Persia. Retired Officer of Survey Dept. ready to enter service of Oil Co. Pay etc. Survey general's view that scale of map desired is unusual.
Secretary of State.....	3	KK	
Committee			
Under Secretary.....			
Secretary of State.....			

Copy to India 10 December 09
Seq. 50.

FOR USE BY DEPARTMENTS ONLY.
Draft letter to F.O., forwarding paraphrase
of the telegram for communication to G.
& enquiring if proposed instructions
should be given to Mr. Scott.
Letter to F.O., 7 Decr.

Room Pol. Comm.,
14 DEC. 1909

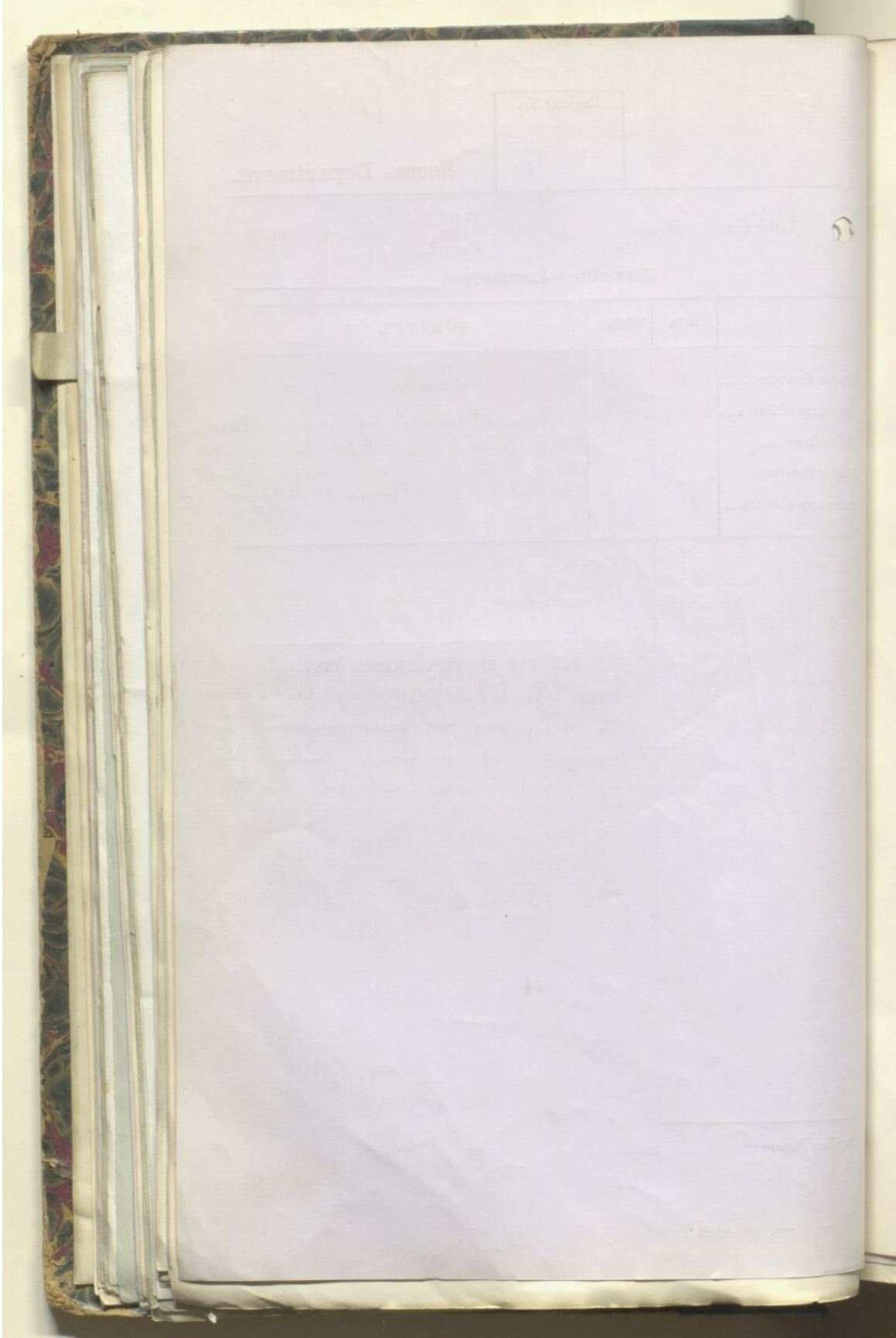
Sign. 3/12/09.

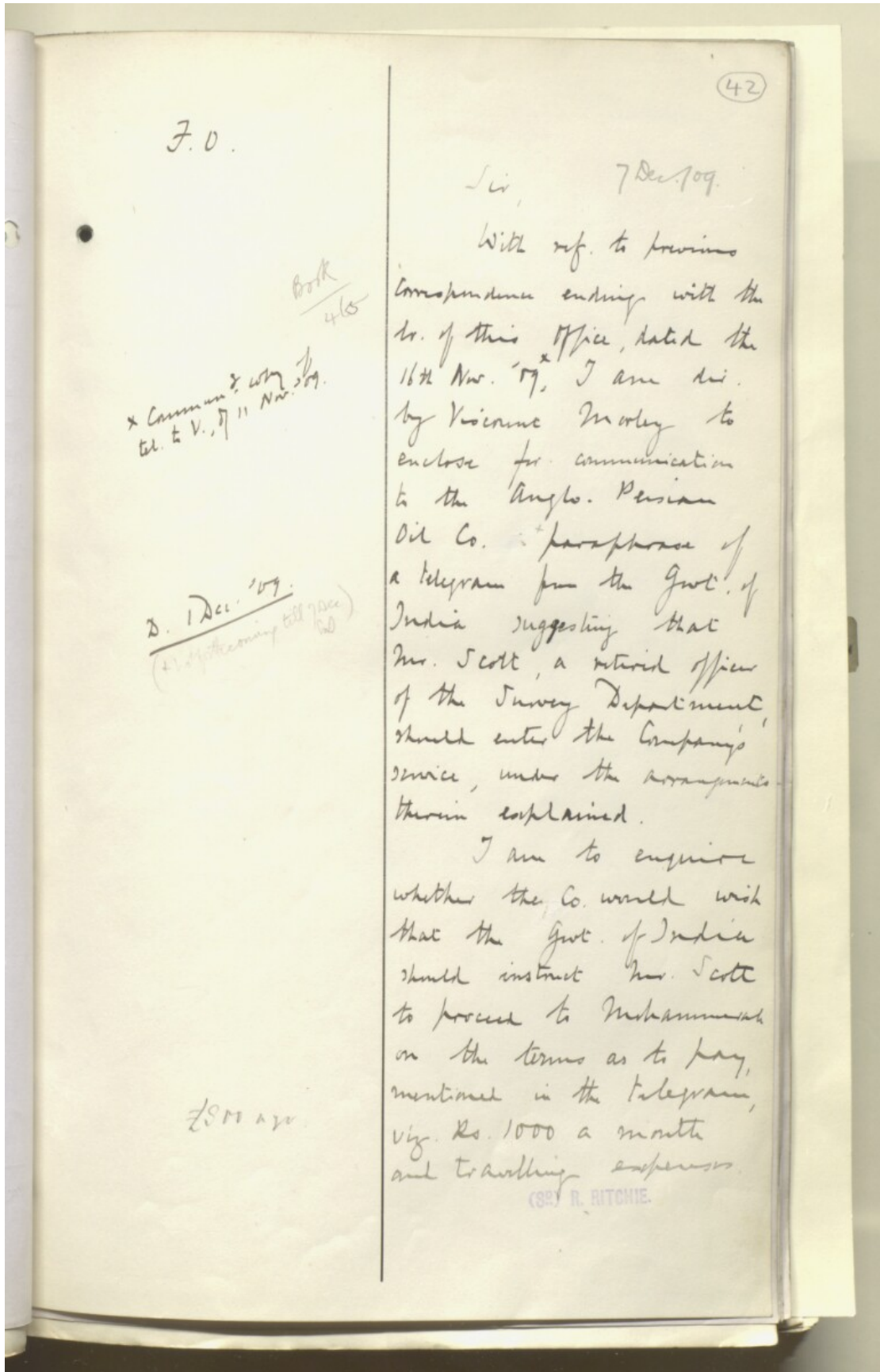
Previous Papers:—
4196

6540. I. 1638. 500.—9/1900. [I. 726.]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤١ظ] (١٤٢/٨٢)





F.O.

(42)

Sir, 7 Dec. 1909.

With ref. to previous
Correspondence ending with the
Lr. of this Office, dated the
16th Nov. '09, I am dir.
by Viscount Morley to
enclose for communication
to the Anglo-Persian
Oil Co. a paraphrase of
a telegram from the Govt. of
India suggesting that
Mr. Scott, a retired officer
of the Survey Department,
should enter the Company's
service, under the arrangements
therein explained.

I am to enquire
whether the Co. would wish
that the Govt. of India
should instruct Mr. Scott
to proceed to Muhammashah
on the terms as to pay,
mentioned in the telegram,
viz. Rs. 1000 a month
and travelling expenses.

(Sd) R. RITCHIE.

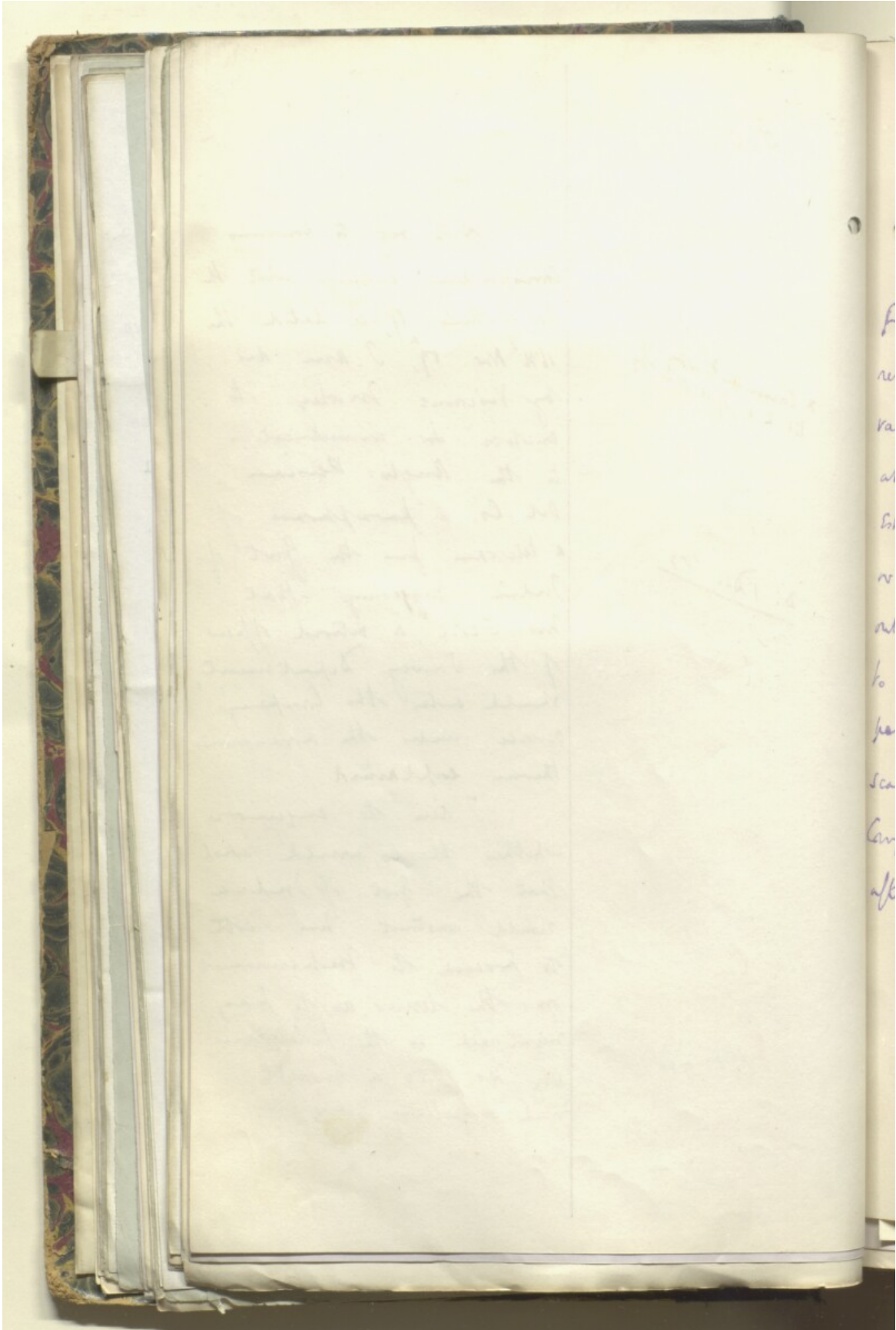
Book
4/15
* Comm. & copy
Lr. to V. 11 Nov. '09.

D. 1 Dec. '09.
(+1 of the coming till 1909)

LSM: 2/10



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٤ ظ] (١٤٢/٨٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣ و] (١٤٢/٨٥)

1662
1/18 4196
bq/17
RECEIVED IN
2 DEC 1909
OFFICE DEPARTMENT
43

Departments are requested, if they suspect that there is any mistake in this telegram, to communicate immediately with the Private Secretary to the Parliamentary Under Secretary of State.

COPY OF TELEGRAM. +

FROM *Viceroy.*
DATED *Viceroy's Camp, 1st December 1909.*
RECEIVED AT LONDON OFFICE *3.23 p.m.*

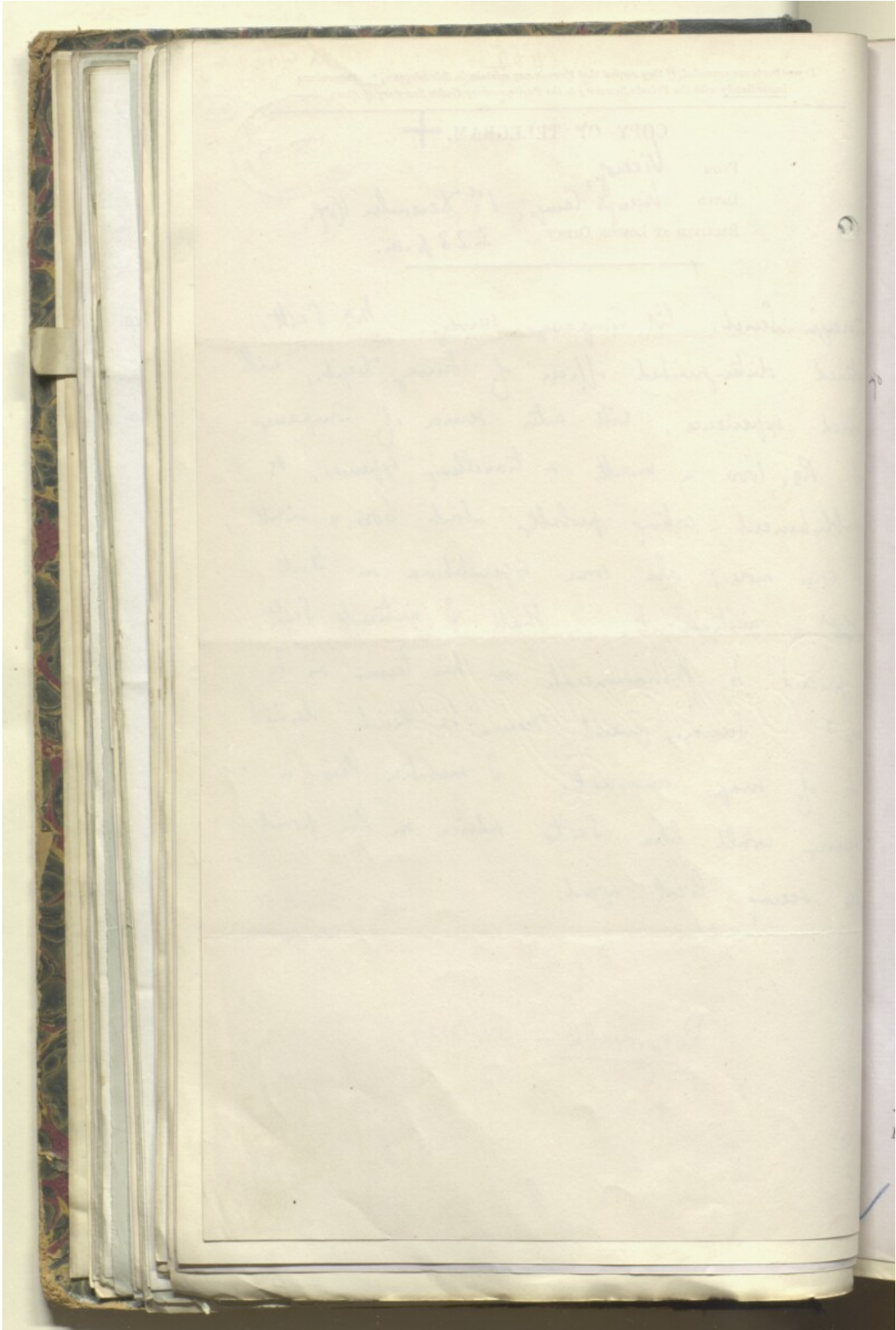
Foreign Secret. Oil Company survey. Mr. Scott, retired distinguished officer of Survey Dept., with varied experience, with entire service of Company at Rs. 1000 a month + travelling expenses, + establishment costing probably about 600 a month, or even more; also some expenditure on tents, outfit + instruments. Shall I instruct Scott to proceed to Muhammarah on his terms as to pay? Surveyor General seems to think desired scale of map unusual. I mention this in case Company would like Scott's advice on the point after seeing local agent.

Copy to 70 @ 7 Dec
200 @ 10 Dec

Recoverable - ser 3229/10



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٣٤٣ ظ] (١٤٢/٨٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط: عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٤ و] (١٤٢/٨٧)

(144)

Register No.
4196

Secret Department.

Letter from J.D., Dated 6 Nov. 1907.
Rec. 8 Nov. 1907.

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	9 Nov.	zaf	Persia.
Secretary of State.....	9	W.	Proposed topographical survey in W Persia.
Committee.....	10	W.	Repl of Anglo-Persian Oil Co. to the enquiries of the Govt. of India regarding the extent of the work, &c.
Under Secretary.....			
Secretary of State.....			

Copy to
J.D. 10 November
India (initial) 11 November 07
12 November 07
13 November 07
14 November 07

FOR USE BY DEPARTMENTS ONLY.
Draft telegram to Vic, informing Govt. of India of the Company's replies.
Telegram to Viceroy, 11 Nov.

11-11-09
J.M.

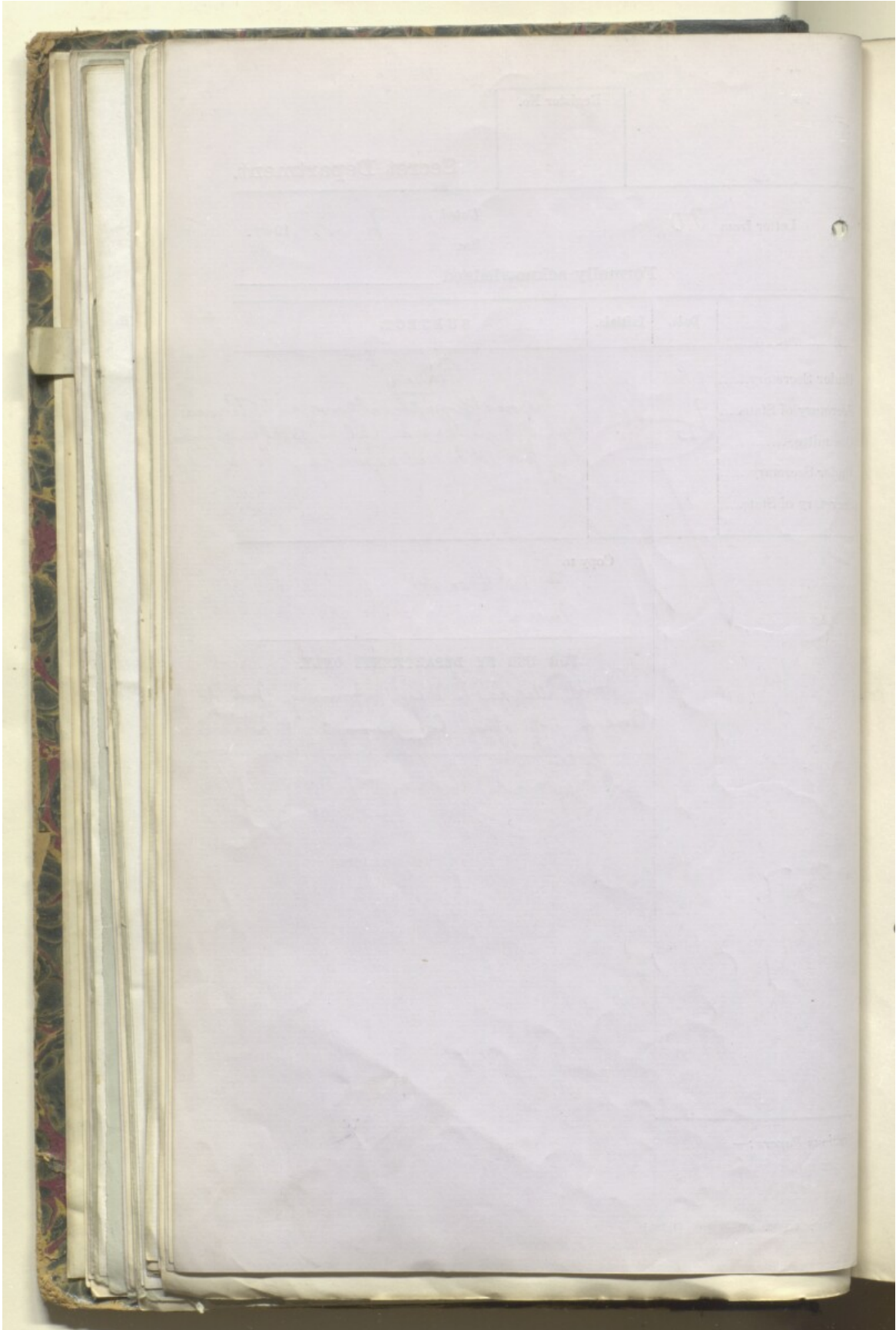
Sup Pol Commn.
18 NOV 1909

Previous Papers :-
1484

6540. I. 1696. 500.-9/1909. [I. 725.]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٤ ظ] (١٤٢/٨٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٤٥ و] (١٤٢/٨٩)

(45)

x
DRAFT TELEGRAM.

Despatched 11-11-1909 +
J.M.

SECRETARY OF STATE

TO

VICEROY, FOREIGN DEPARTMENT.
(Vafroorum)

Foreign, secret. Your telegram of the 21st ult. Oil Company reply to questions as follows:-
first, probably 500 square miles: second, six inches to mile: third, possibly two years.

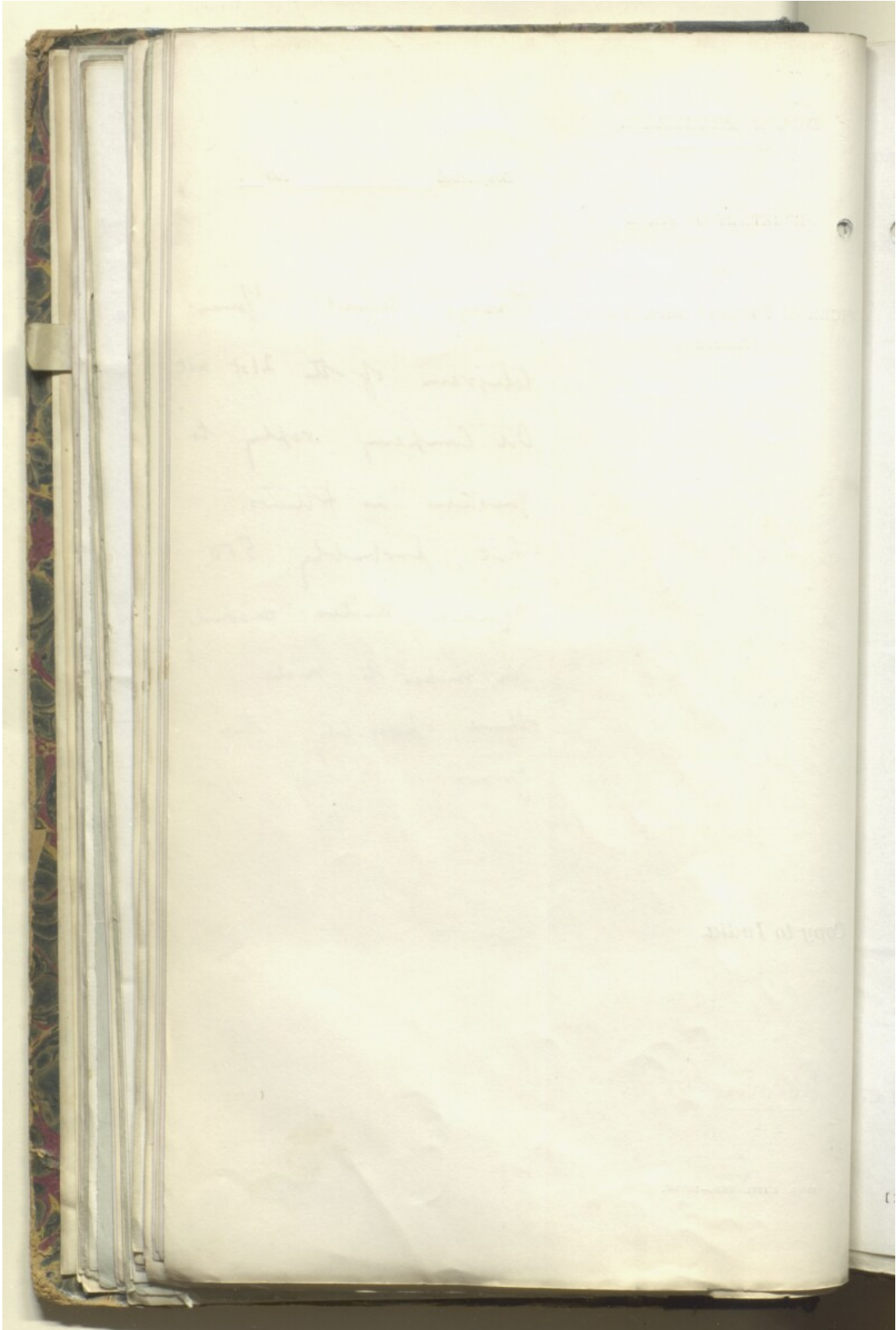
Copy to India. (+11) 26 Nov. 09.
= - 30 (+) 16 Nov. 09
① 22 -

Recoverable - 10 3229/10

18019. I. 1841. 1000.—10/1906.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٥ ظ] (١٤٢/٩٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٦ و] (١٤٢/٩١)

Not found 4196 *46*
46/30/10

In any further communication on this subject, please quote
No. 40336
and address—
The Under-Secretary of State,
Foreign Office,
London.

RECEIVED IN
2 NOV 1909
POLITICAL DEPARTMENT

The Under-Secretary of State for Foreign Affairs presents
his compliments to the Under-Secretary of State for *India*
and, by direction of the Secretary of State,
transmits herewith copy of the under-mentioned paper.

Foreign Office,
November 6, 1909.

Reference to previous letter:
20. Oct 25

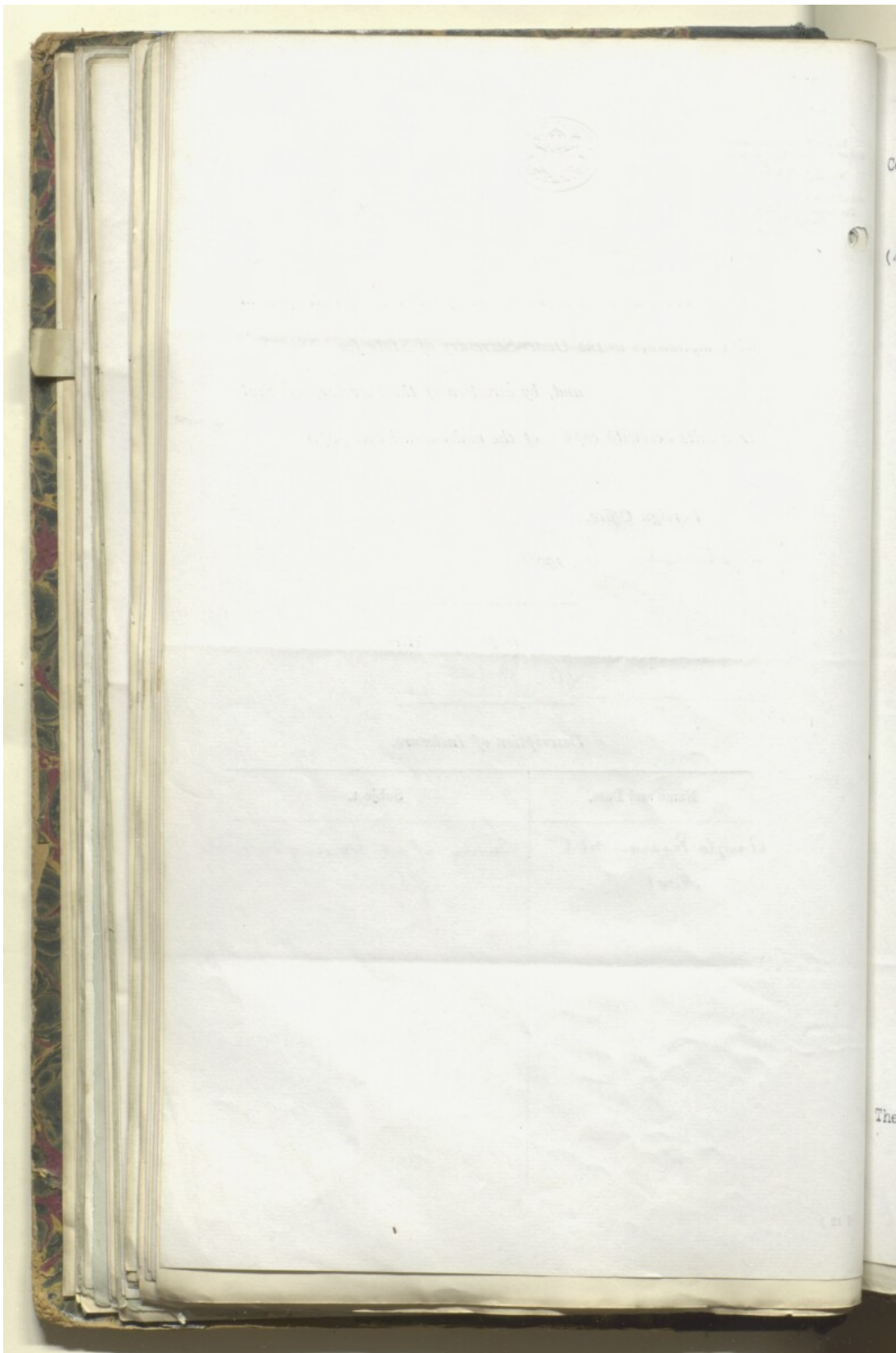
Description of Inclosure.

Name and Date.	Subject.
<i>Anglo Persian Oil Co Nov 1</i>	<i>Survey of oil bearing districts of Persia</i>

[12]

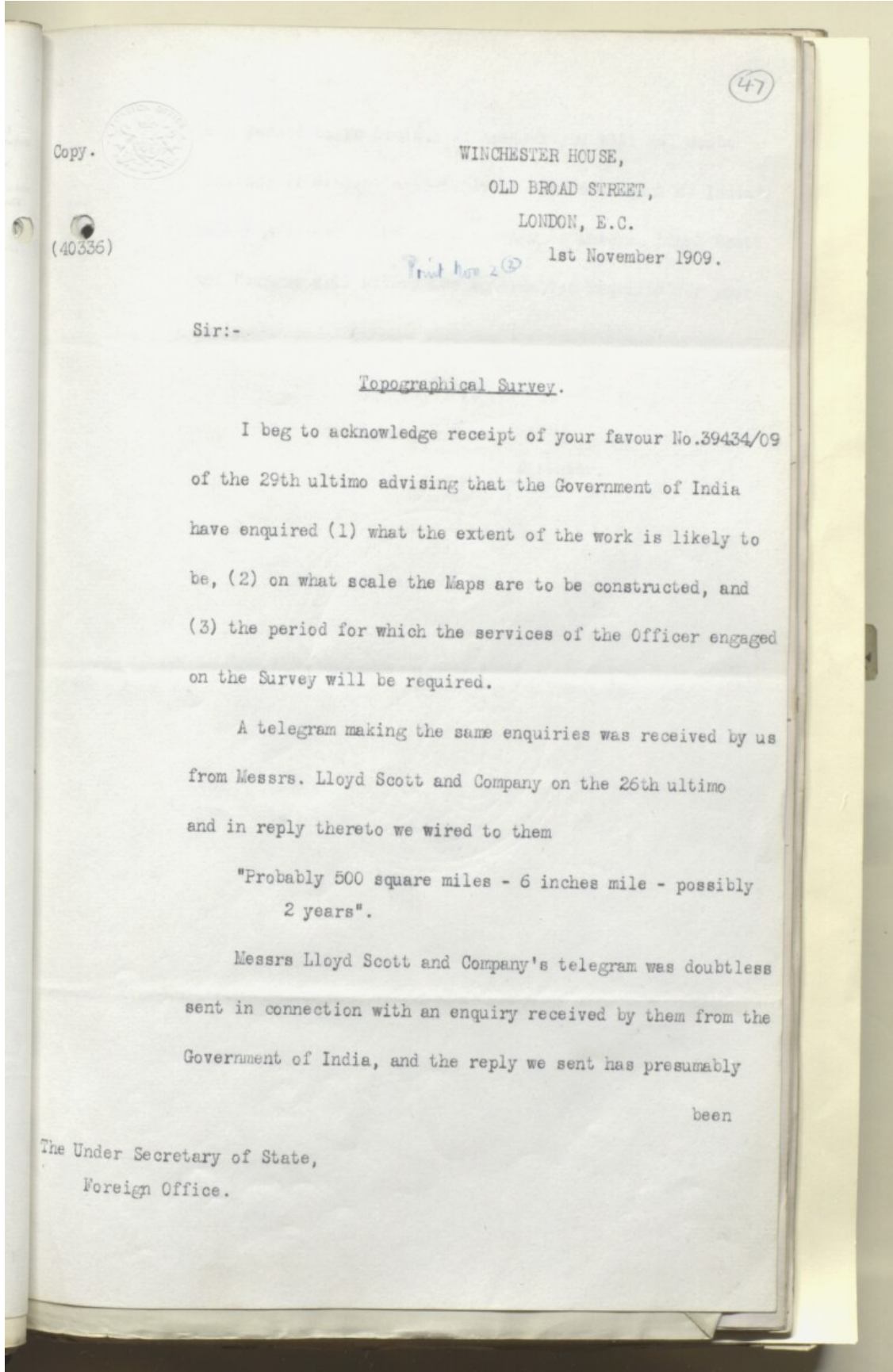


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٦ ظ] (١٤٢/٩٢)



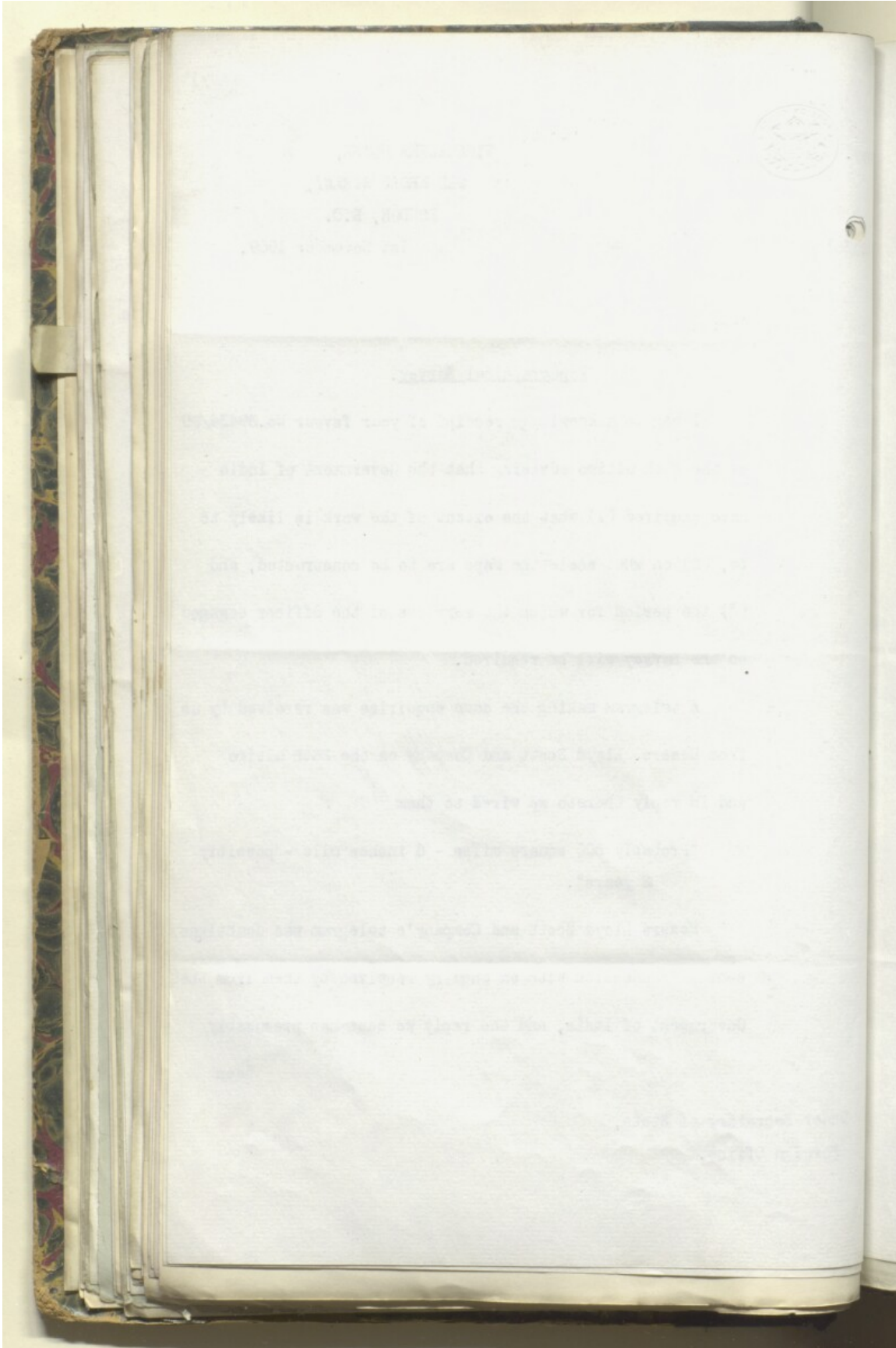


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٧ و] (١٤٢/٩٣)



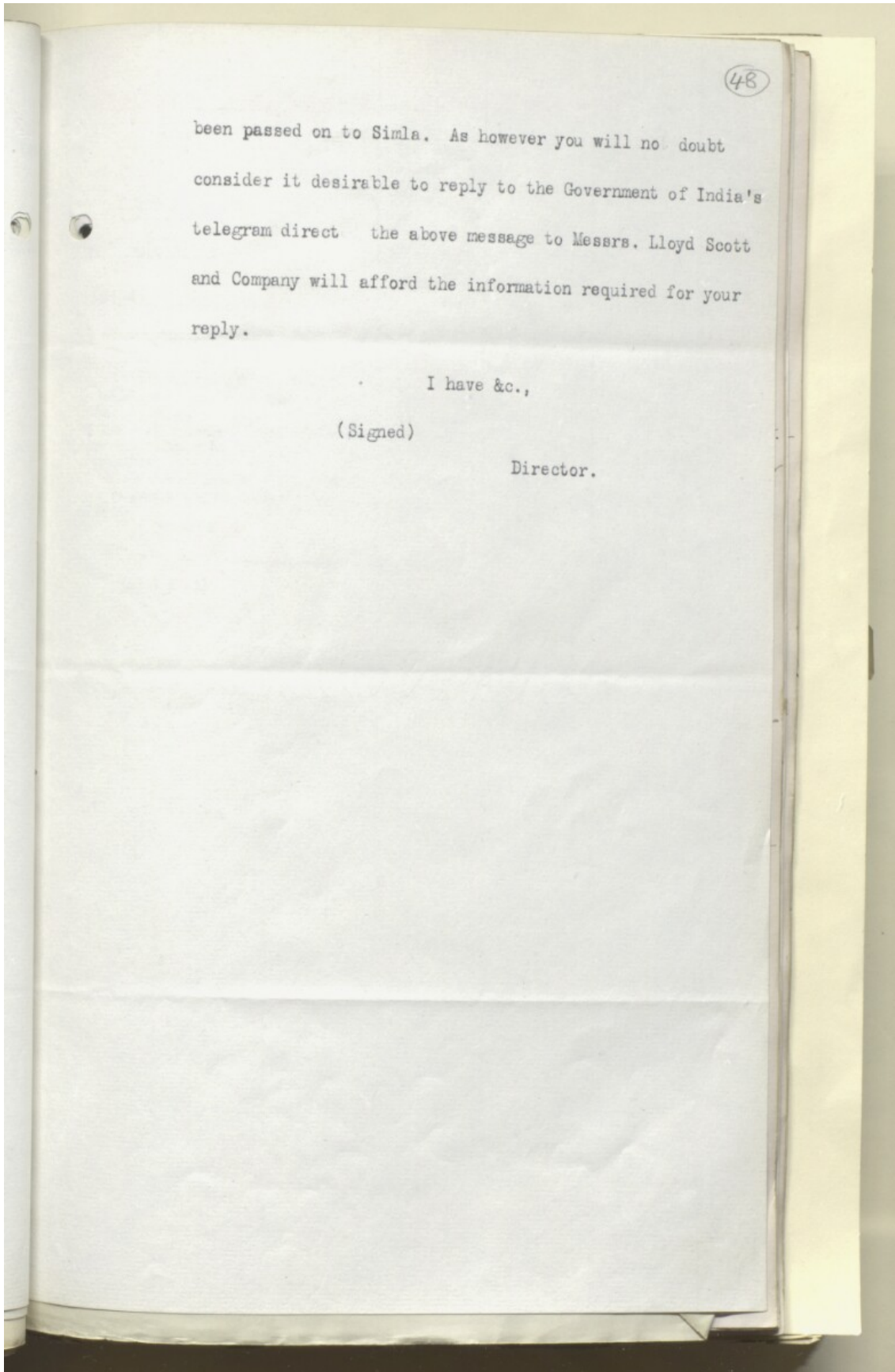


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٧٤ظ] (١٤٢/٩٤)



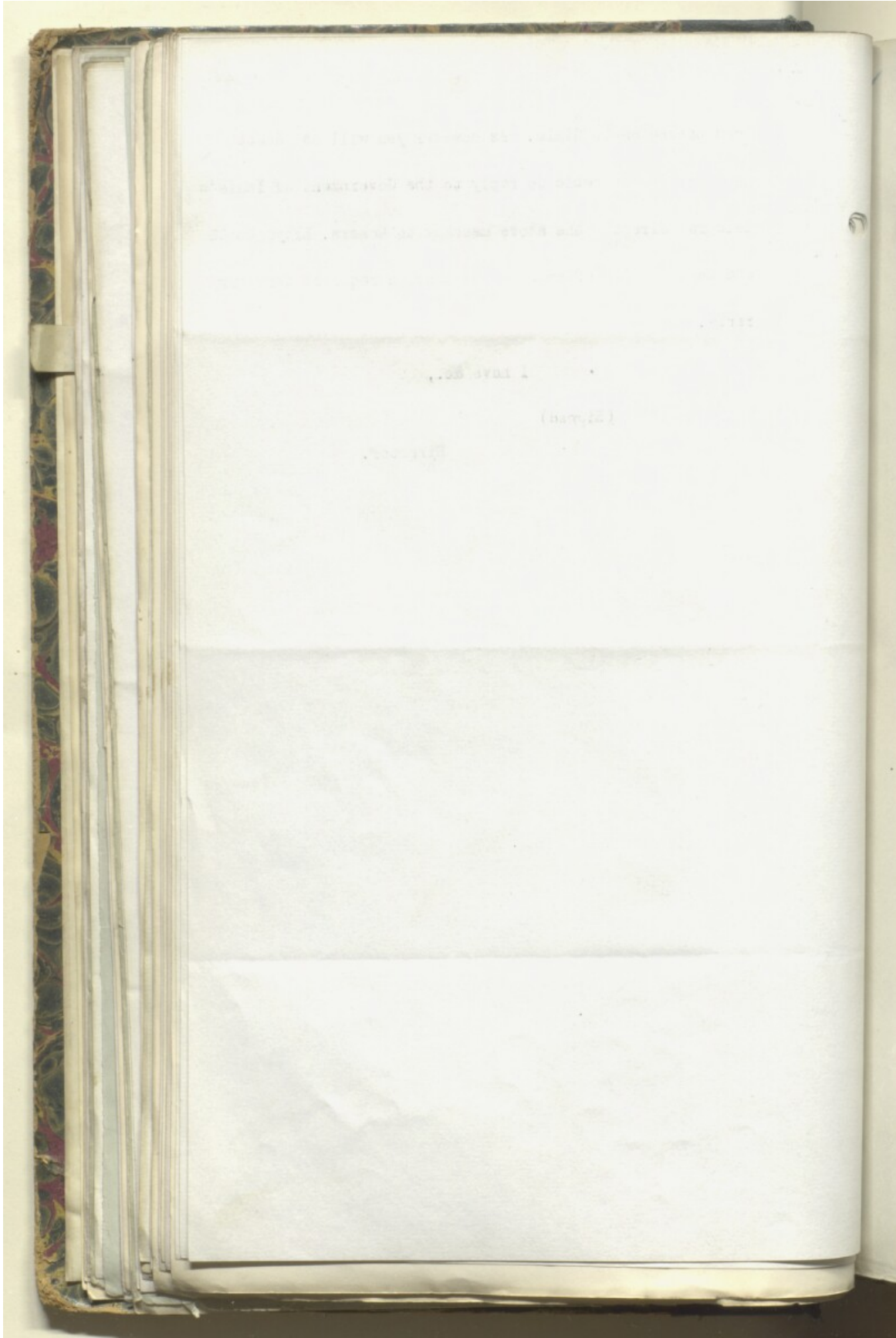


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٨ و] (١٤٢/٩٥)



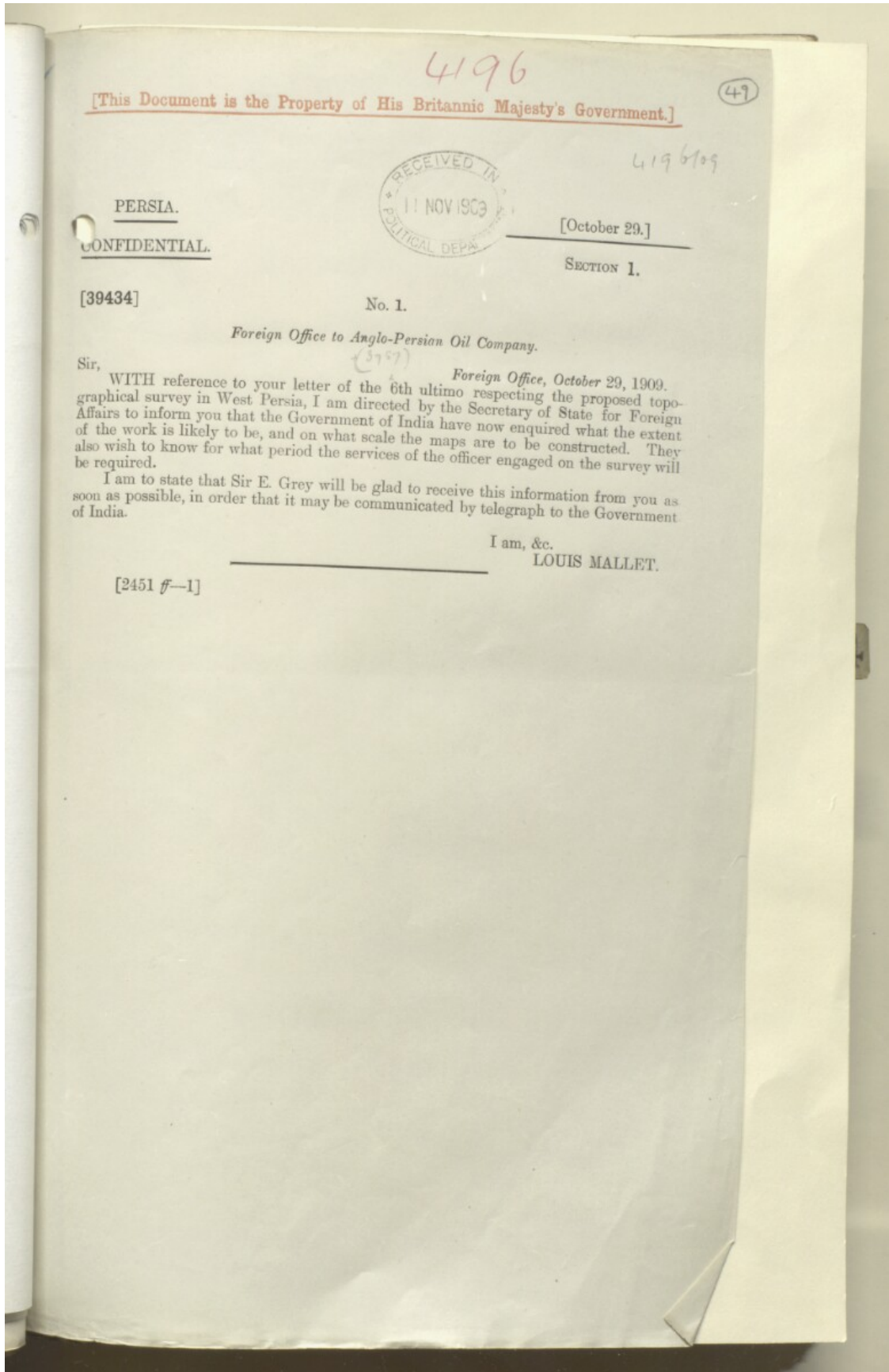


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٨ ظ] (١٤٢/٩٦)



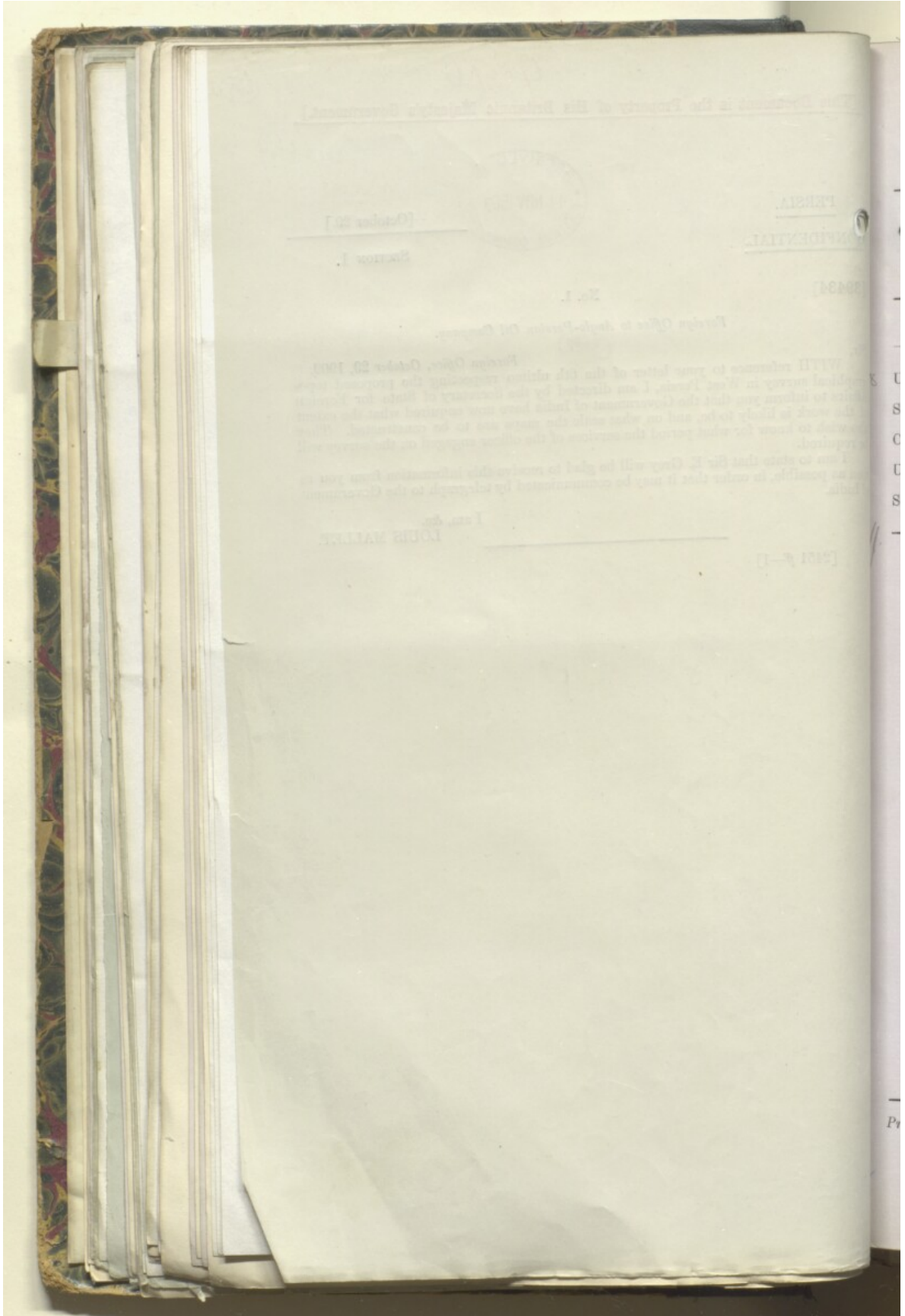


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٩ و] (١٤٢/٩٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٤٩ظ] (١٤٢/٩٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٠] [١٤٢/٩٩]

(50)

Register No. *mm*
14824

Secret Department.

Telegram Letter from *Viceroy,* Dated } 21 Oct. 1909.
Rec. } *TR*

Formally acknowledged _____

	Date.	Initials.	SUBJECT.
Under Secretary.....	22 Oct.	<i>zab</i>	<i>Persia</i>
Secretary of State.....			
Committee.....			
Under Secretary.....			
Secretary of State.....			

Proposed topographical survey in W. Persia. Part of India enquire what will be extent of work, on what scale maps will be needed, and for what period services of officer are necessary. Information not obtainable from Anglo-Persian Oil Co's rep^{no} at Mohammediah.

Copy to *Judi 5 Nov. 09* (Answer 11 Nov - 1909 see 496)
See 45.

FOR USE BY DEPARTMENTS ONLY.
Draft letter to F.O., suggesting enquiry of the Co. as to the questions asked.

Letter to F.O., 25 Oct.

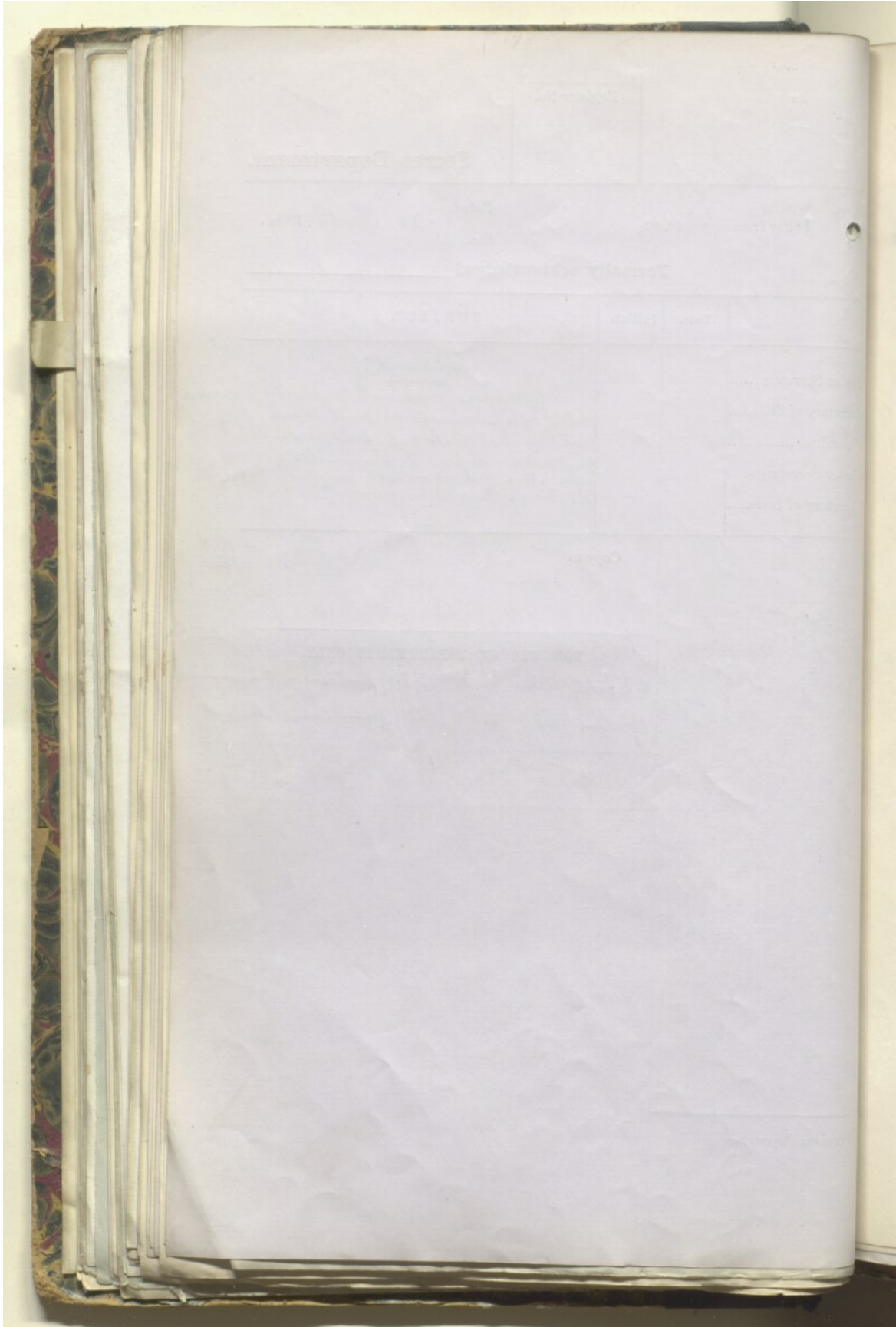
Seen Pol Com'ee,
30 OCT. 1909

Previous Papers :—
3957

6540. I. 1630. 500.—0/1909. [L. 725.]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٠ظ] (١٤٢/١٠٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥١] (١٤٢/١٠١)

(51)

f. 0.

25 Oct. 1909.

Sir,

In reply to v. l.
No. 33,681, dated the
11th Sept. '09, as to the
loan of the services of
an officer of the Govt. of
India for a topographical
survey of part of Persia
on behalf of the Anglo-
-Persian Oil Co., I am
directed by Viscount
Munley to enclose
copy of telegraphic
correspondence with the
Govt. of India on the
subject.

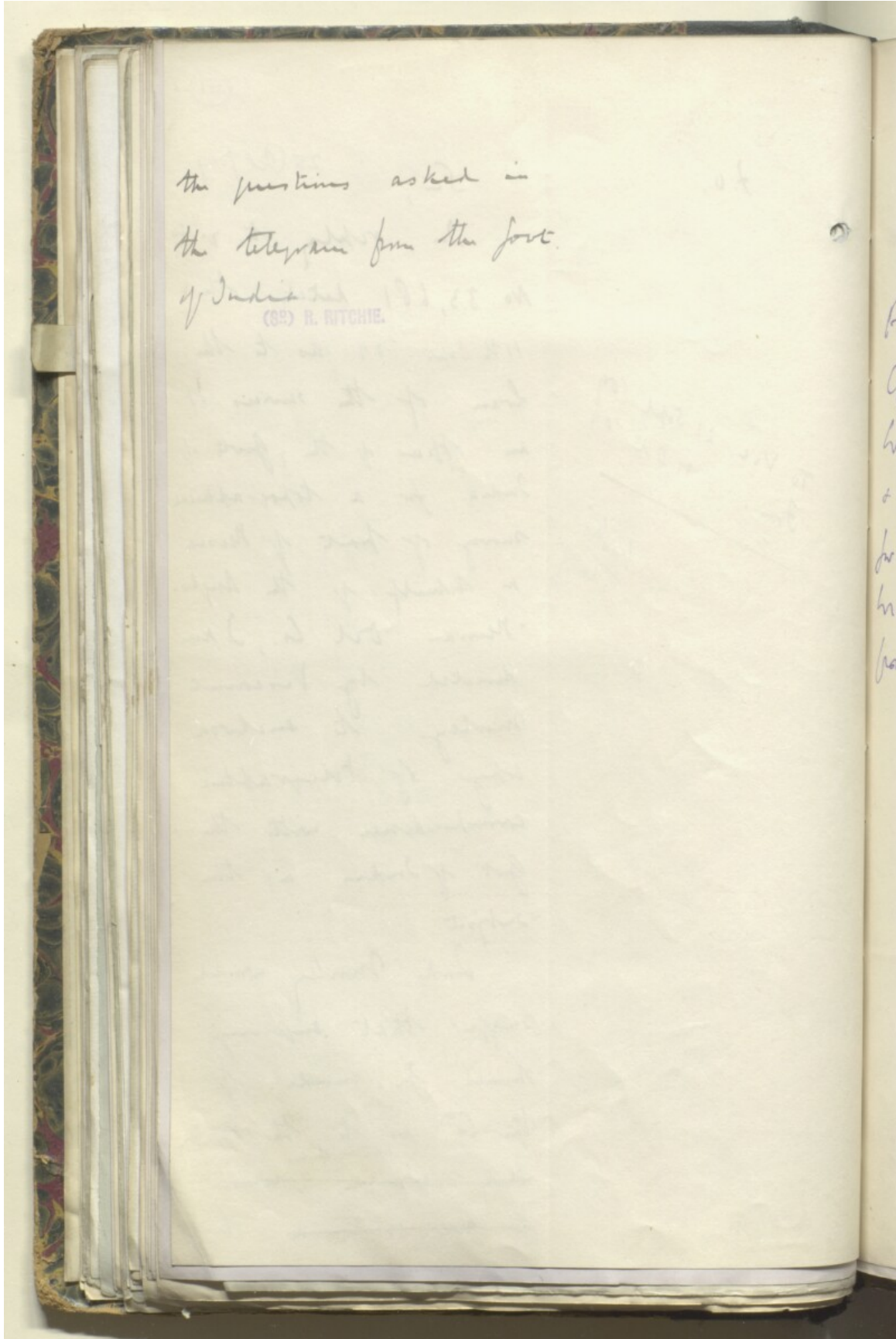
Lord Munley would
suggest that enquiry
should be made of
the Co. as to the reply
to be made
~~they would wish~~
to have returned to

To Vic. 22 Sept. '09
From 21 Oct. '09

Book
409



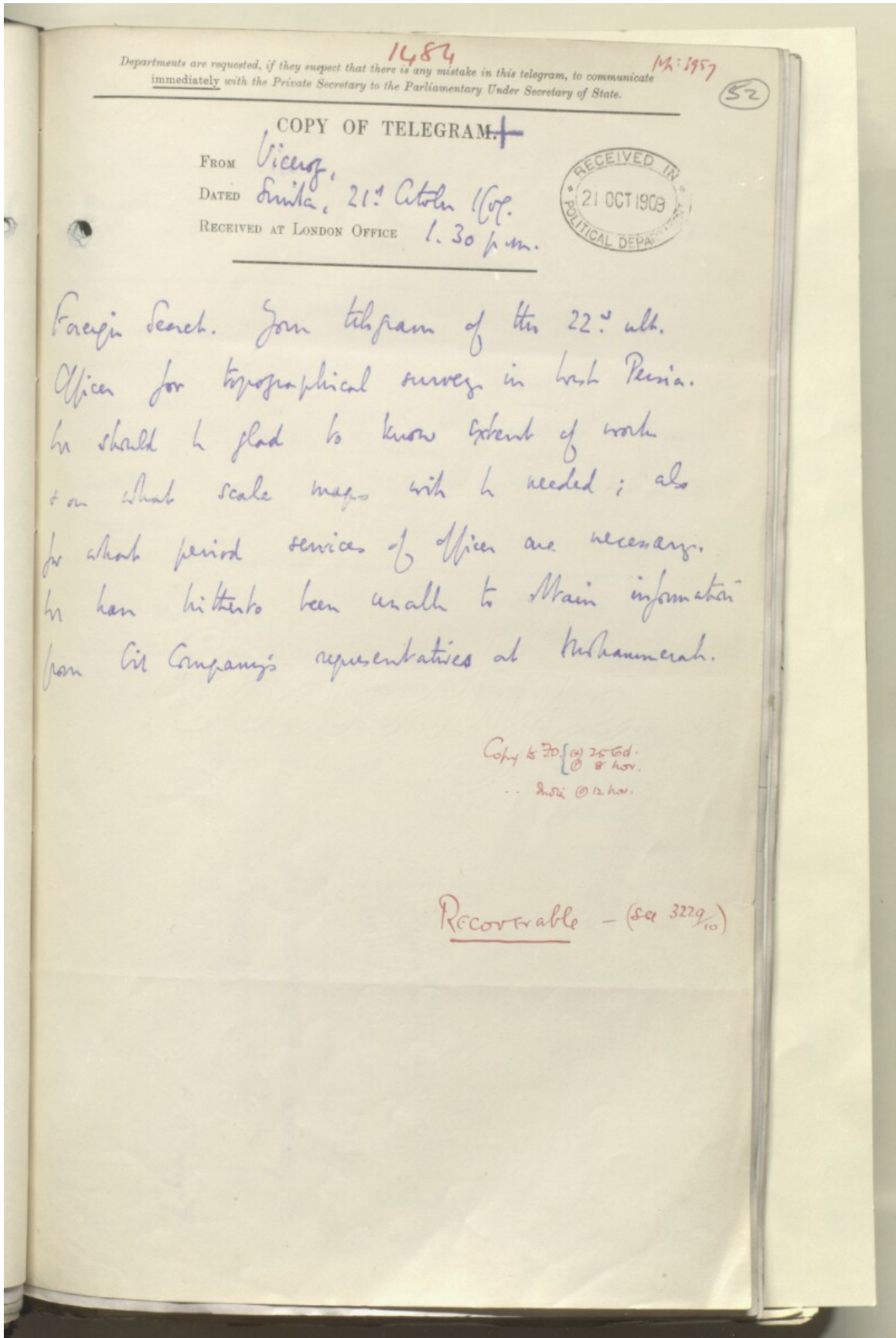
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥١ ظ] (١٤٢/١٠٢)



the questions asked in
the telegram from the Govt.
of India dated 18th Dec 1908
(88) R. FITCHIE.

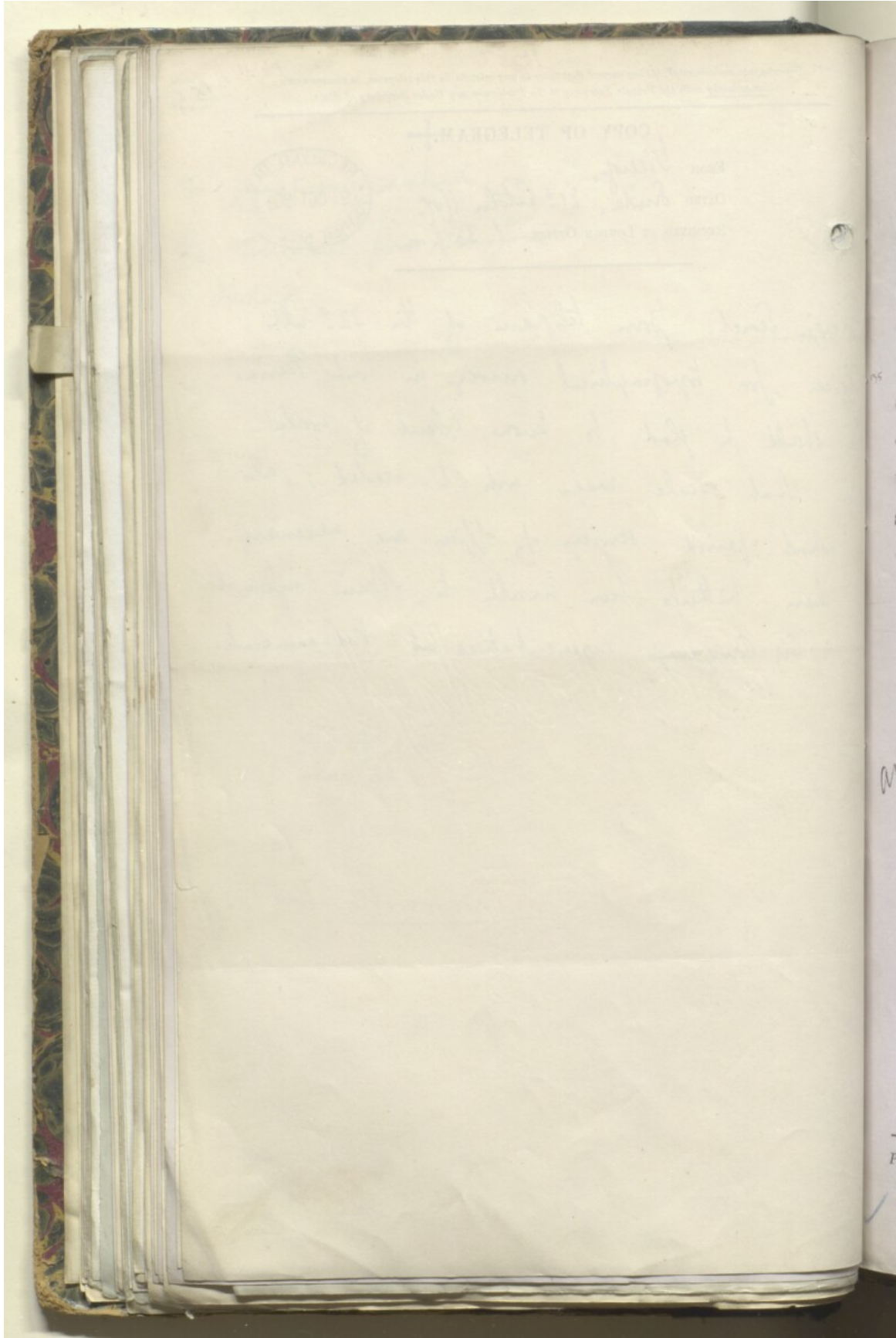


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٢و] (١٤٢/١٠٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٢٥ ظ] (١٤٢/١٠٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٣و] (١٤٢/١٠٥)

Register No. 3957 (53)

Secret Department.

Letter from 20, Dated 3/11 Sept. 1909.
Rec. 3/13

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	16 Sept	MS	Persia. Anglo-Persian Oil Co. and proposed geological survey in W. Persia. Co. accept offer of loan of services of division officer, the company to pay the whole of the expense incurred. The arrangements desired by the company.
Secretary of State	17	MS	
Committee	18	MS	
Under Secretary.....	22	MS	
Secretary of State			

Copy to India 14 Sept 1909, Secy's no. 38.

FOR USE BY DEPARTMENTS ONLY.

8ft. telegram to Viceroy inquiring whether necessary arrangements can be made.

22 Sept. 09. App'd. Pol. Council

Telegram to Viceroy, 22 Sept.

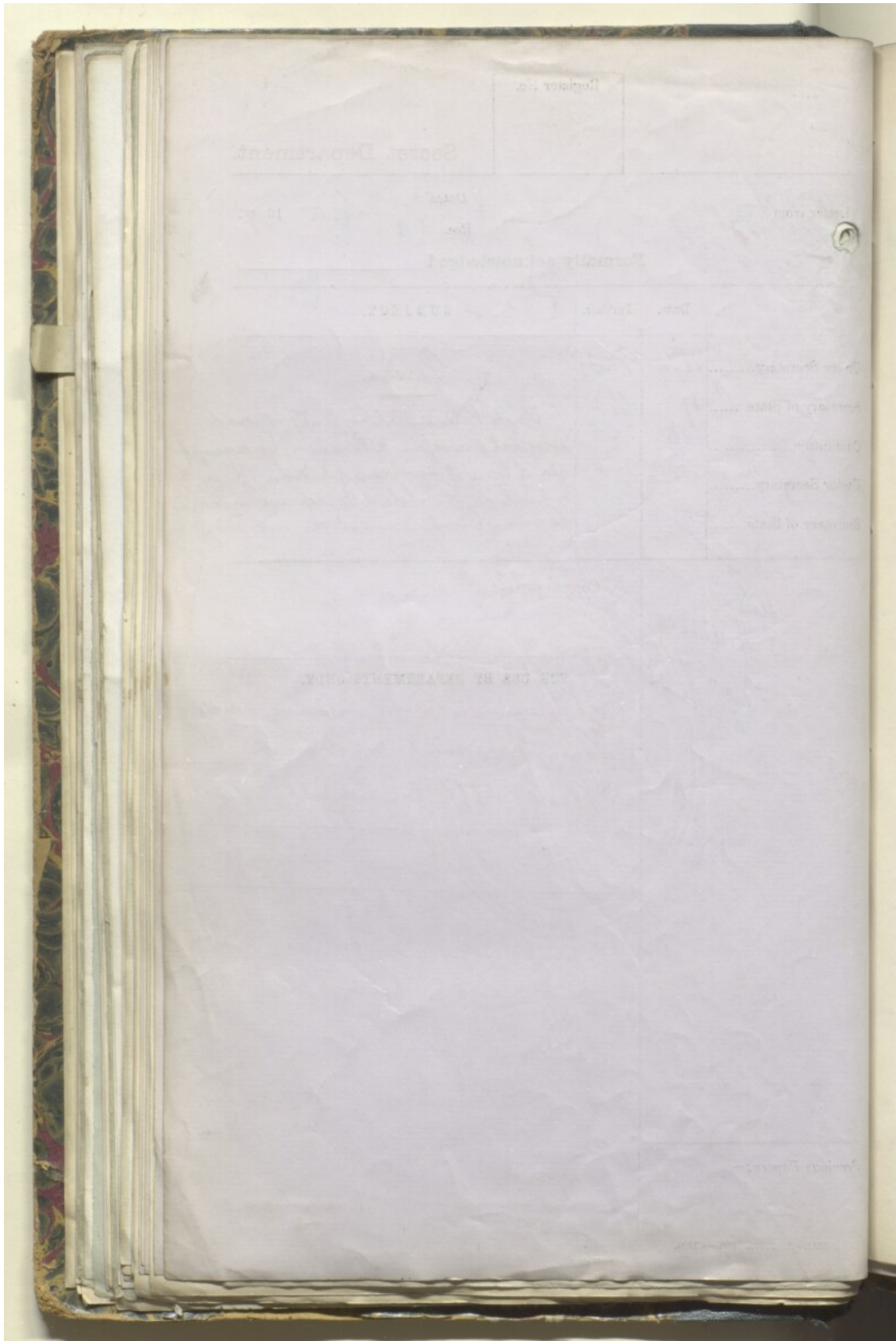
Send off. 22 Sept 09
MS +
22.9.09
MS

Previous Papers:—
3825

6611.—2. 1. 725. 500.—4/1909.

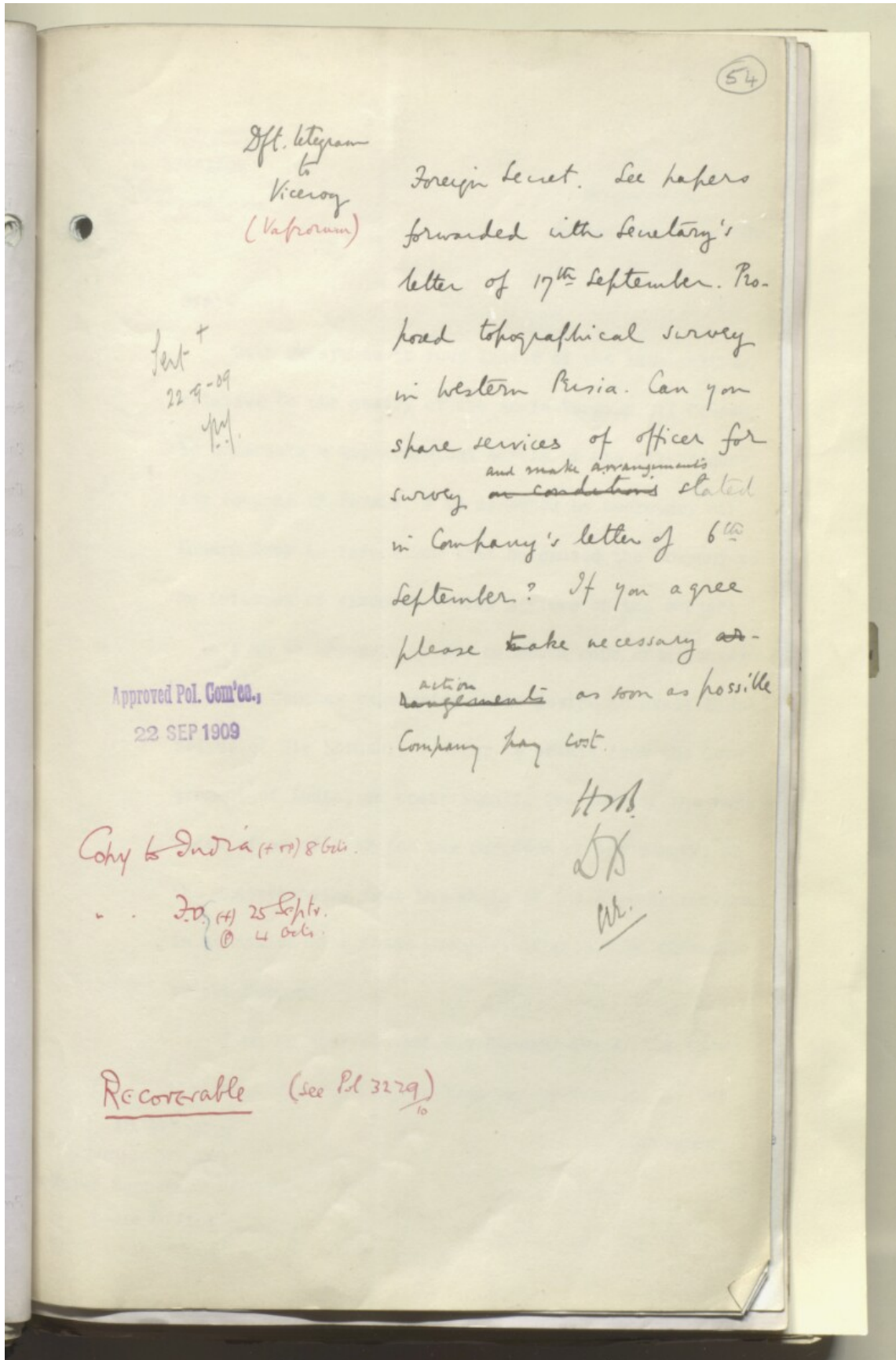


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٣ظ] (١٤٢/١٠٦)



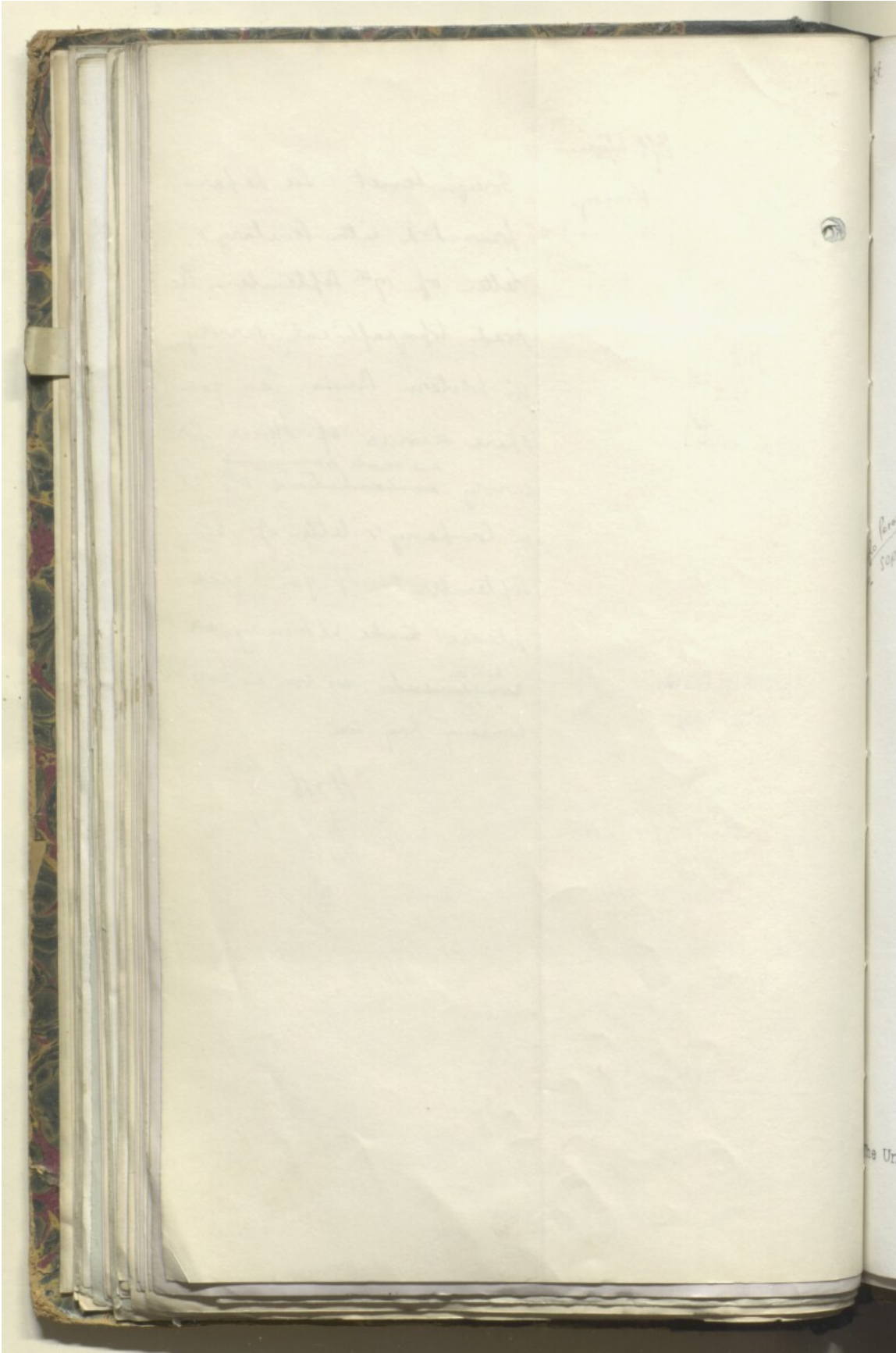


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط: عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٤و] (١٤٢/١٠٧)



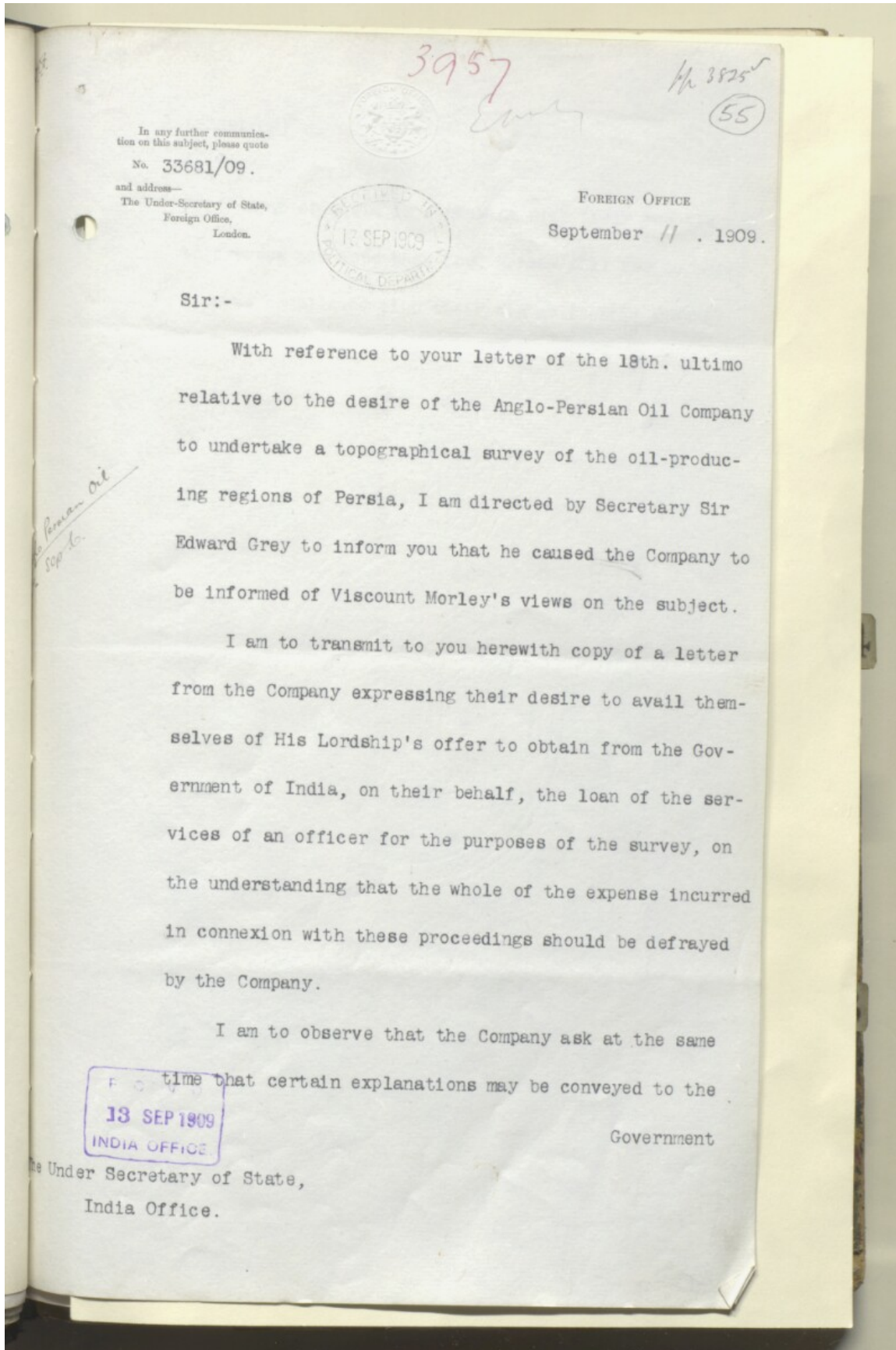


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٤ظ] (١٤٢/١٠٨)



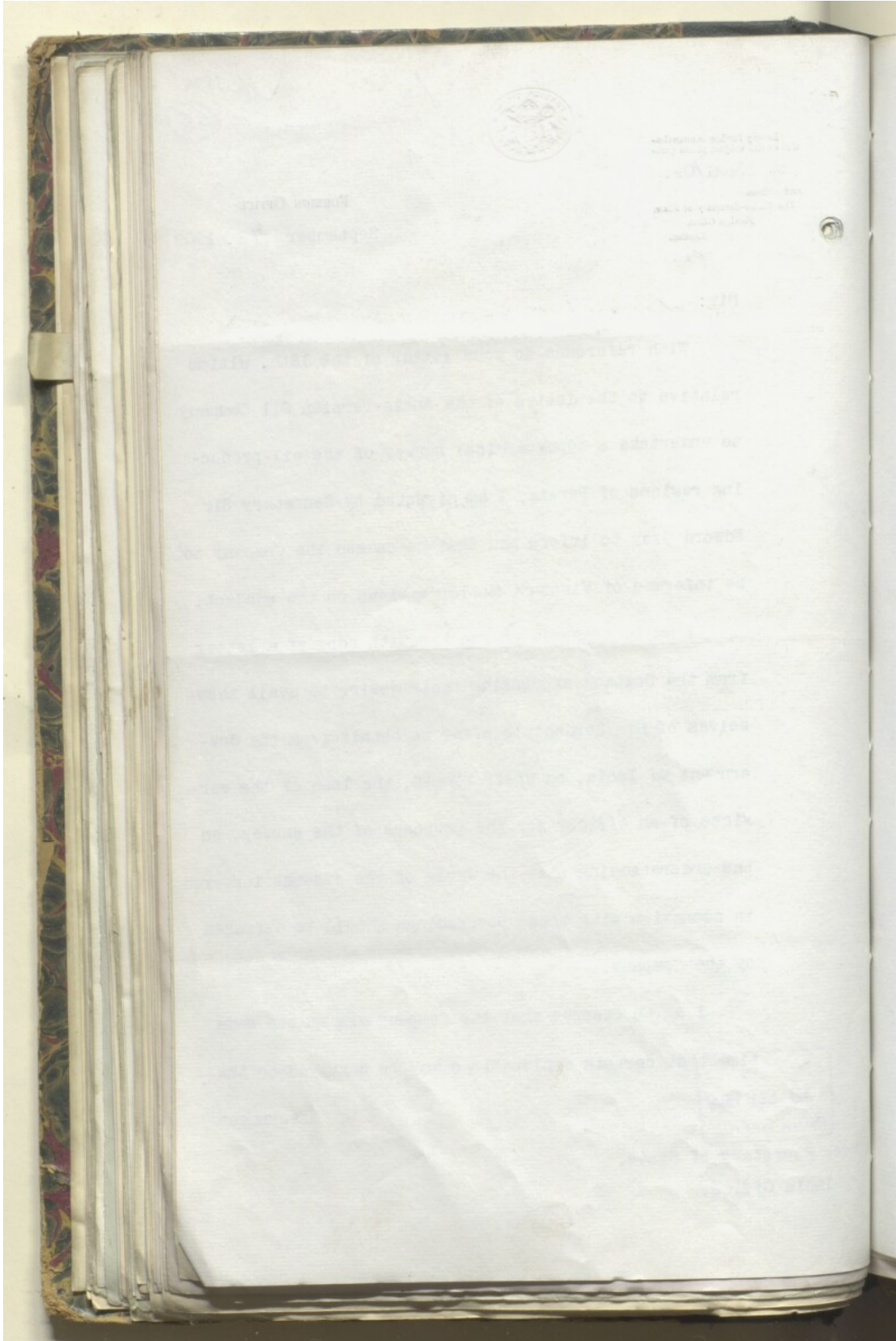


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٥] (١٤٢/١٠٩)



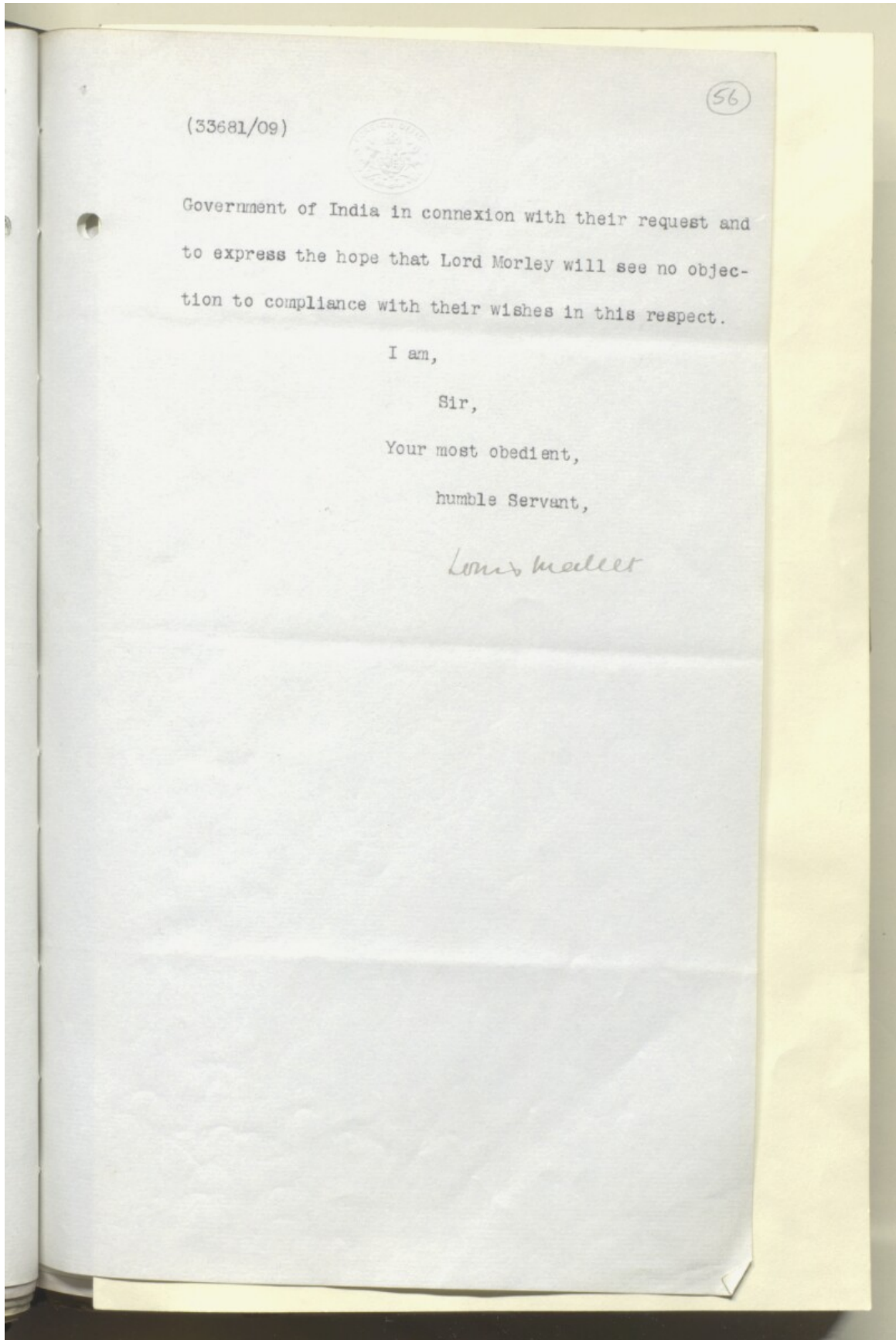


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٥ظ] (١٤٢/١١٠)



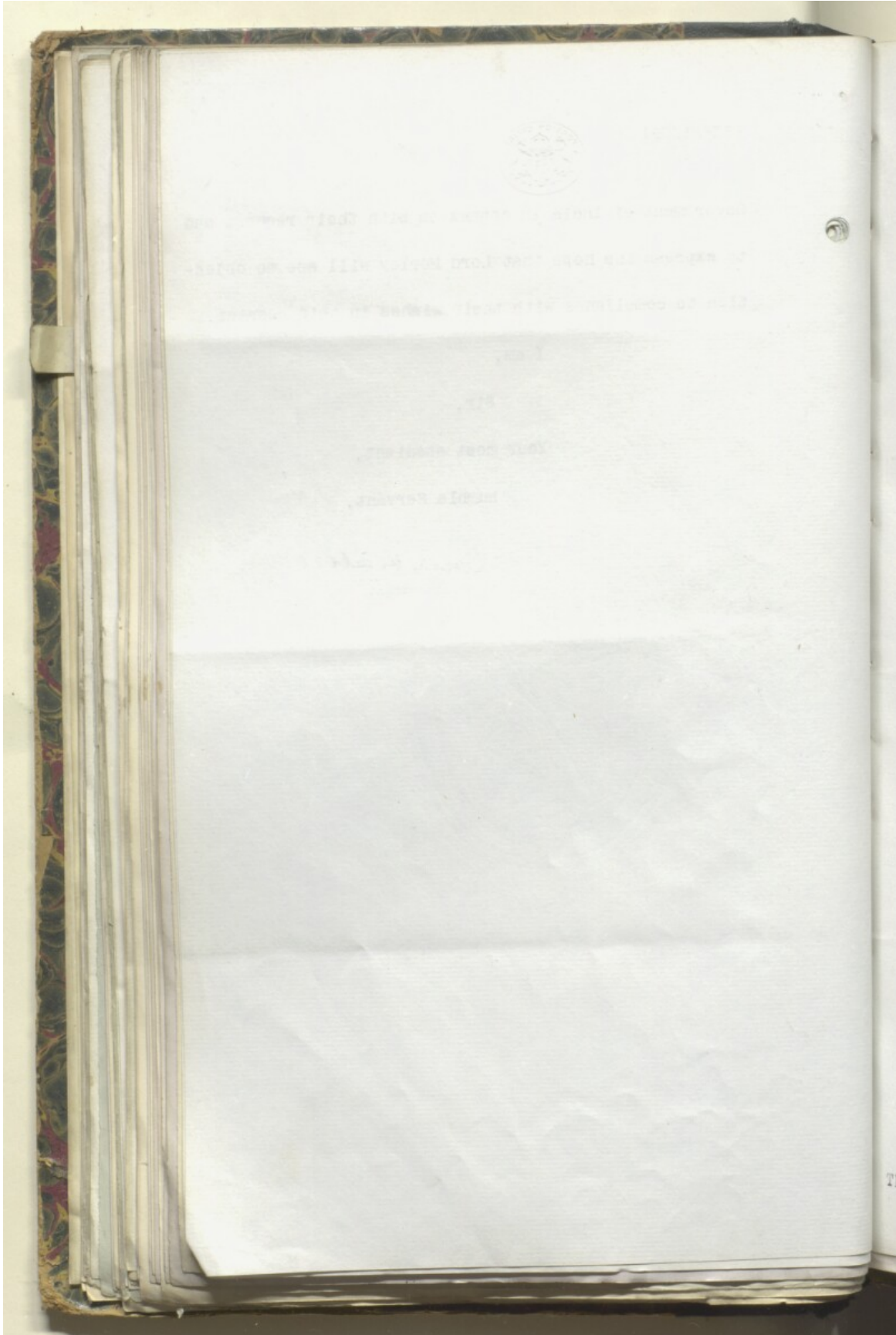


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٦و] (١٤٢/١١١)



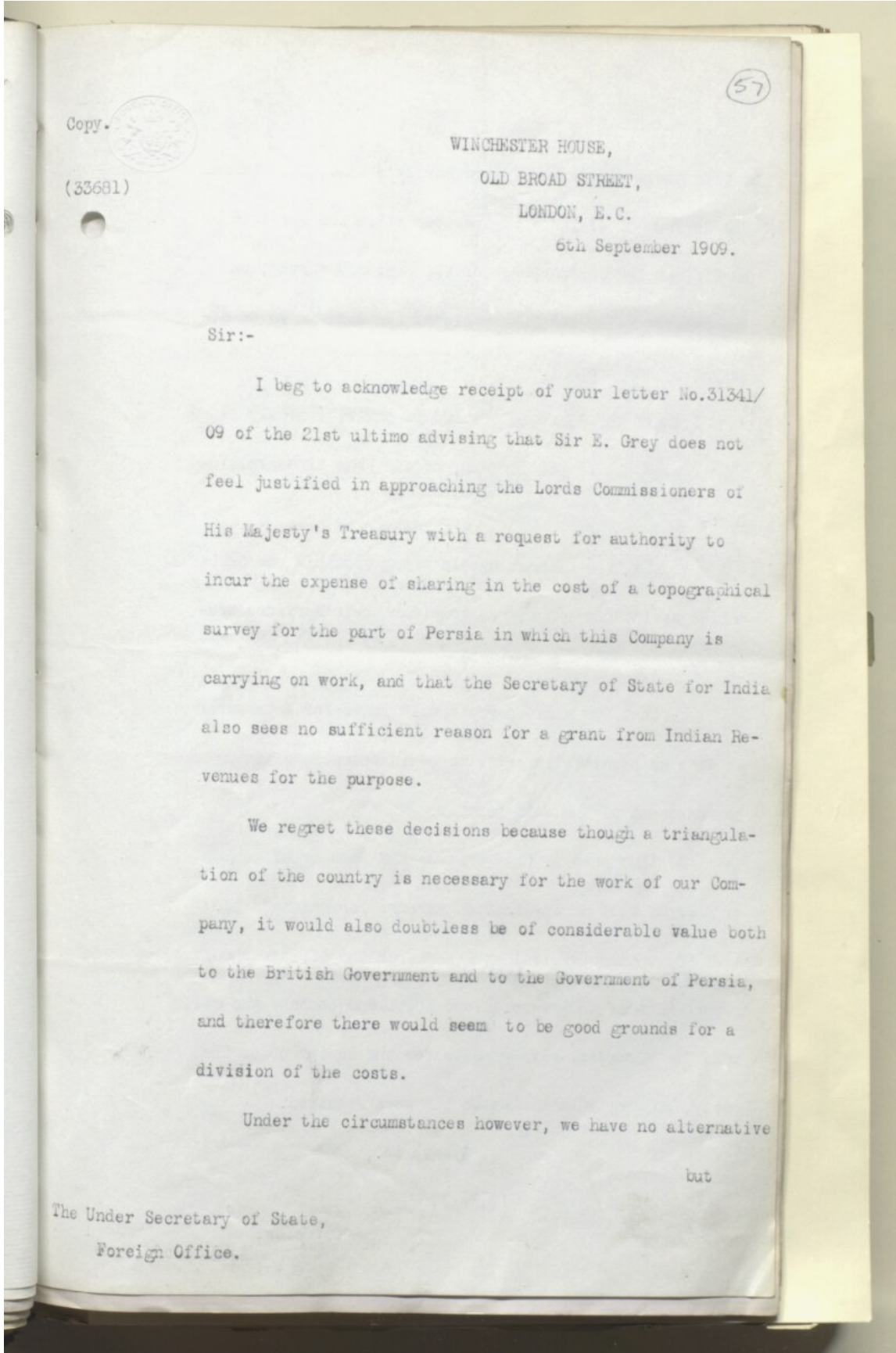


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٥ ظ] (١٤٢/١١٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٧و] (١٤٢/١١٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٧ظ] (١٤٢/١١٤)

but to avail ourselves of Lord Morley's kind offer to ask the Government of India if they can spare the services of an Officer for the purposes of the proposed survey, on the understanding that the whole of the cost is to be defrayed by our Company.

I shall therefore be obliged if you will kindly cause this request to be put forward, at the same time explaining:-

(1) that the officer should bring with him one or two native assistants should be consider their services necessary.

(2) that the whole party should leave for Mohammerah as soon as possible in order to begin operations at the commencement of the cold weather.

(3) that Messrs. Shaw Wallace and Company of Bombay or Karachi will on application arrange for passages &c.

(4) that on arrival at Mohammerah the officer should report himself to Messrs. Lloyd Scott and Company who will make the necessary arrangements for the equipment of the party, and instruct him as to the work required.

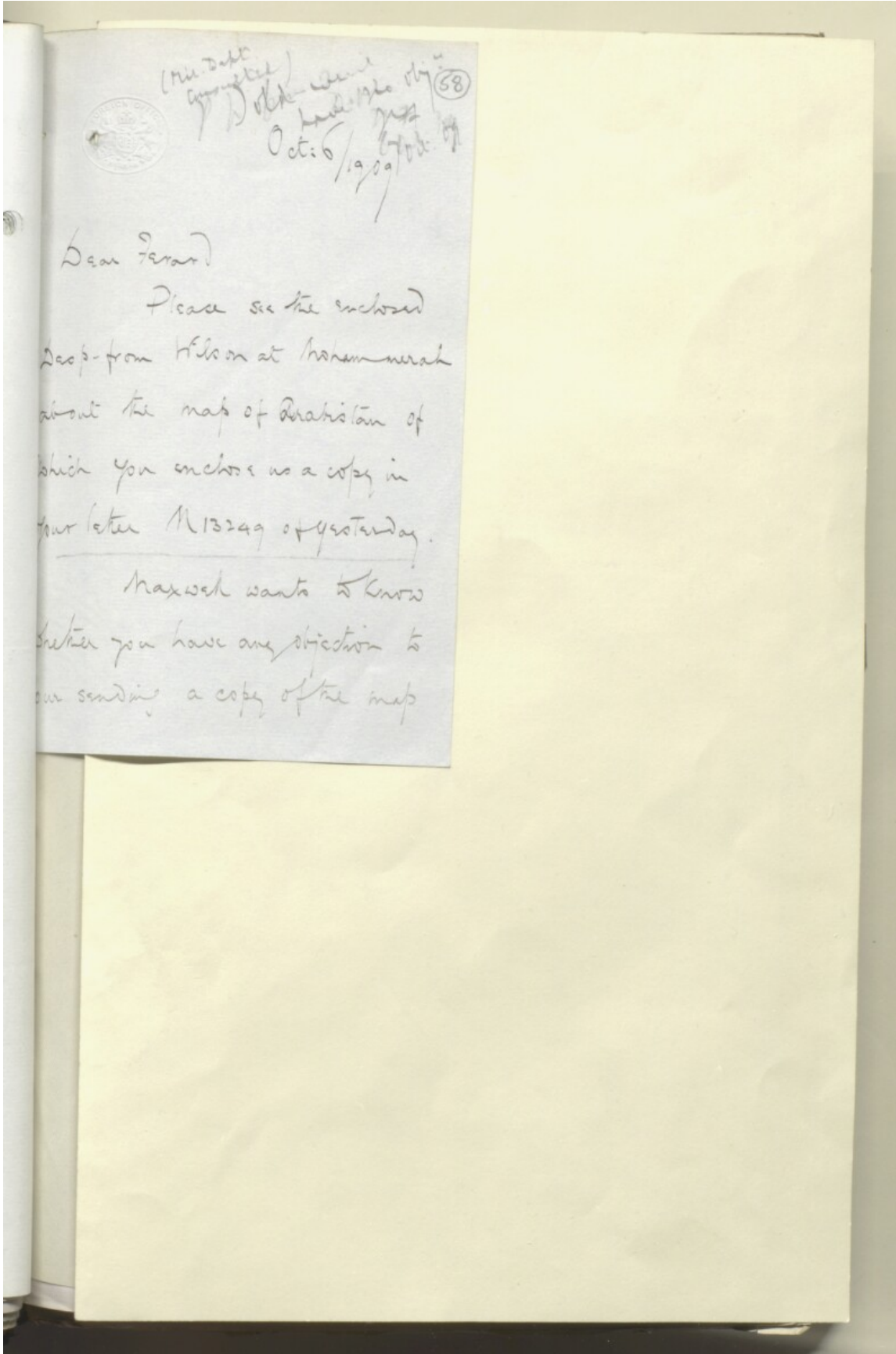
I have &c.,

(Signed)

Director.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٨] (١٤٢/١١٥)



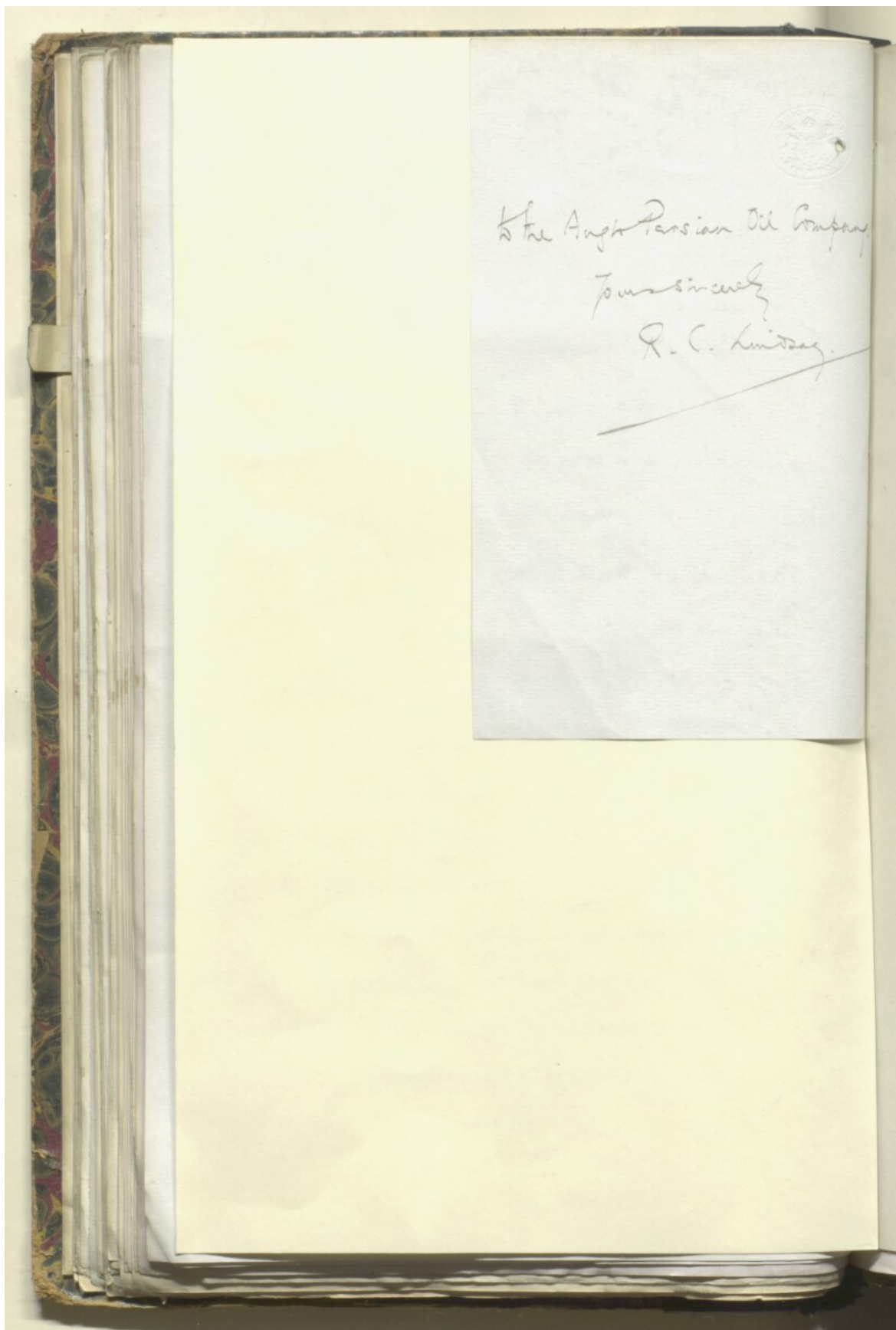
Dear Sir

Please see the enclosed
Map from Wilson at Bahammrah
about the map of Arabia of
which you enclose us a copy in
your letter M13249 of yesterday.

Maxweh wants to know
whether you have any objection to
our sending a copy of the map

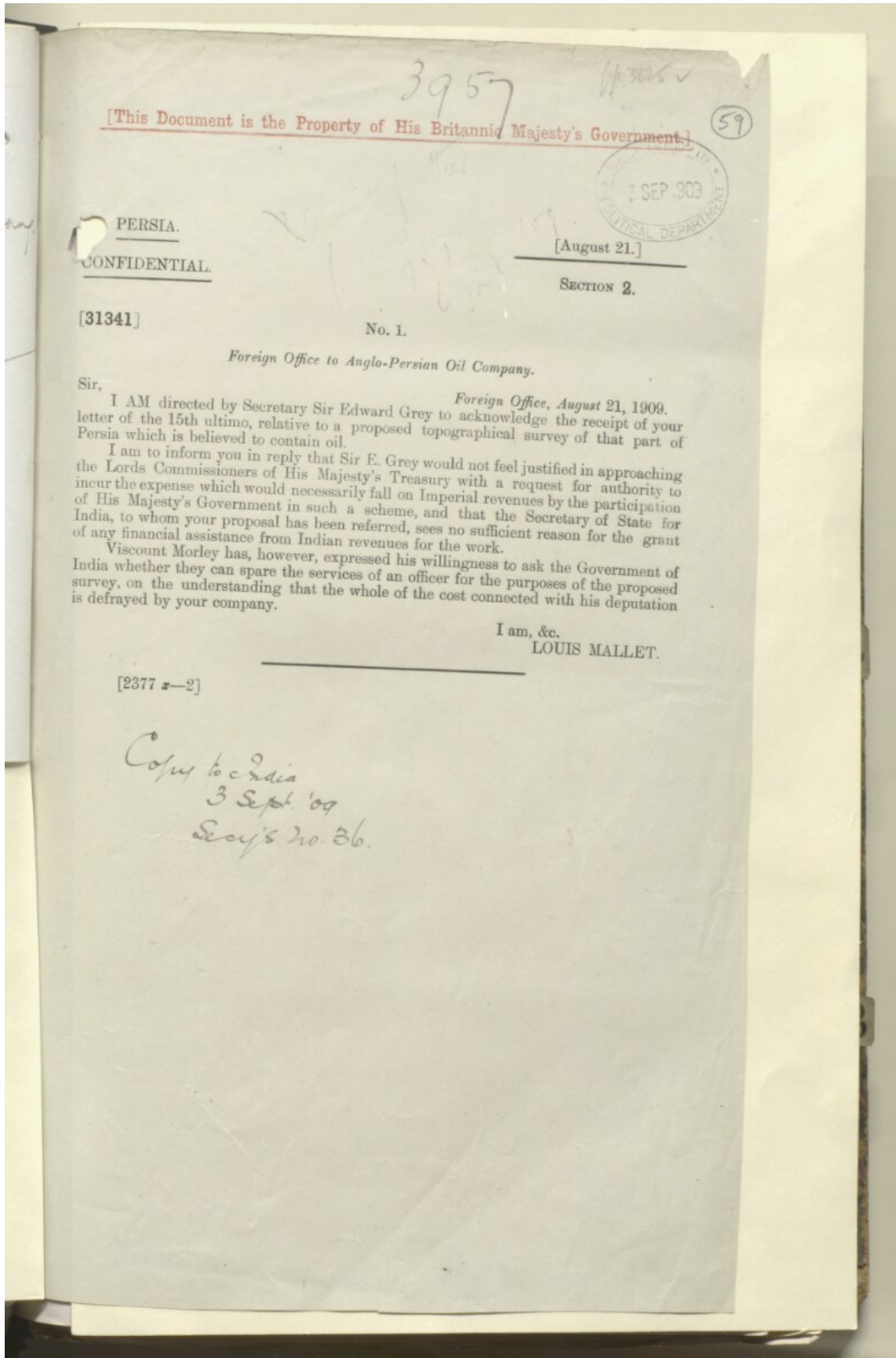


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٨ظ] (١٤٢/١١٦)



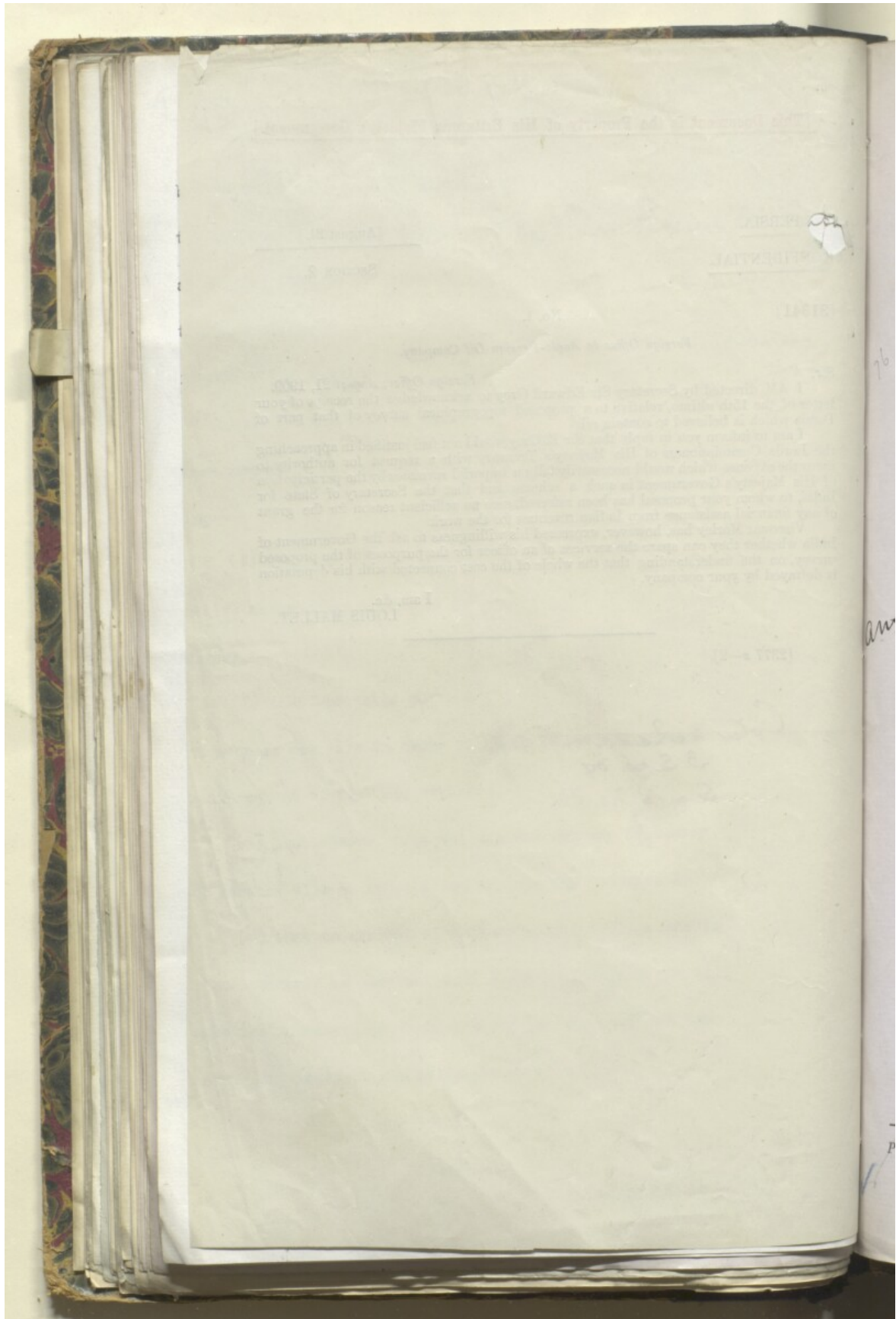


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٩و] (١٤٢/١١٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٥٩ظ] (١٤٢/١١٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٠] (١٤٢/١١٩)

Register No. 3825

Secret Department.

Letter from 70, Dated 9 Aug. 1909. Rec. 10

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	11-8	Wk	Persia.
Secretary of State	12	af	Proposal of the Anglo-Persian Oil Co. for a geological survey in Persia. "Memoirs of Geological Survey of India, Vol. XXXIV, Part 1a," does not serve the purpose of the Company.
Committee	16	Wk	Inquiring whether Indian revenues will share with the Company the expense of the proposed survey.
Under Secretary.....	17	af	
Secretary of State	17	Wk	

Copy to COPY TO INDIA 27 August 1909. SECRETARY'S N^o 35

FOR USE BY DEPARTMENTS ONLY.

Wt 70, declining financial assistance to the Co's survey, but agreeing to the loan of an Indian Survey Officer, subject to the cost being borne by the Co.

16th August. The Political Committee approve the draft letter.

Letter to 70, 18 Aug.

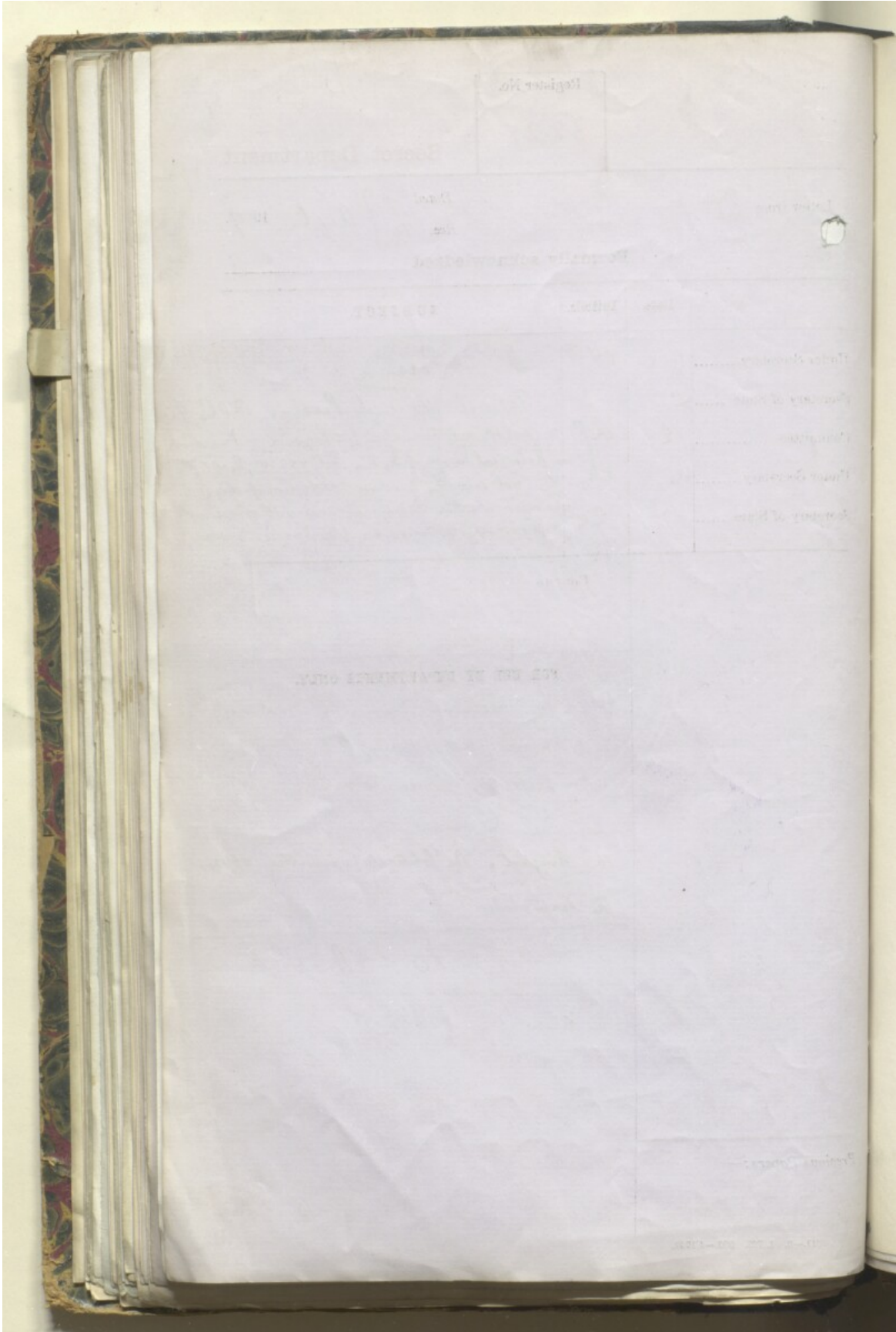
Previous Papers:—

3747

5611.—2. I. 725. 500.—4/1909.

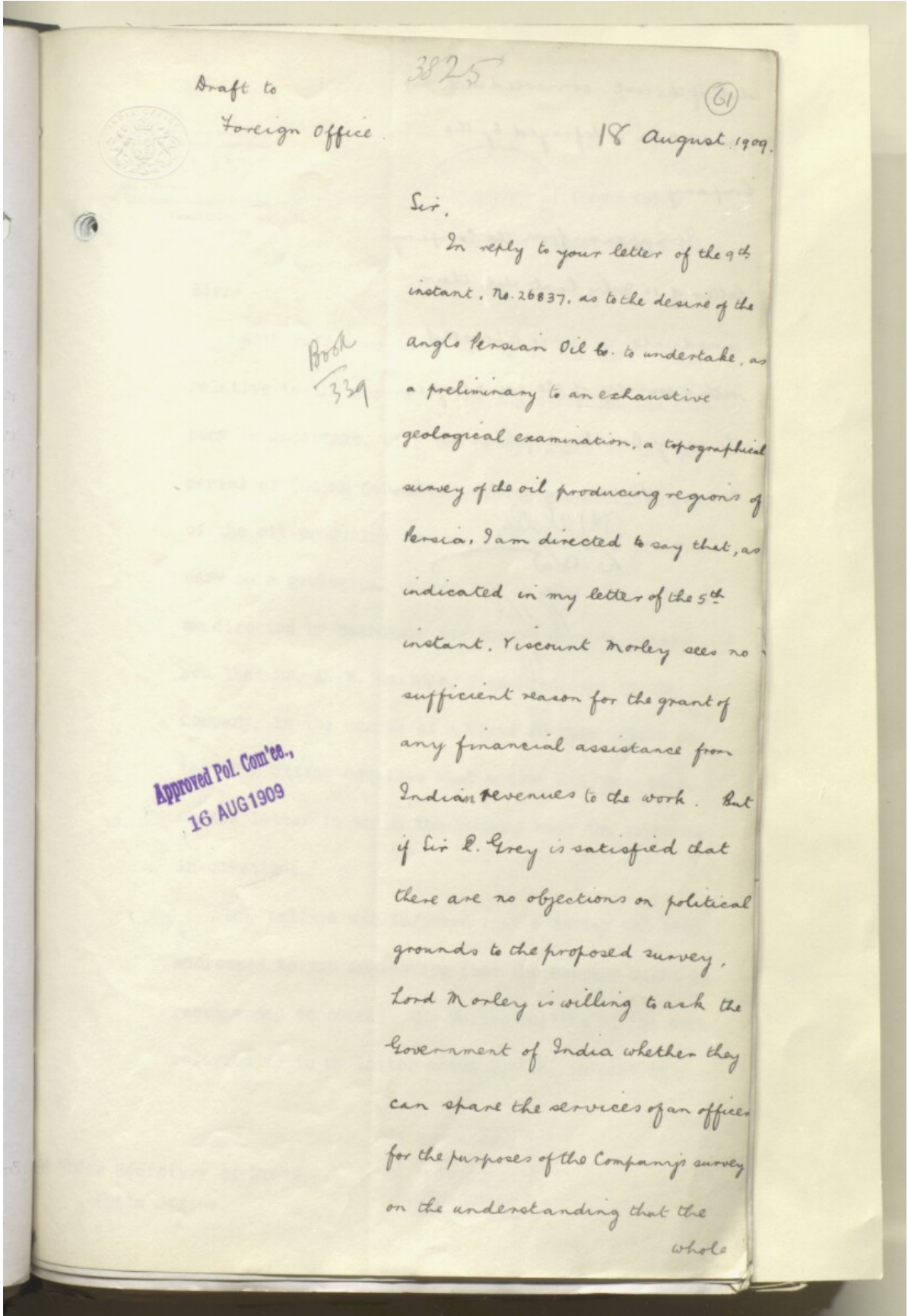


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٠ظ] (١٤٢/١٢٠)



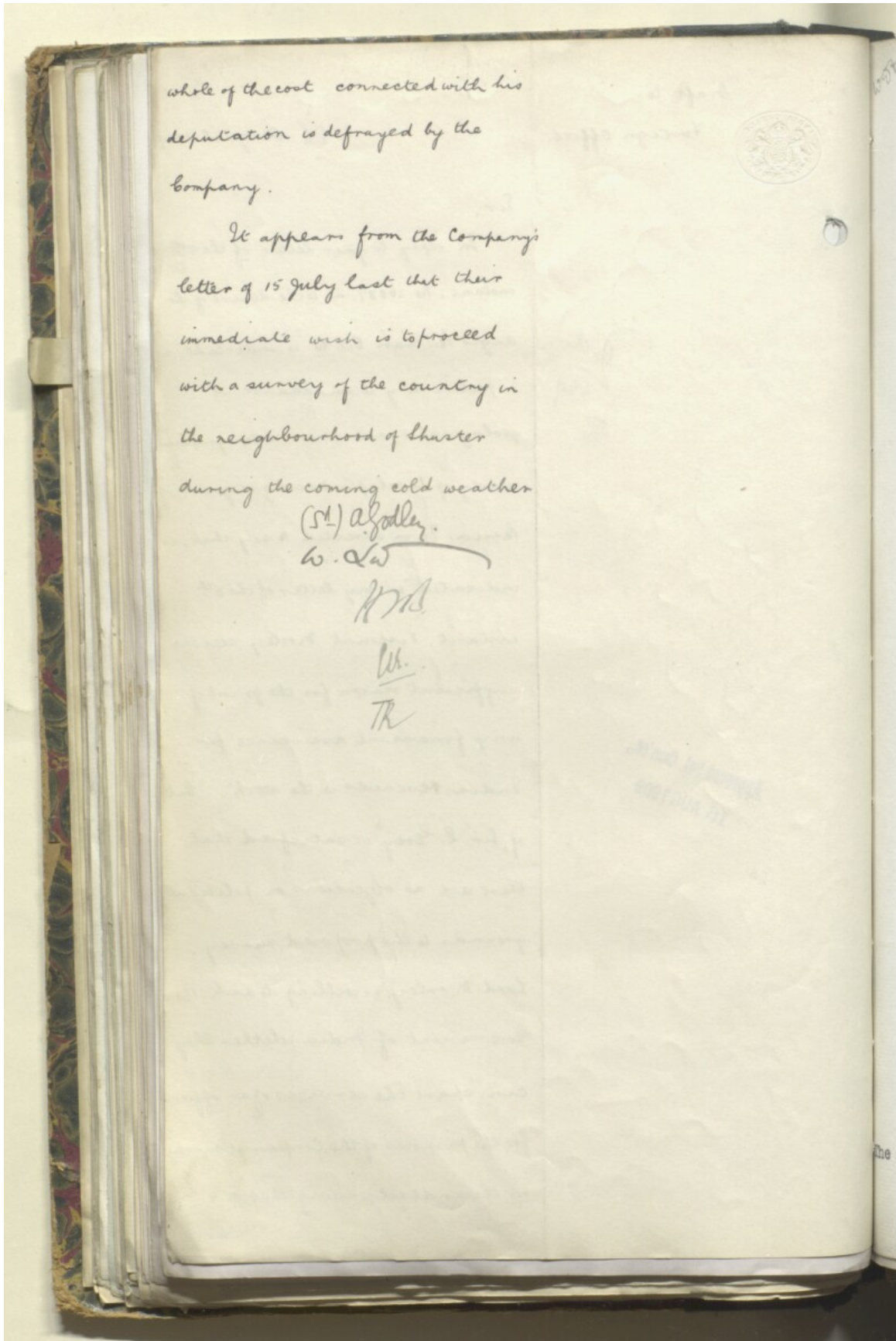


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦١] (١٤٢/١٢١)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦١ظ] (١٤٢/١٢٢)



whole of the cost connected with his
deputation is defrayed by the
company.

It appears from the Company's
letter of 15 July last that their
immediate wish is to proceed
with a survey of the country in
the neighbourhood of Shuster
during the coming cold weather

(S. L.) W. L. W.

W. L. W.

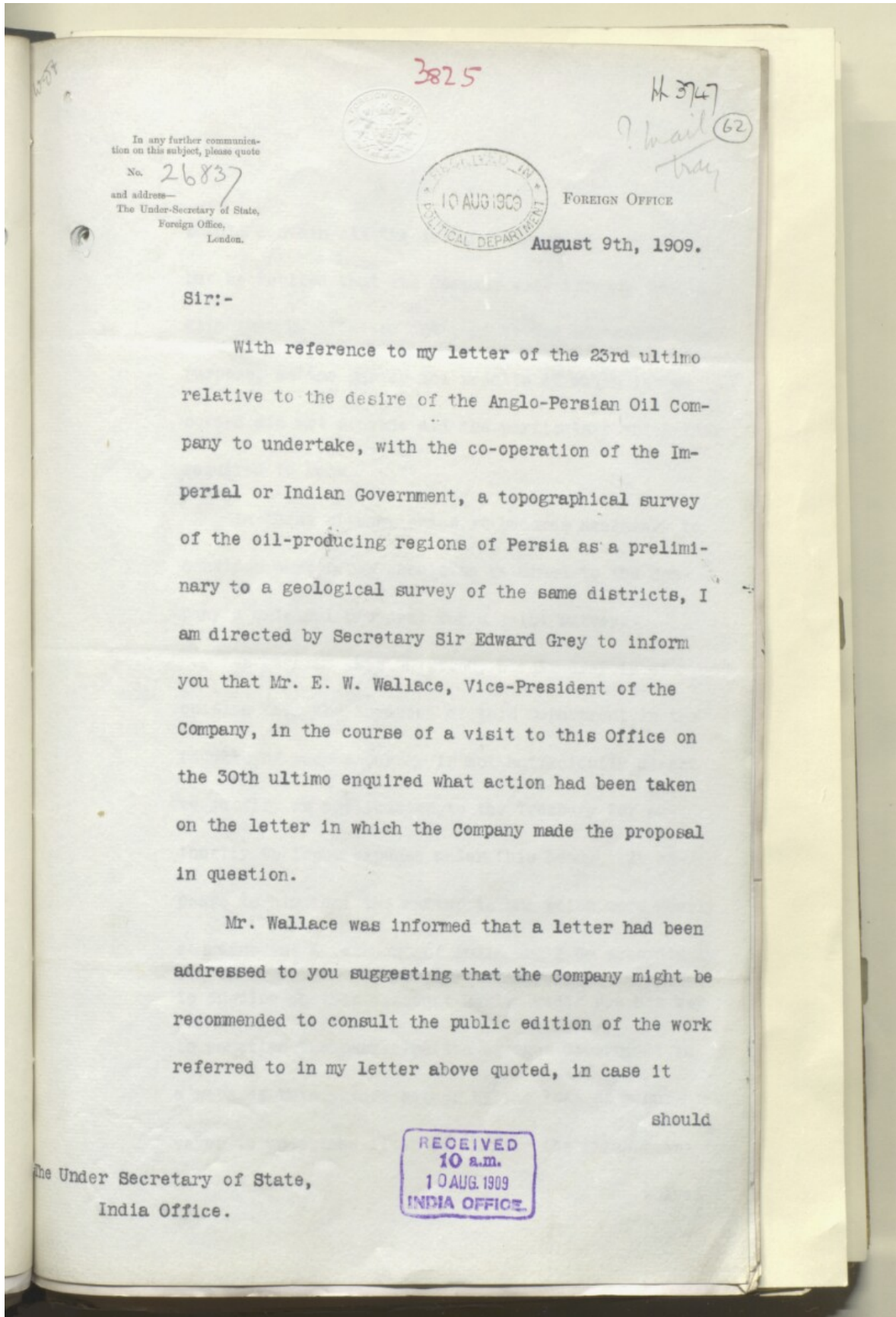
W. L. W.

W. L. W.

W. L. W.

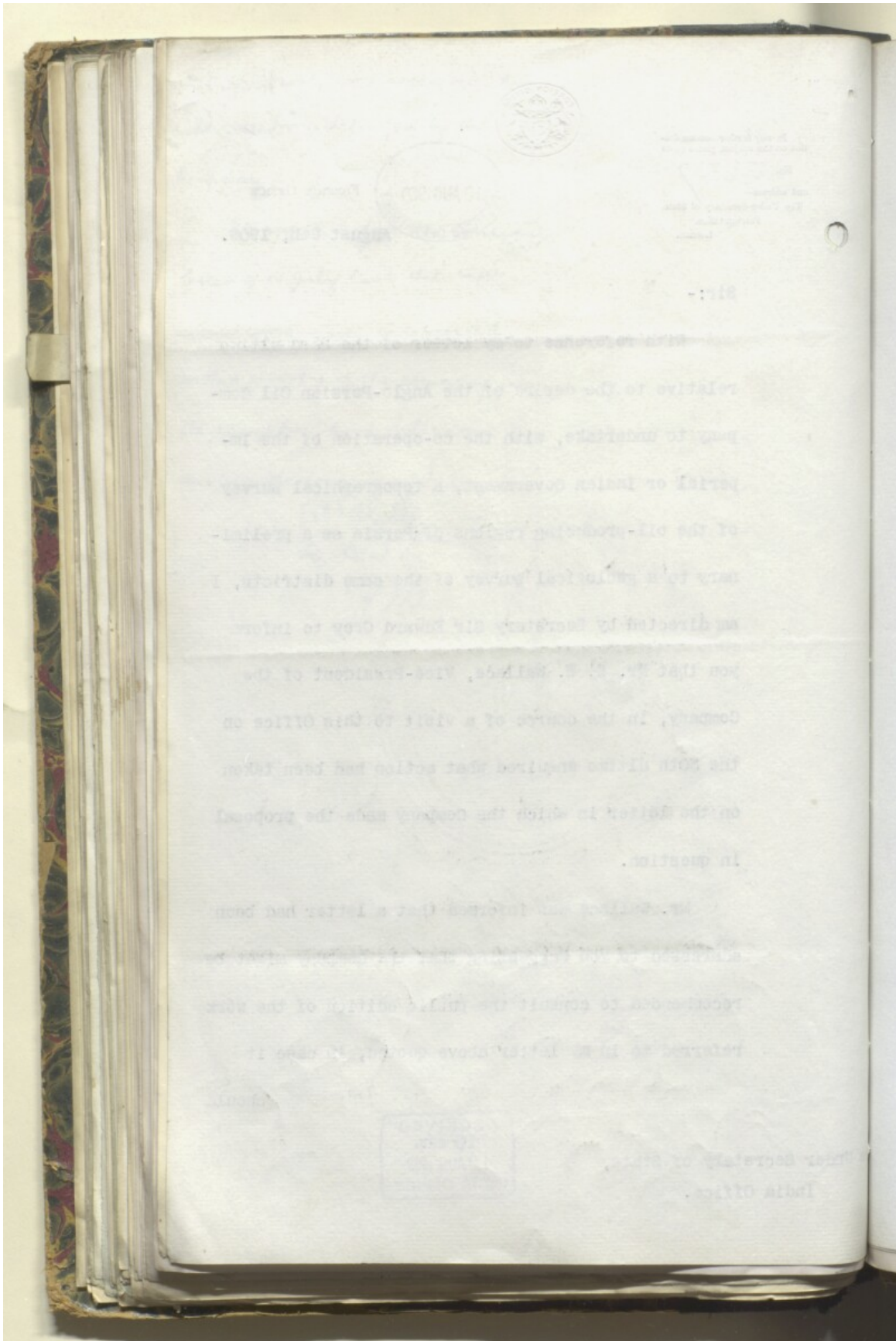


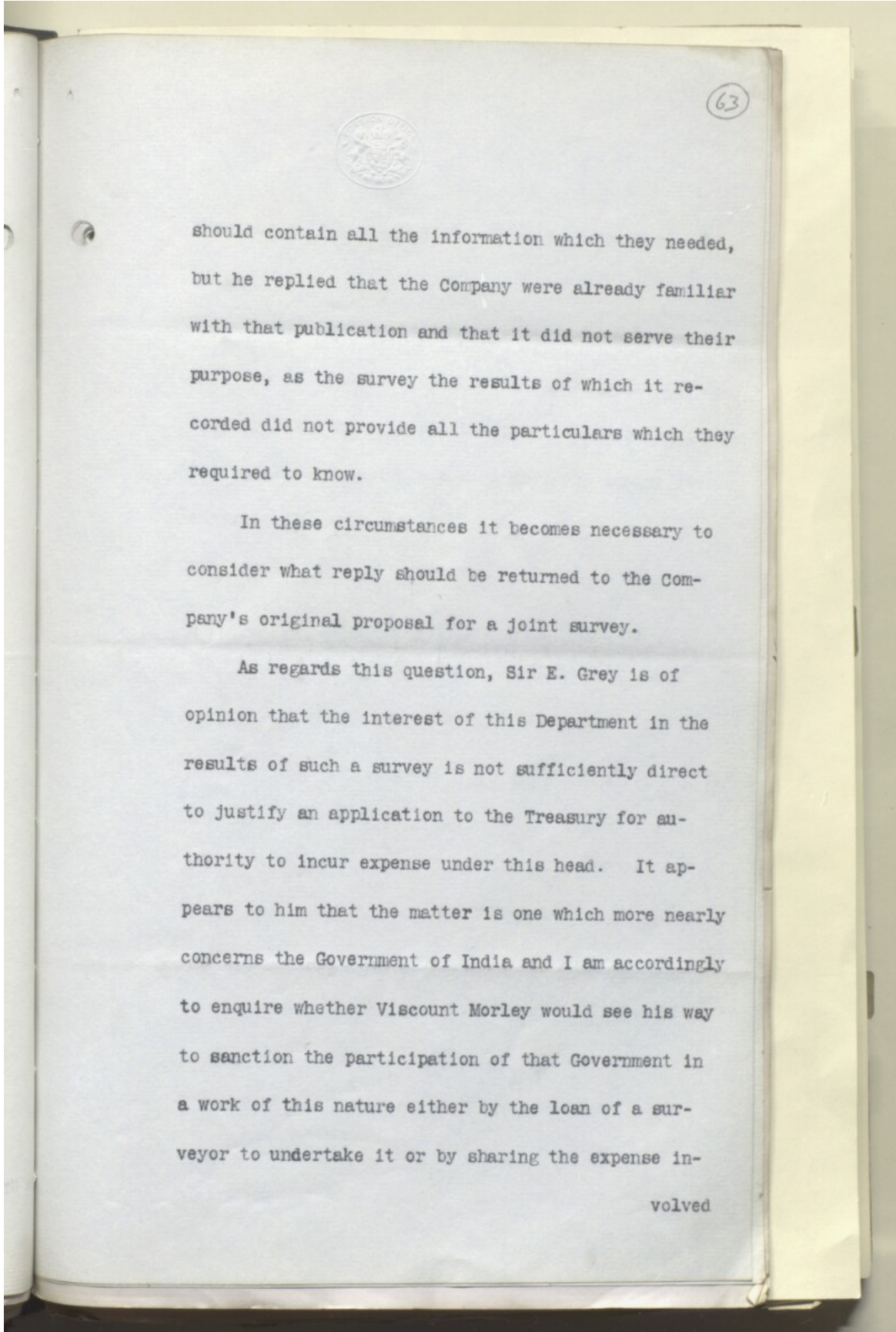
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٢ و] (١٤٢/١٢٣)





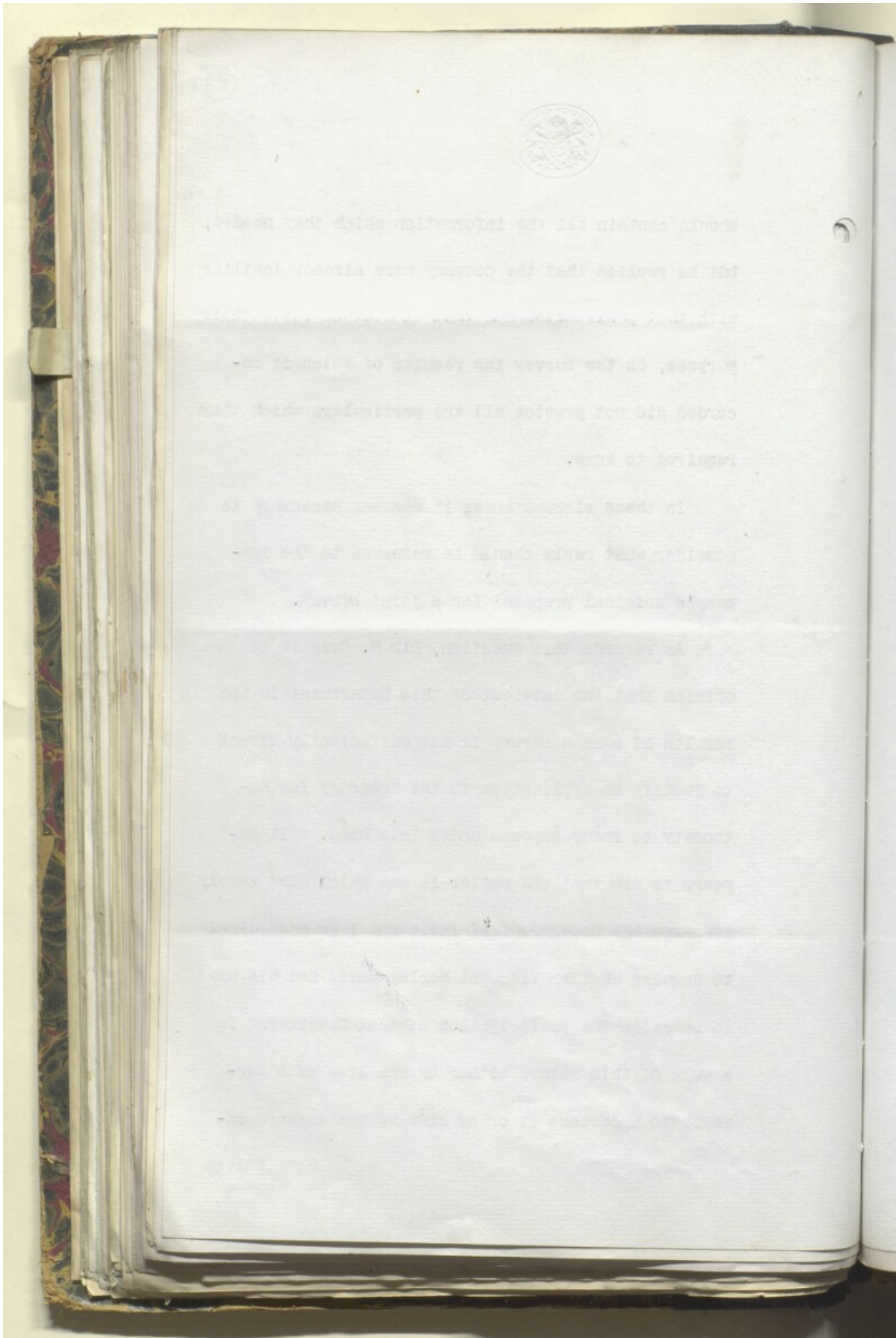
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٢ظ] (١٤٢/١٢٤)





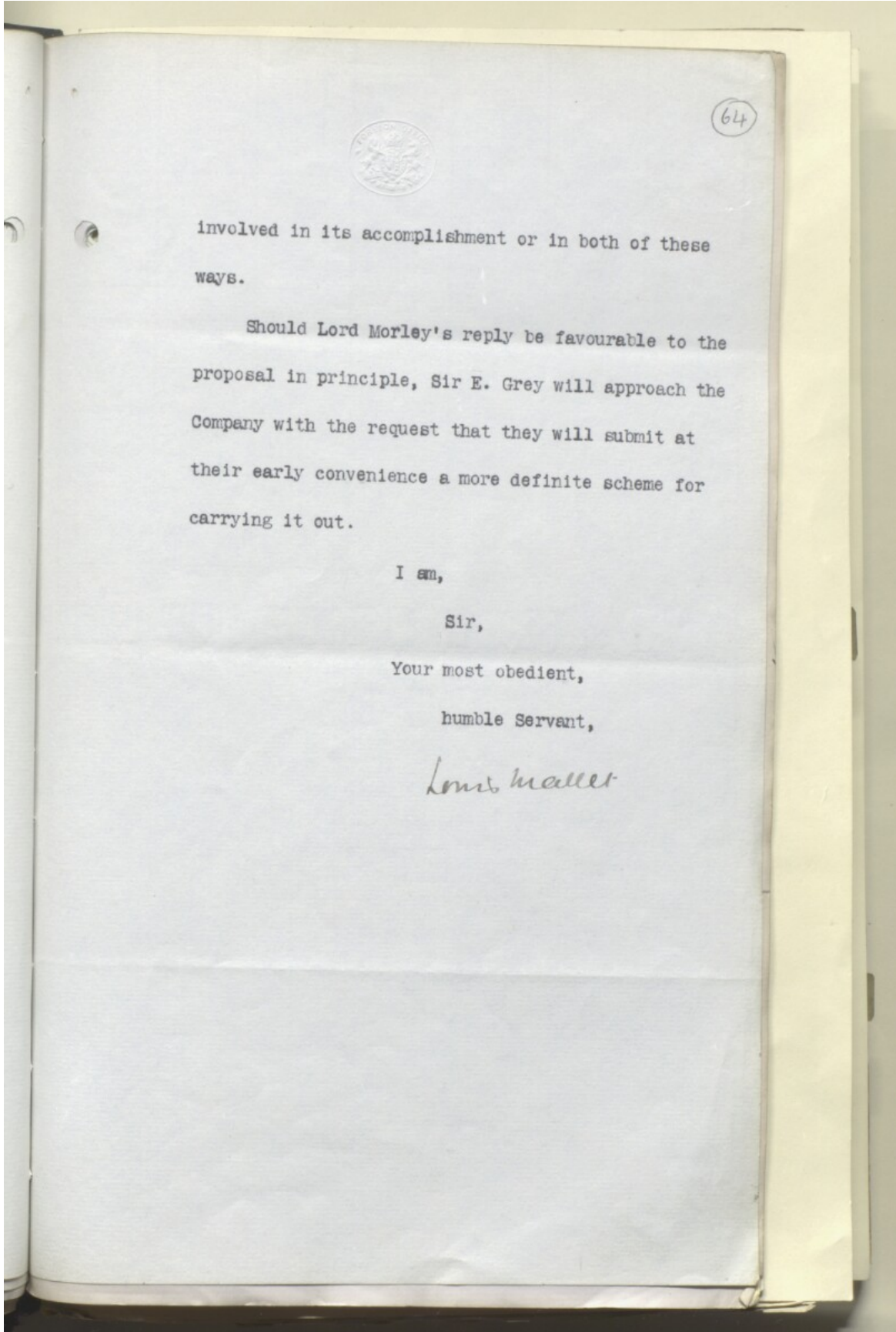


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٣ظ] (١٤٢/١٢٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٤و] (١٤٢/١٢٧)



involved in its accomplishment or in both of these
ways.

Should Lord Morley's reply be favourable to the
proposal in principle, Sir E. Grey will approach the
Company with the request that they will submit at
their early convenience a more definite scheme for
carrying it out.

I am,

Sir,

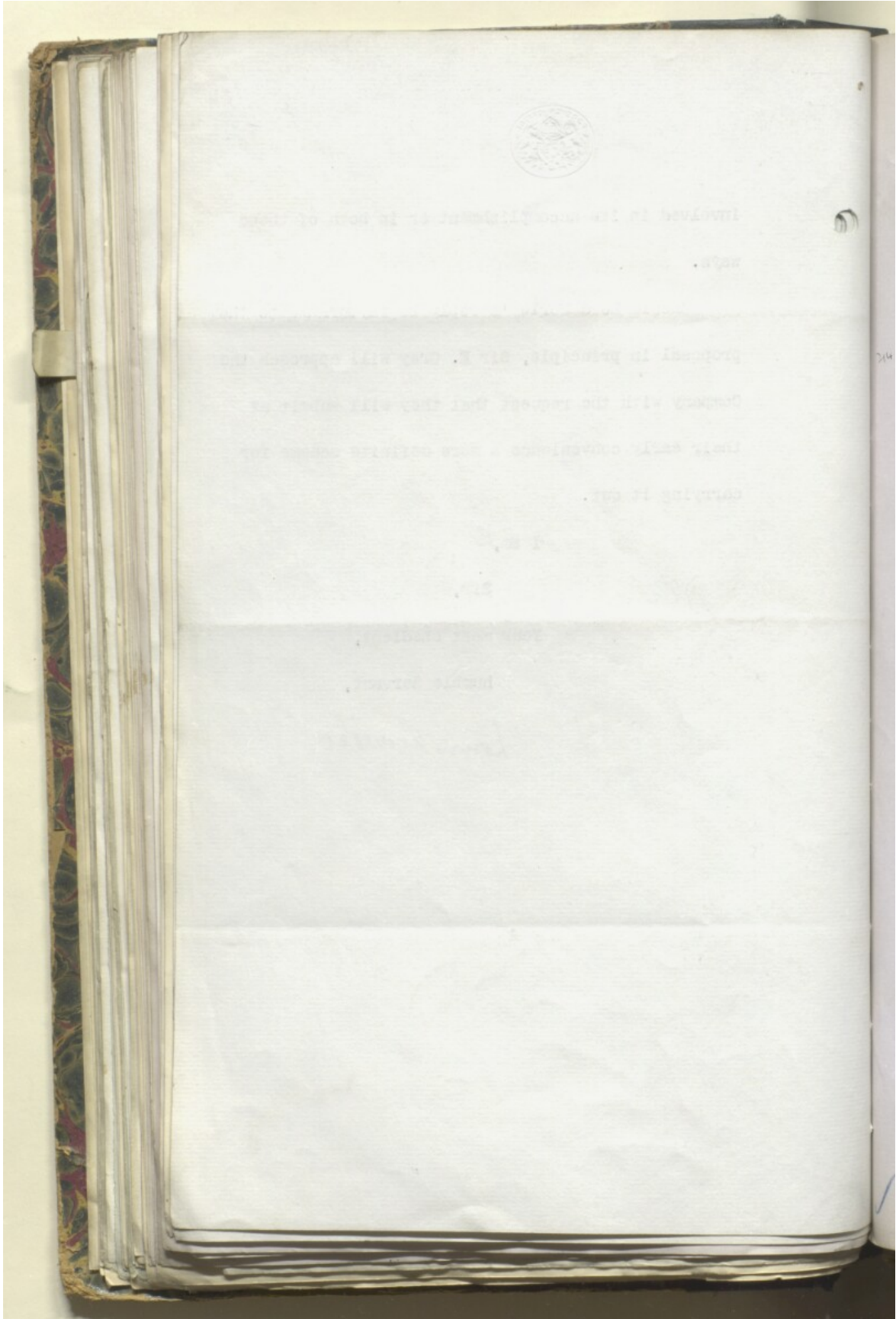
Your most obedient,

humble Servant,

Louis Mallet



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٤ظ] (١٤٢/١٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٥] [١٤٢/١٢٩]

Register No. 3747 (65)

Secret Department.

Letter from F.O. Dated 23 July 1909
Rec. 24

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	28 7	MU	West Persia. Application of the Anglo-Persian Oil Company for assistance in a proposed geological survey in Western Persia
Secretary of State	28	AG	
Committee	29.	M.	
Under Secretary.....	4.8	MU	
Secretary of State	4 5.	AG M.	

Copy to India 27 August 09
Say 35

FOR USE BY DEPARTMENTS ONLY.

Draft letter to F.O., concerning in their
proposal to refer the Co. to the
published edition of "The geology of the
Persian Gulf, etc." & suggesting a warning
to the Company that the assistance asked
for is unlikely to be forthcoming.

4th August. The Political Committee approve
the draft letter with alteration as shown.

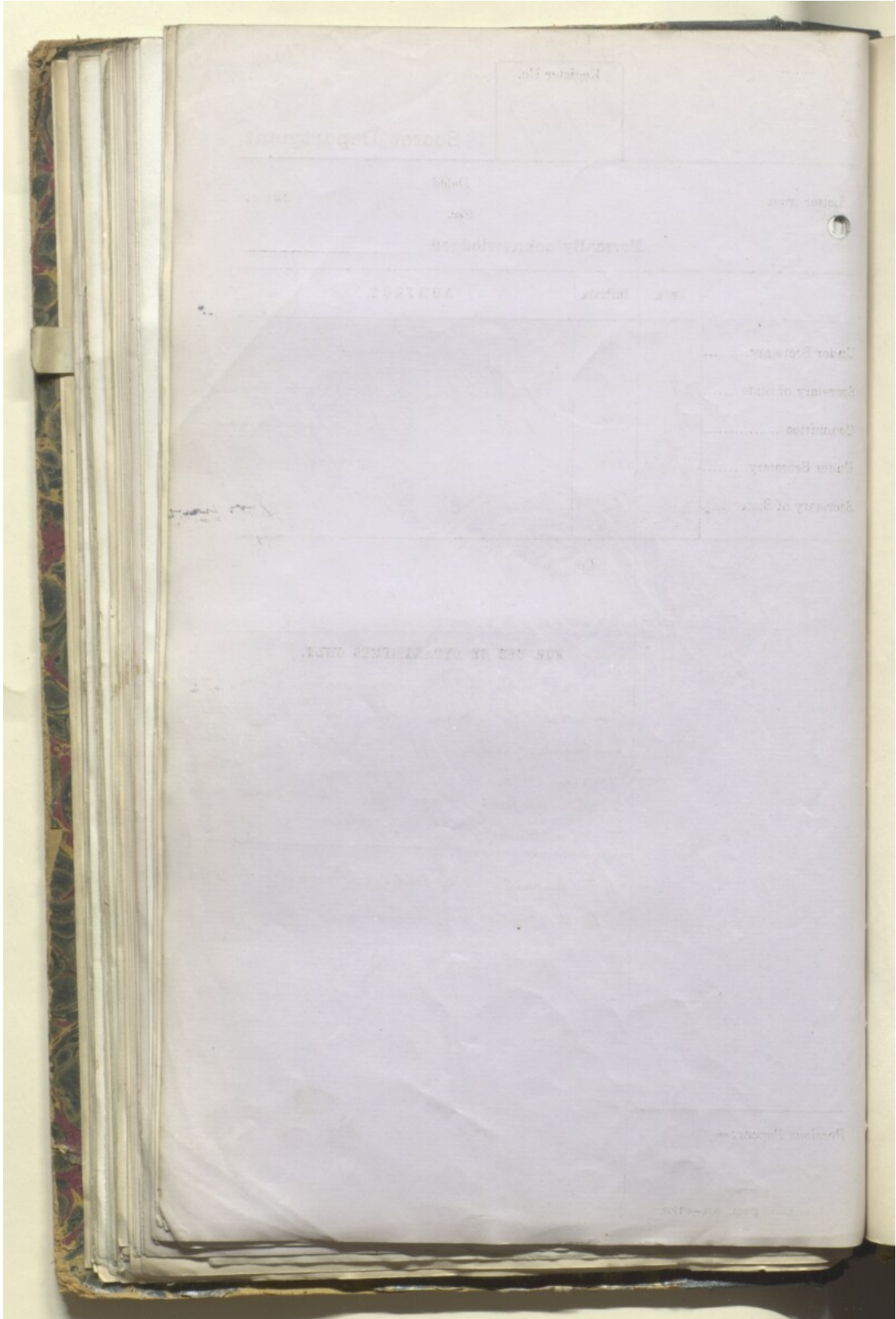
Letter to F.O., 5 Augt.

Previous Papers:— 204/09

5611.—2. I. 725. 509.—4/1909.

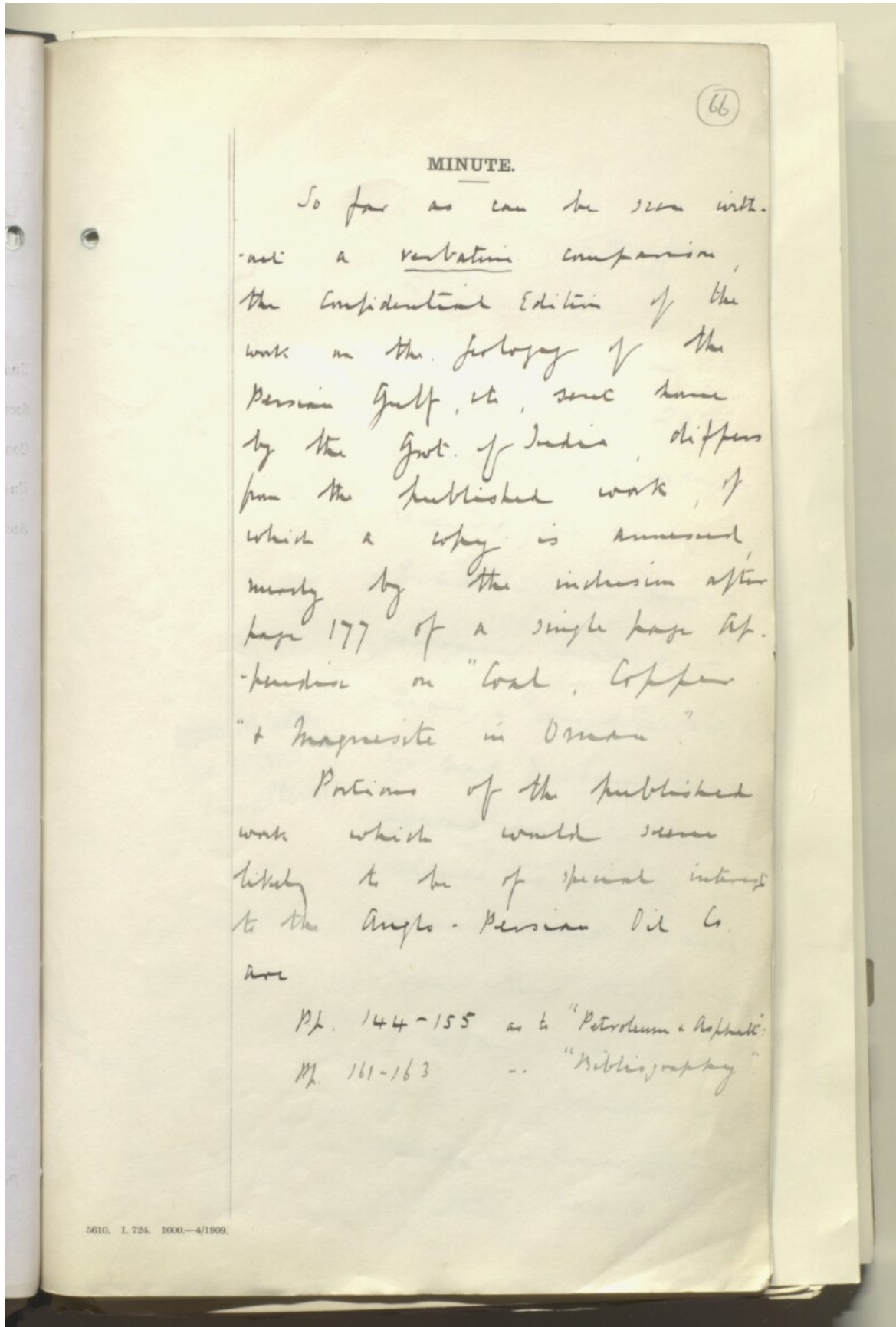


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٥ظ] (١٤٢/١٣٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٩٠٦] (١٤٢/١٣١)



(66)

MINUTE.

So far as can be seen with
-out a verbatim comparison,
the Confidential Edition of the
work on the geology of the
Persian Gulf, etc, sent home
by the Govt. of India, differs
from the published work, of
which a copy is annexed
merely by the inclusion after
page 177 of a single page of
-ference on "Coal, Copper
& Magnesite in Oman".

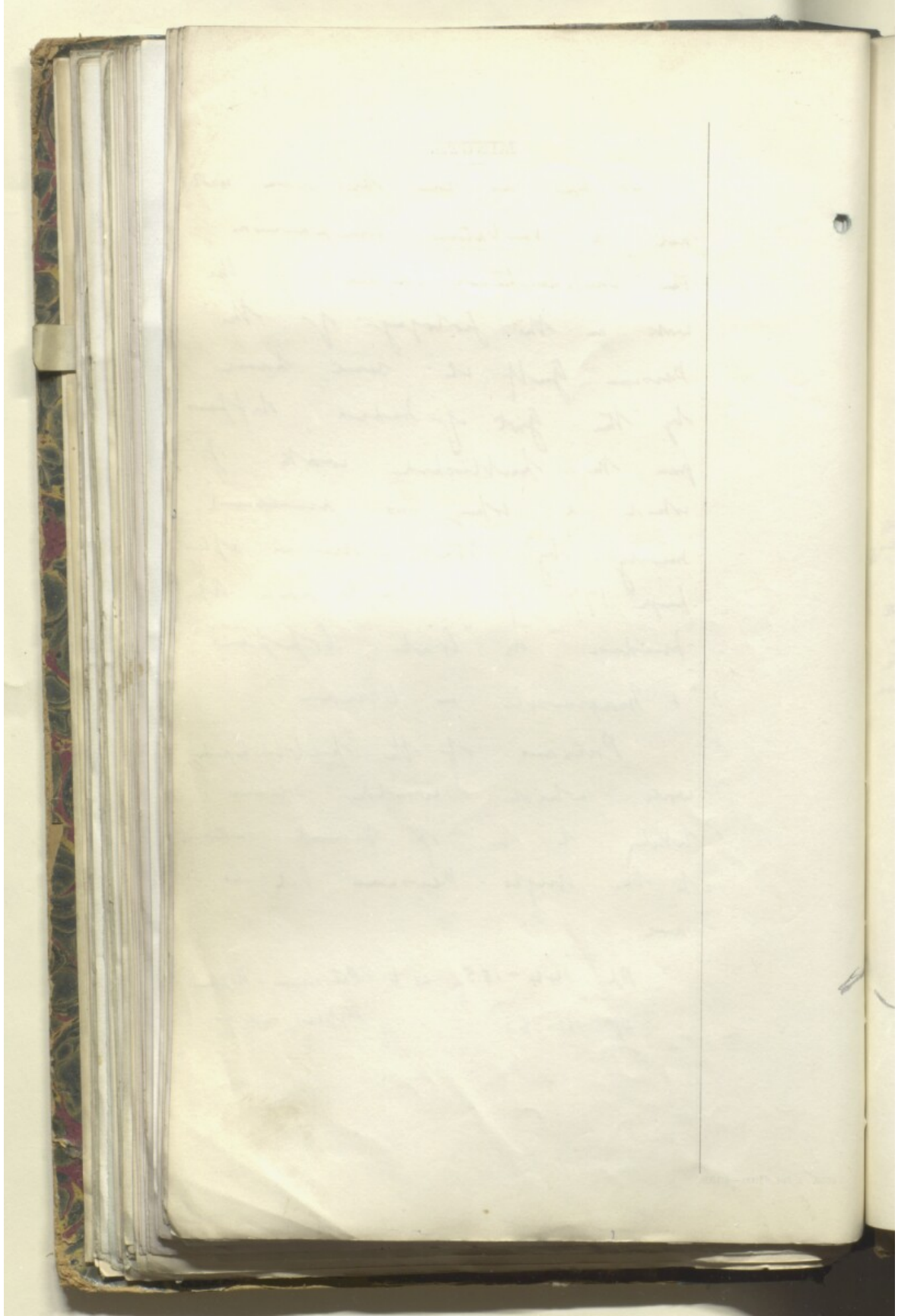
Portions of the published
work which would seem
likely to be of special interest
to the Anglo-Persian Oil Co.
are

Pp. 144-155 as to "Petroleum & Asphaltic"
Pp. 161-163 -- "Bibliography"

5610. I. 724. 1000.-4/1909.

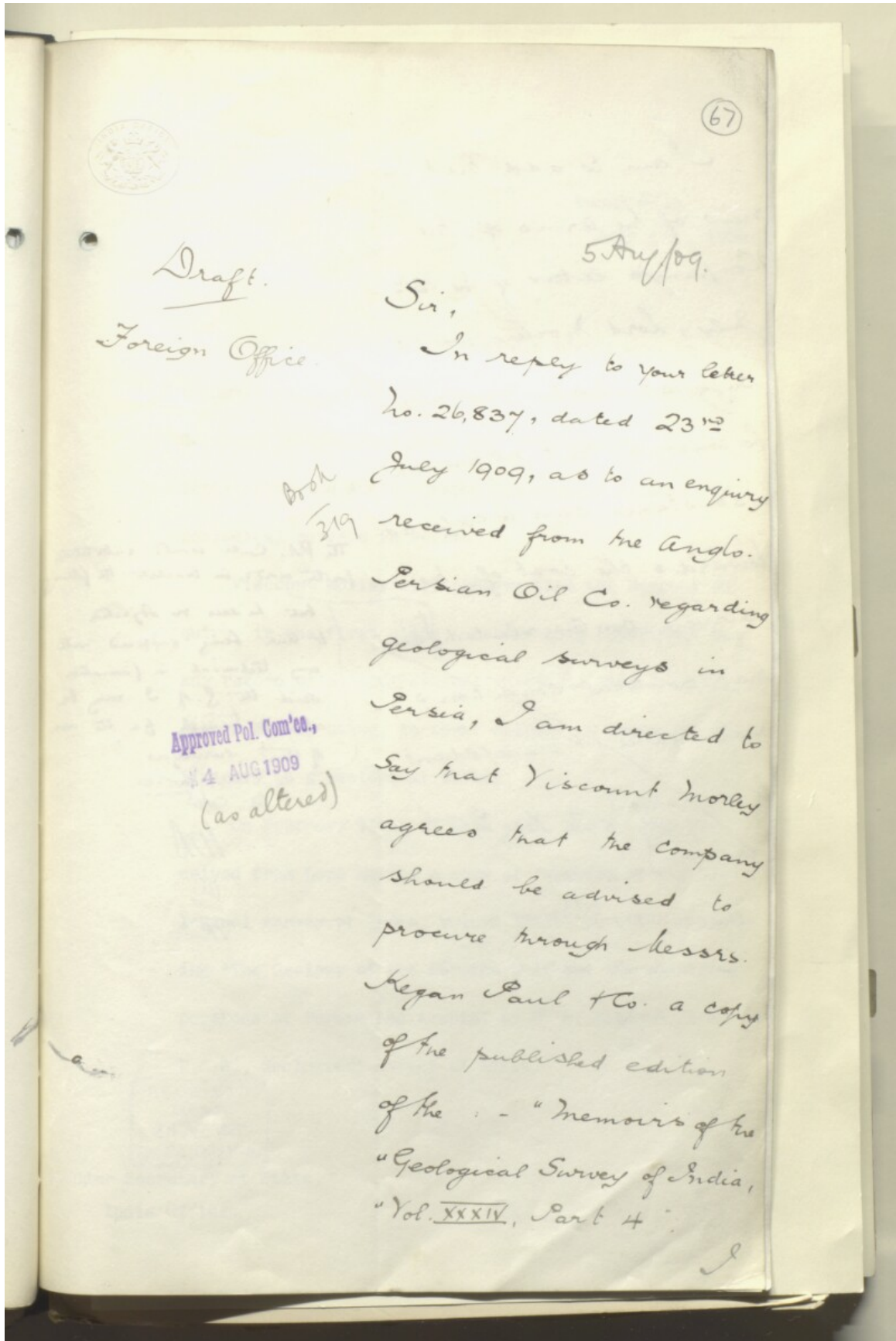


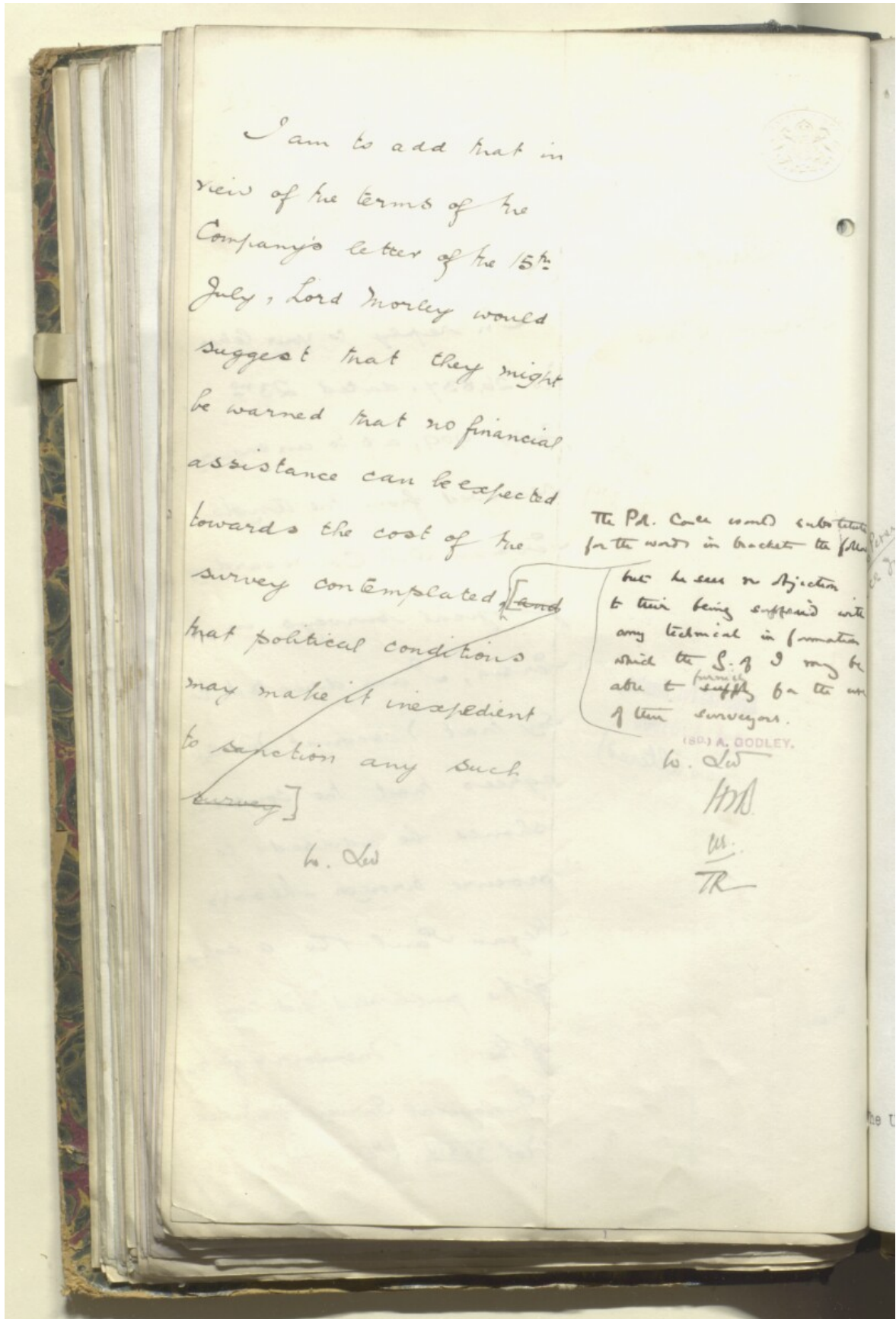
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٦ظ] (١٤٢/١٣٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [١٦٧ و] (١٤٢/١٣٣)





I am to add that in
view of the terms of the
Company's letter of the 15th
July, Lord Morley would
suggest that they might
be warned that no financial
assistance can be expected
towards the cost of the
survey contemplated ~~and~~
that political conditions
may make it inexpedient
to sanction any such
survey]

W. L. S.

The P.A. Co. would substitute
for the words in brackets the following

but he sees no objection
to their being supplied with
any technical information
which the S. of S. may be
able to ^{provide} supply for the use
of their surveyors.

(Sd.) A. GODLEY.

W. L. S.

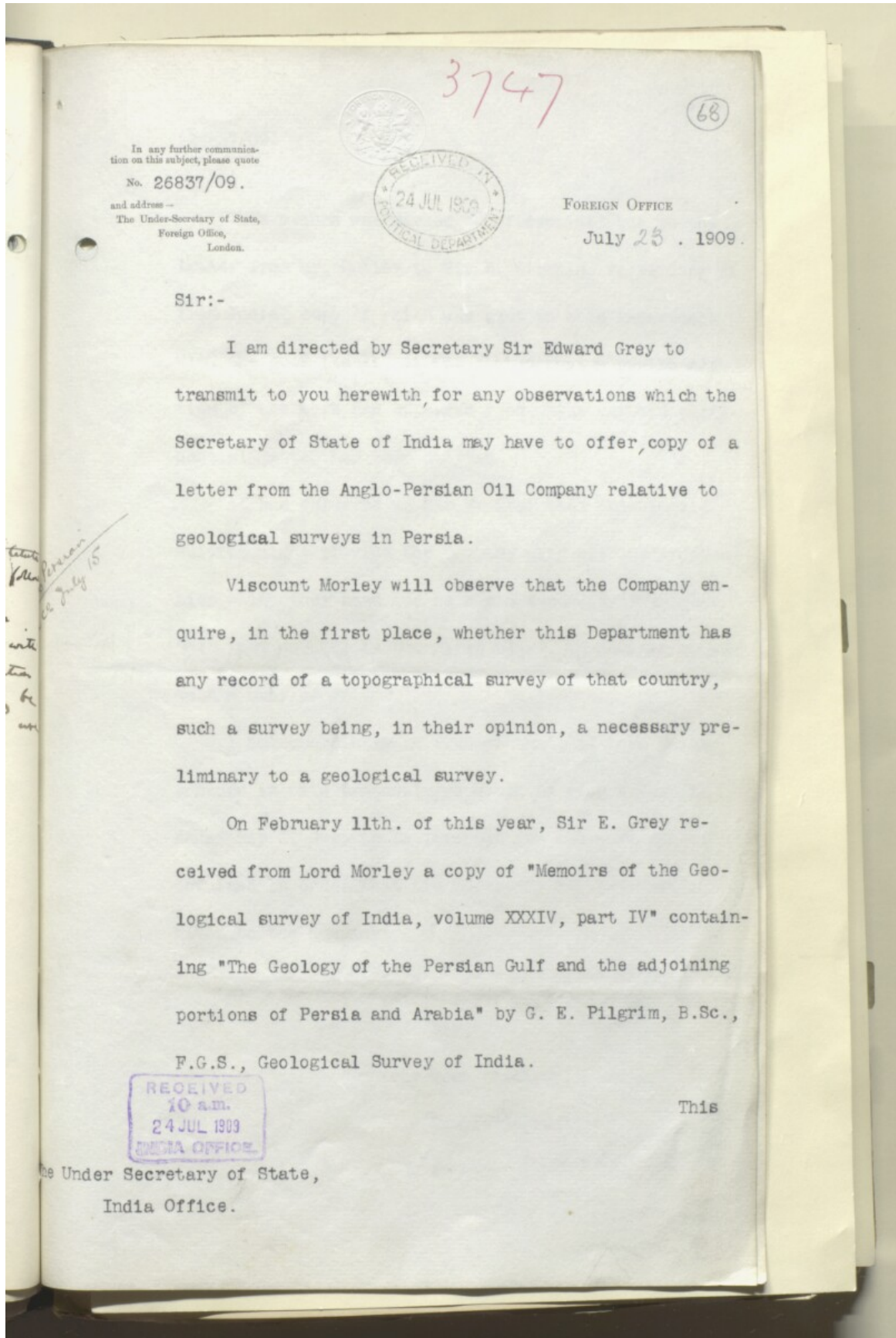
W. L. S.

W. L. S.

W. L. S.

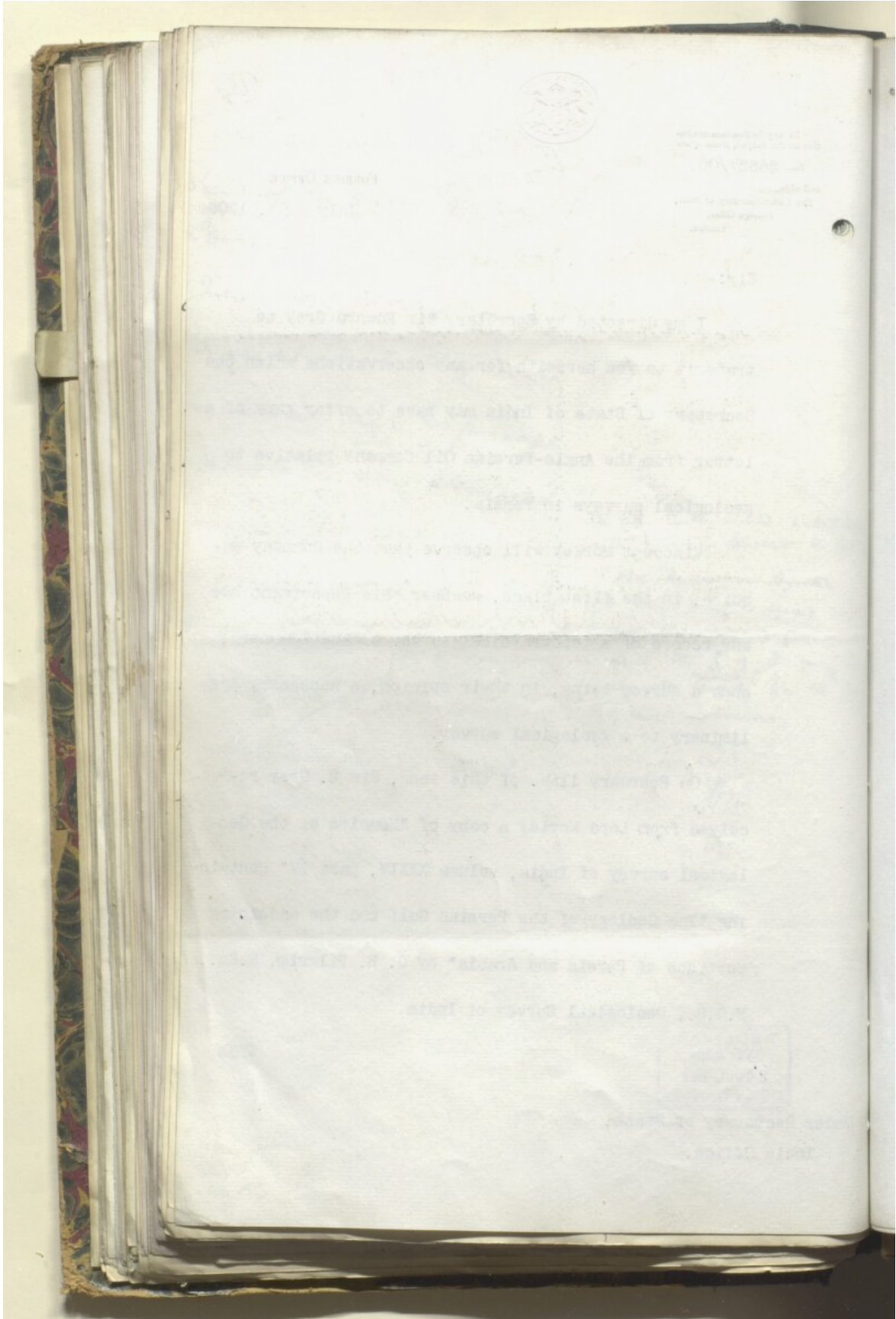


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٨] (١٤٢/١٣٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٨ظ] (١٤٢/١٣٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٩ و] (١٤٢/١٣٧)

(26837/09)

69

This volume was marked "confidential" but in the letter from Mr. Butler to Sir R. Ritchie, forwarding it from India, copy of which was sent to this Department with the book itself, it was stated that a public edition of the work had appeared from which certain confidential matter had been omitted.

It has occurred to Sir E. Grey that this public edition might provide the Company with all the information which they need and he would accordingly suggest that they should, in the first place, be advised to obtain a copy of it.

I am accordingly to request that, if Lord Morley concurs in this proposal, he would be good enough to cause Sir E. Grey to be informed how the work can be obtained in order that the necessary indications may be given to the Company.

I am,

Sir,

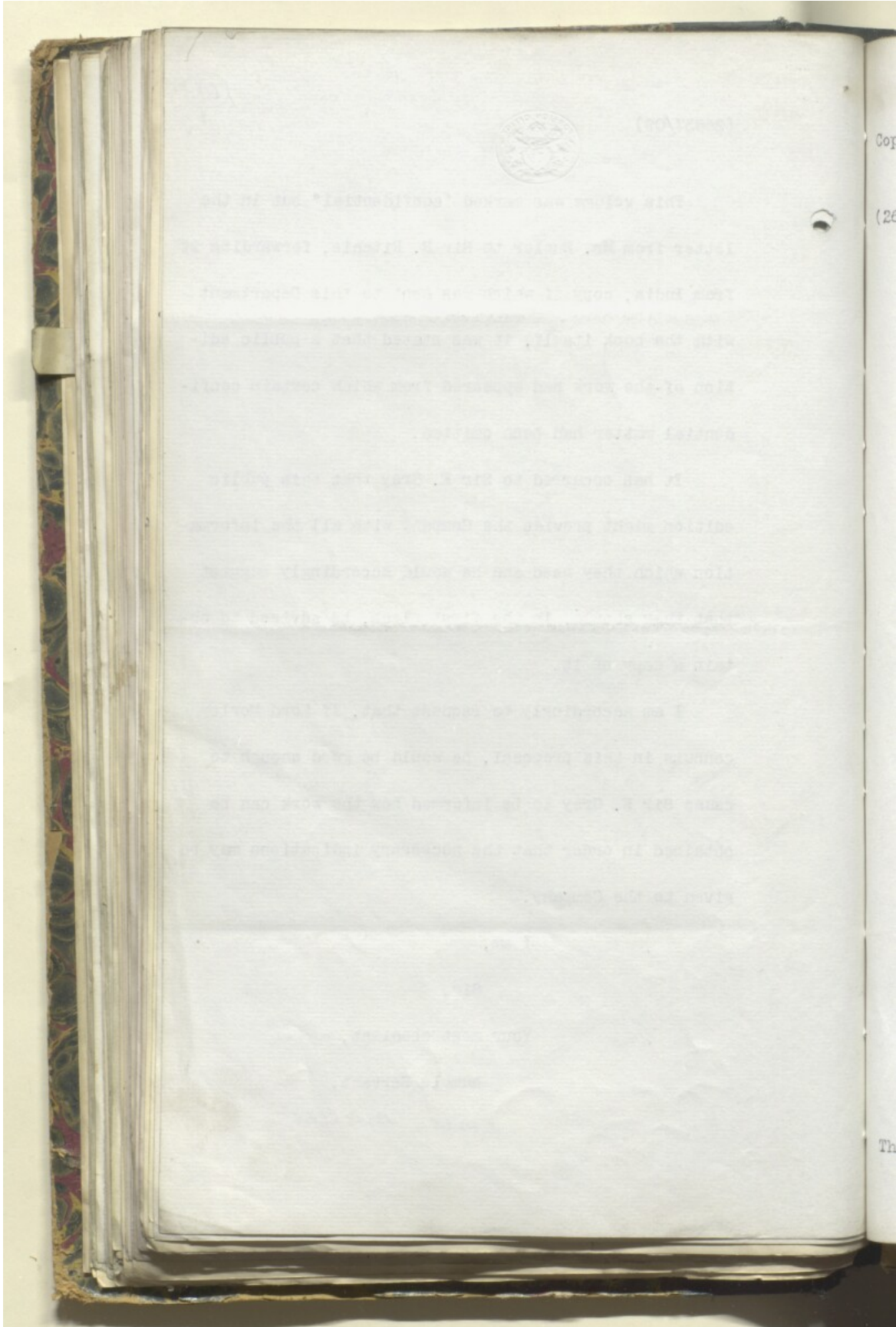
Your most obedient,

humble Servant,

Louis Mallet

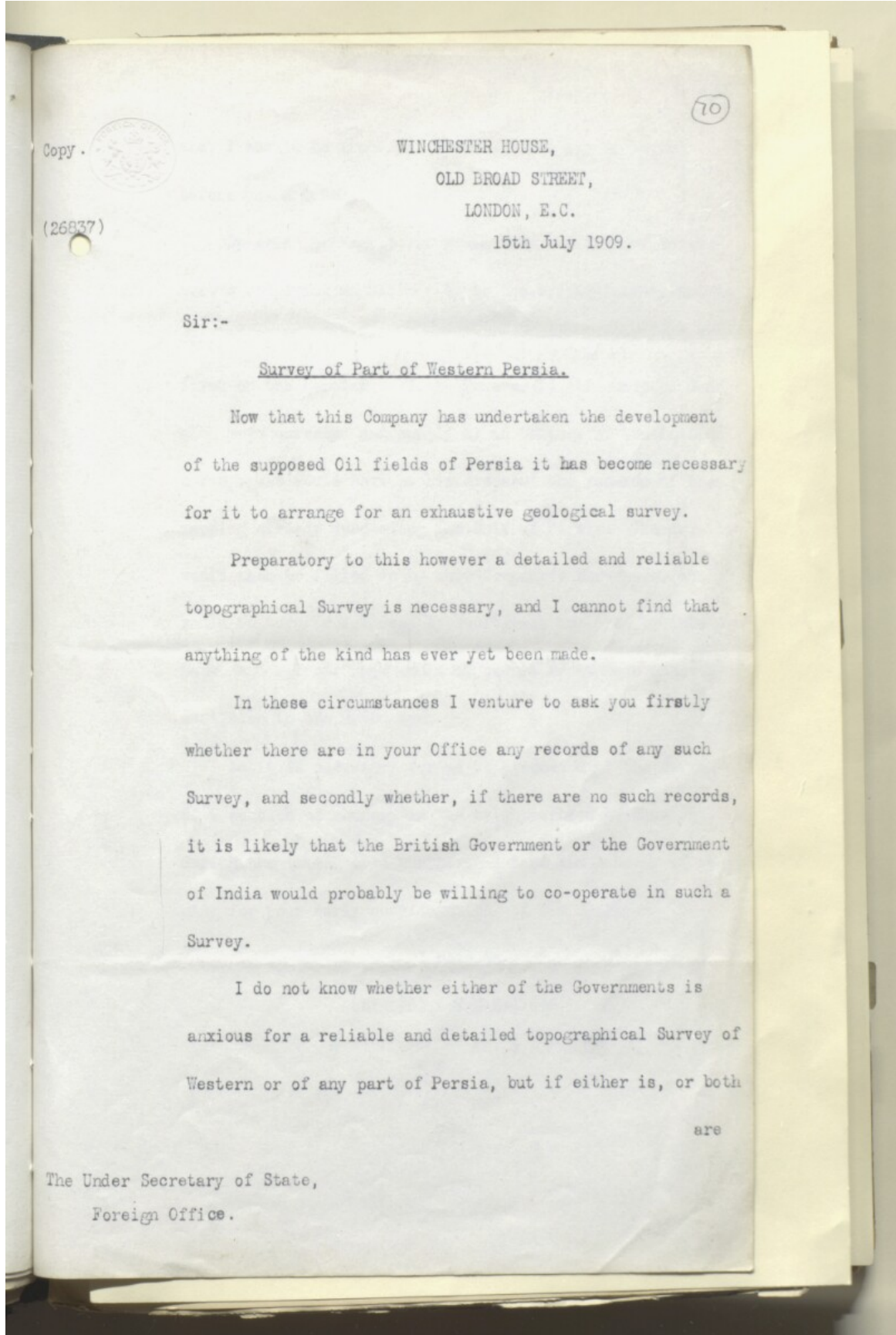


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٦٩ظ] (١٤٢/١٣٨)



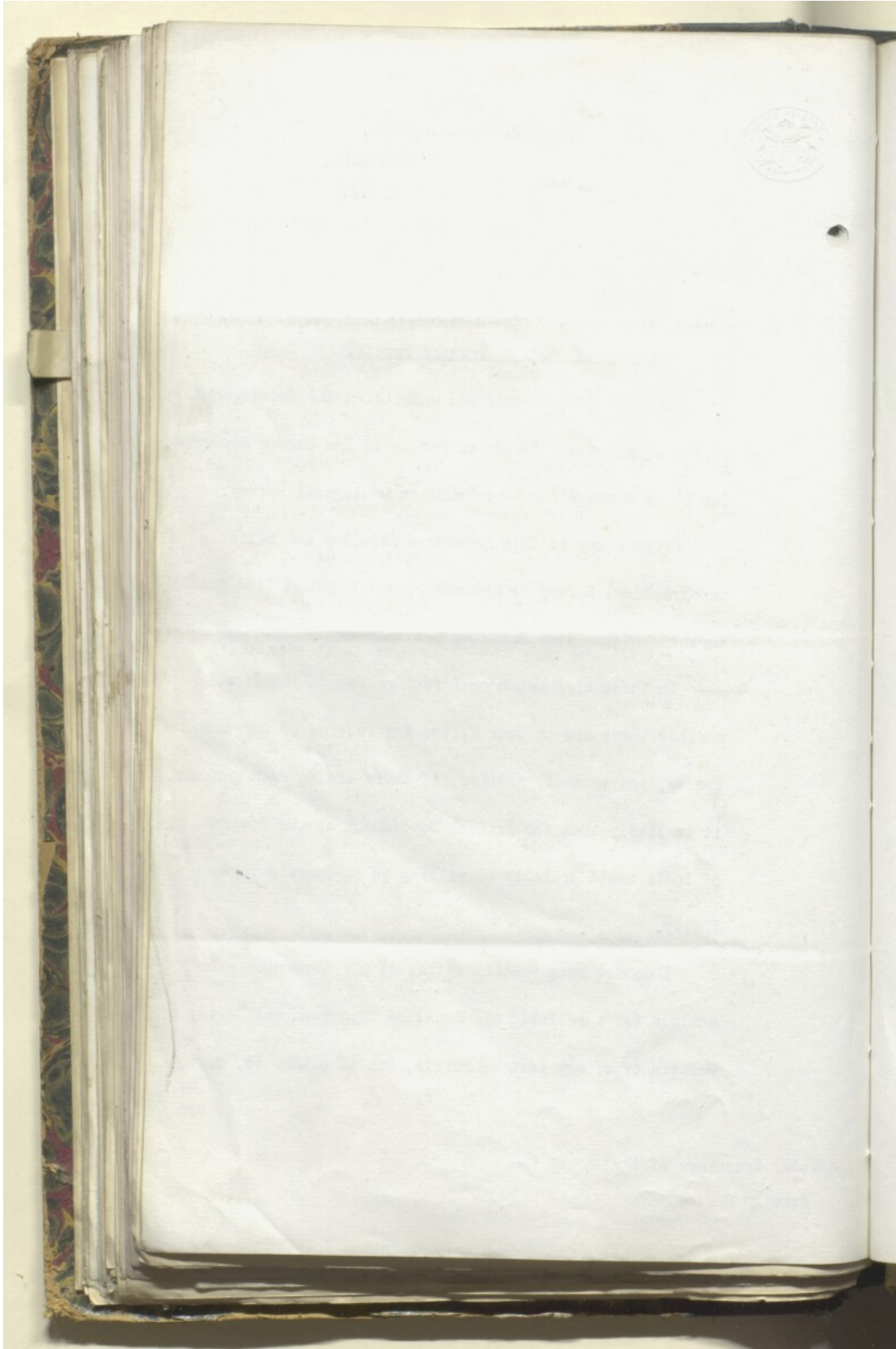


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٧٠] (١٤٢/١٣٩)



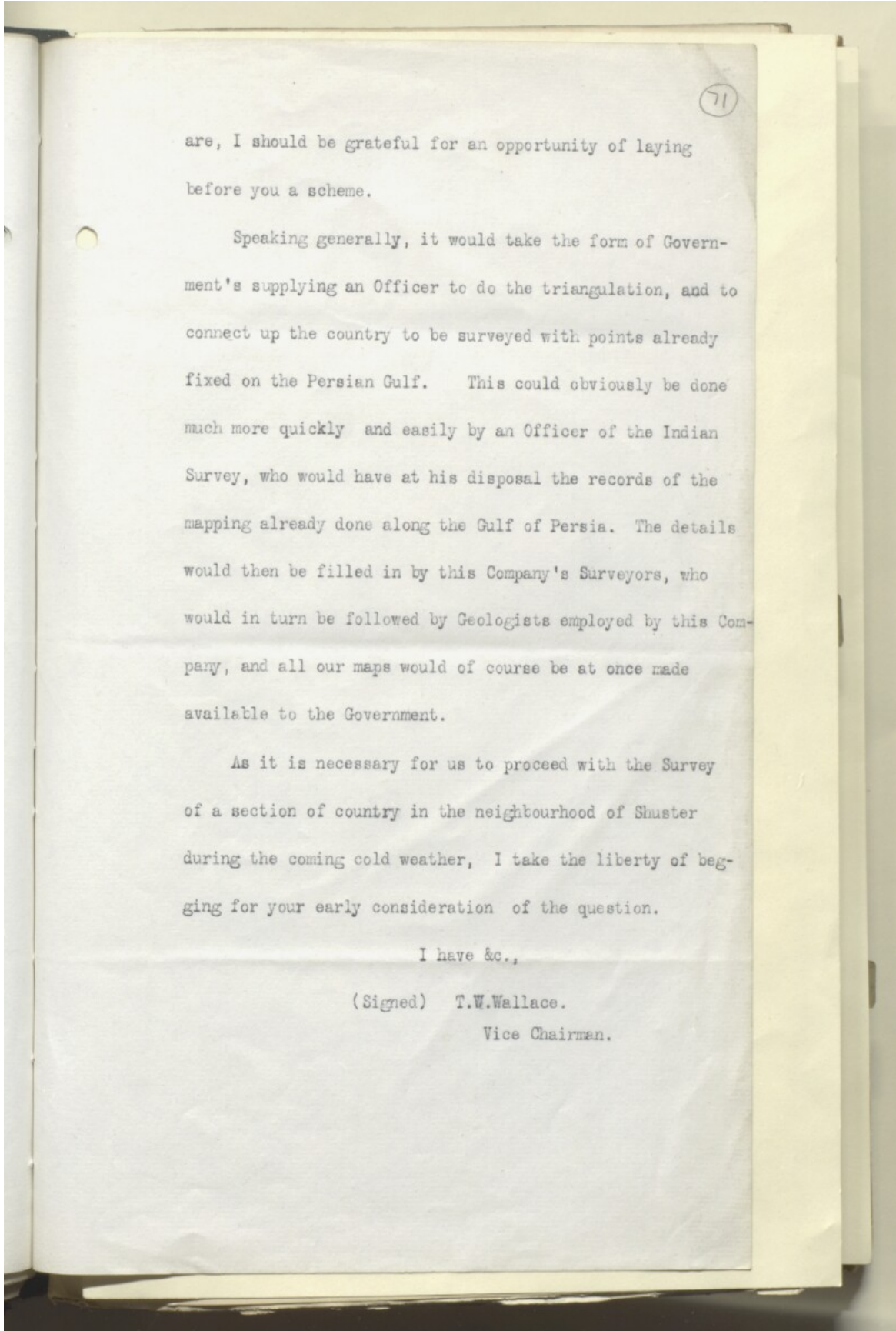


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٧٠ظ] (١٤٢/١٤٠)



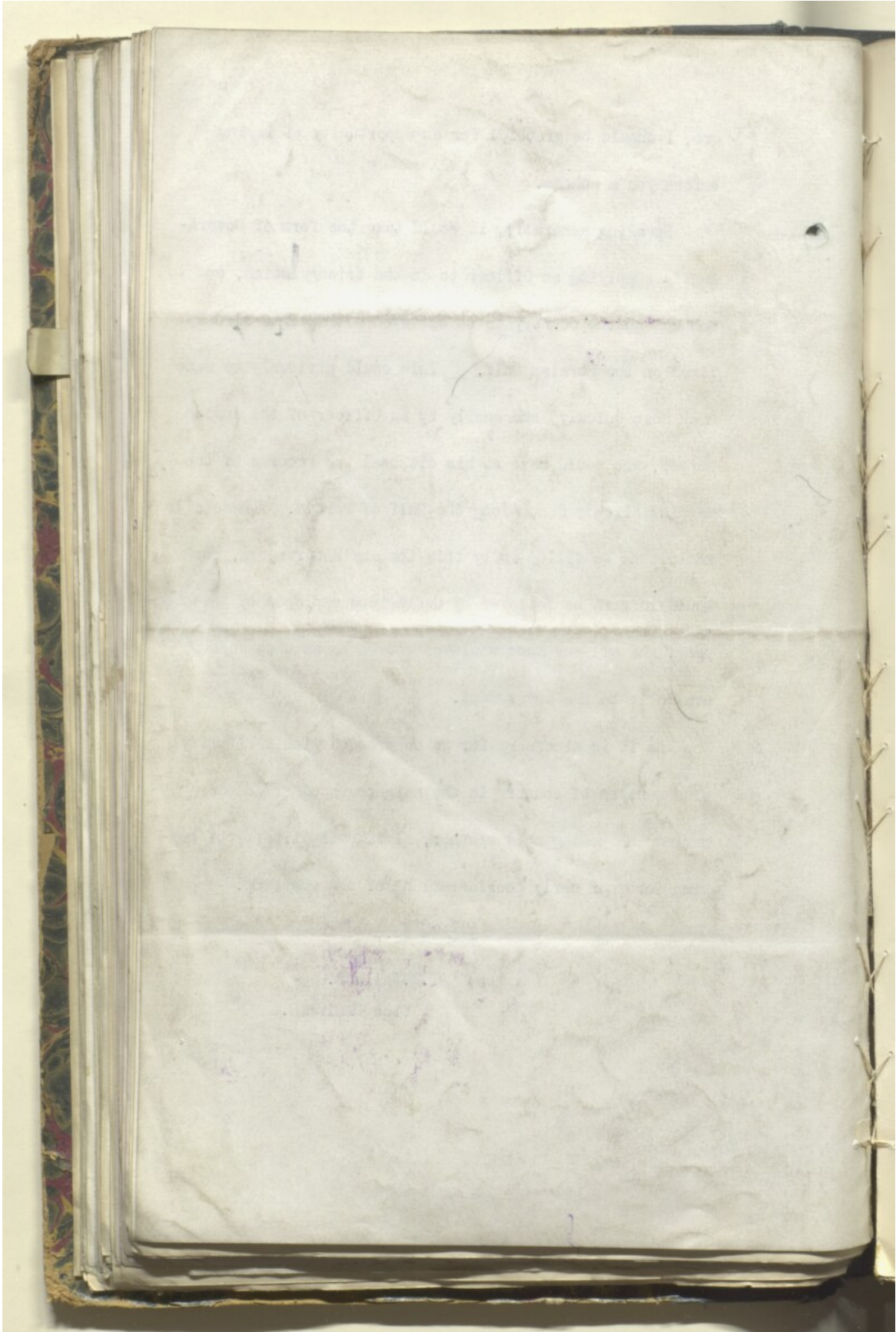


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٧١و] (١٤٢/١٤١)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٥، "بلاد فارس: النفط؛ عمليات مسح شركة
النفط الأنجلو-فارسية" [٧١ظ] (١٤٢/١٤٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٧٢و] [٢٩٢/١]

(72)

Previous File
P. POLITICAL AND SECRET DEPARTMENT.

P. 4
1421
1908

Subject:

Persia :- Oil.
Anglo-Persian Oil Co & Bakhtiari.

This file contains the following papers :--

YEAR.	P.									
1909	P. 1037	3812	3891	3966	4154					
1911	P. 3636	3642	3681	3722	3790-1	3952	3983	3961-2	4025	
	4053	4096	4206	4243	4251	4397	4913	4923		
1913	P. 1957									
19	P.									

Memoranda.

45 If any papers are removed from this File, please inform the Political Registry.

6827 500 4/23



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [٧٢ظ] (٢٩٢/٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٧٣ و] (٢٩٢/٣)

(73)

Register No. 1957

Minute Paper. **Secret Department.**

Letter from *India*, 18 m. Dated 17 } May 1913.
Rec. 17 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	21 May	AM	<u>Persia</u> Anglo-Persian Oil Co. & Baktiaris. Encl'd presents connected by the letter.
Secretary of State.....	21	P. W. H.	
Committee.....	22	C.	
Under Secretary.....			
Secretary of State.....			

Copy to 20. 19 May

FOR INFORMATION.

Seen Pol Com. 28 MAY 1913

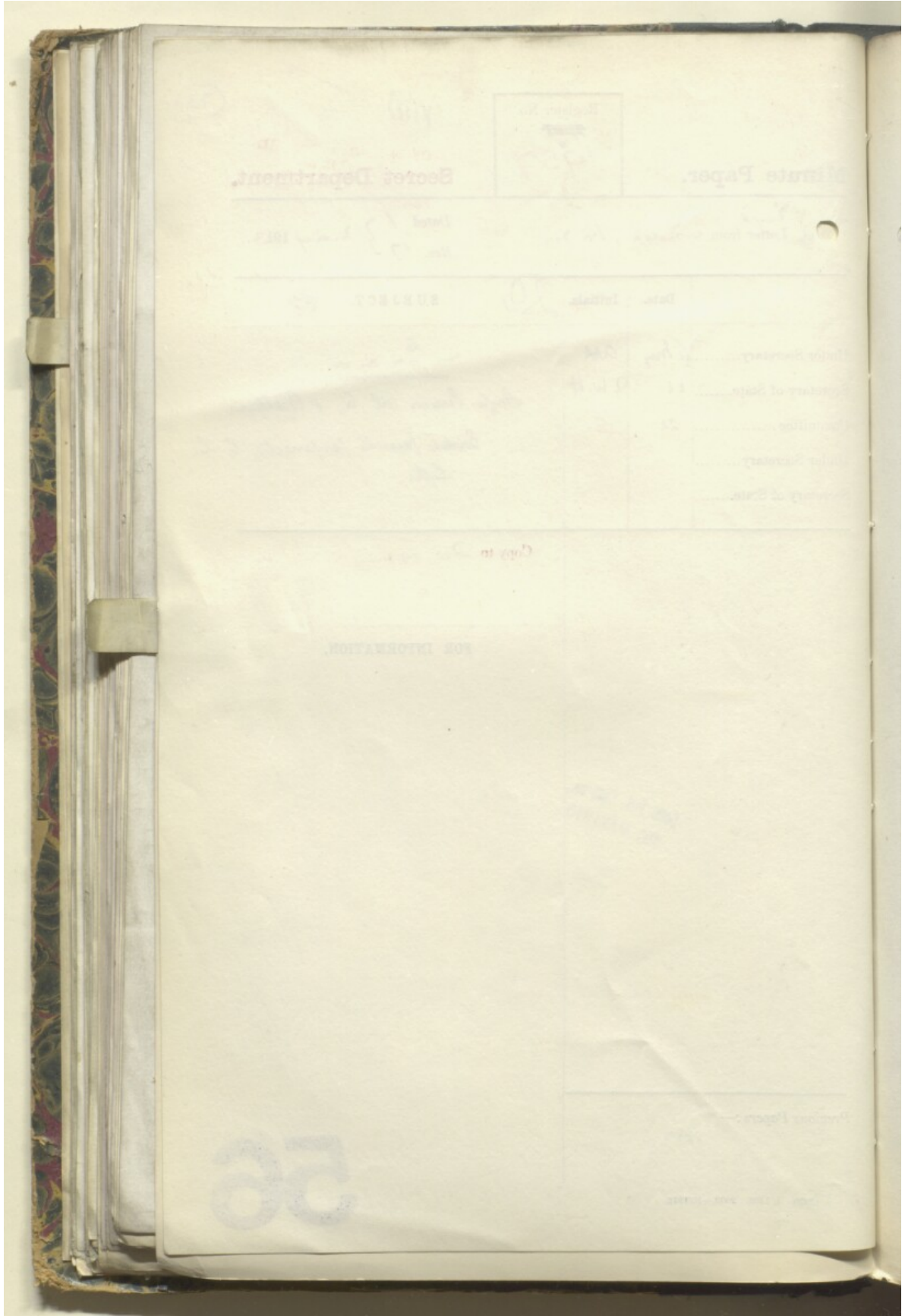
Previous Papers:— 1853/11

18970. 1. 1496. 2000.—10/1912.

56

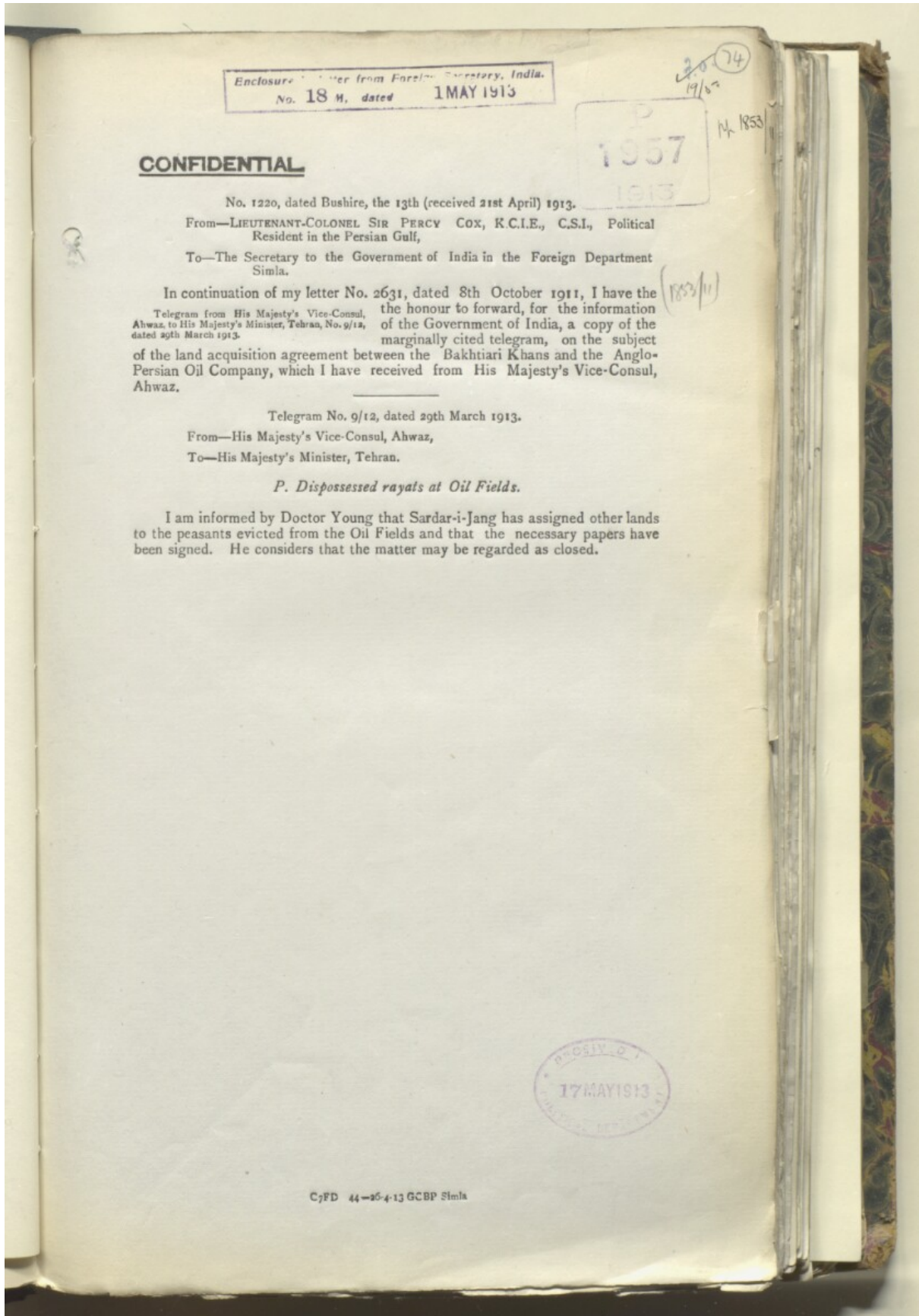


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [٧٣ظ] (٢٩٢/٤)



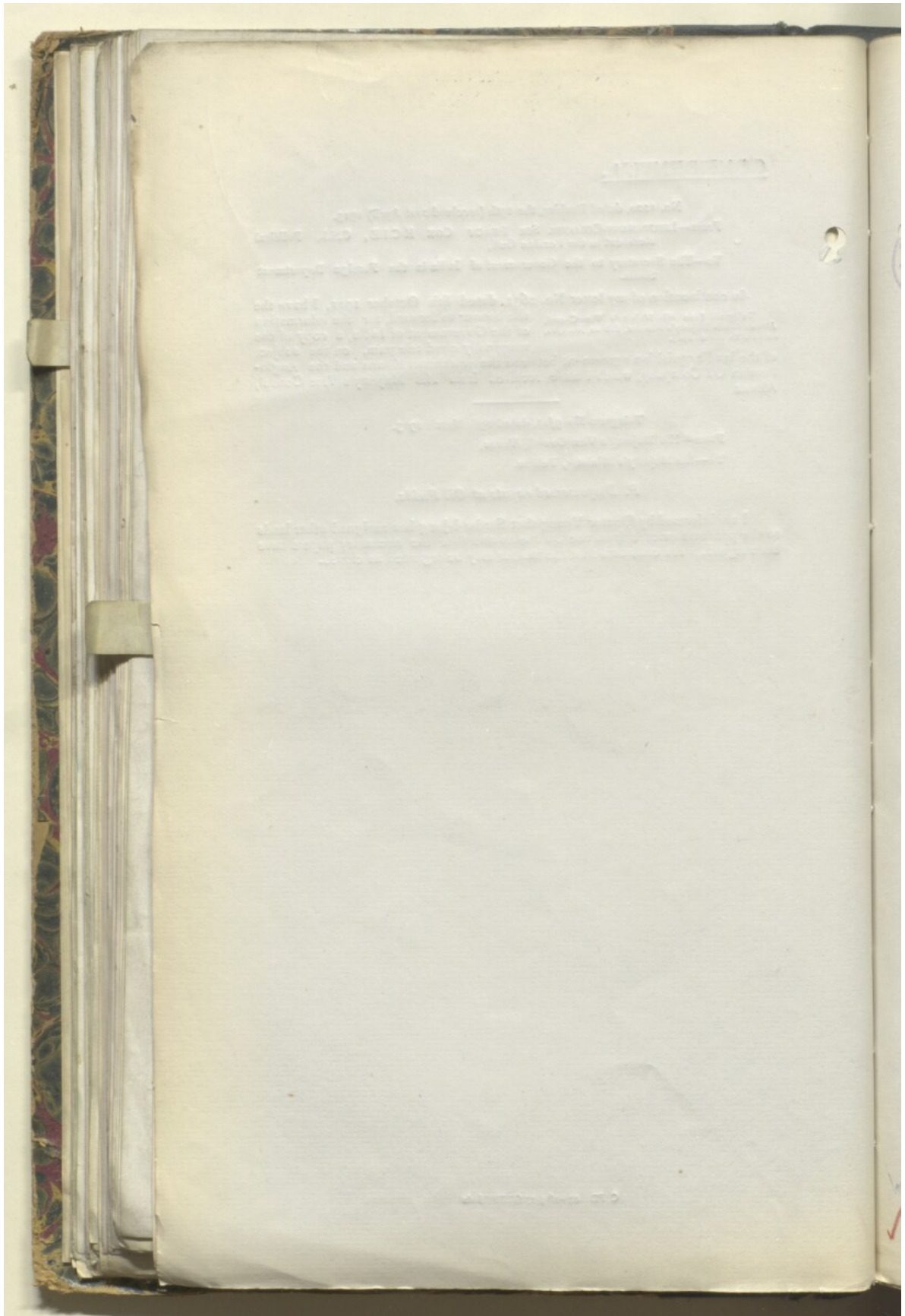


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٧٤ و] (٢٩٢/٥)



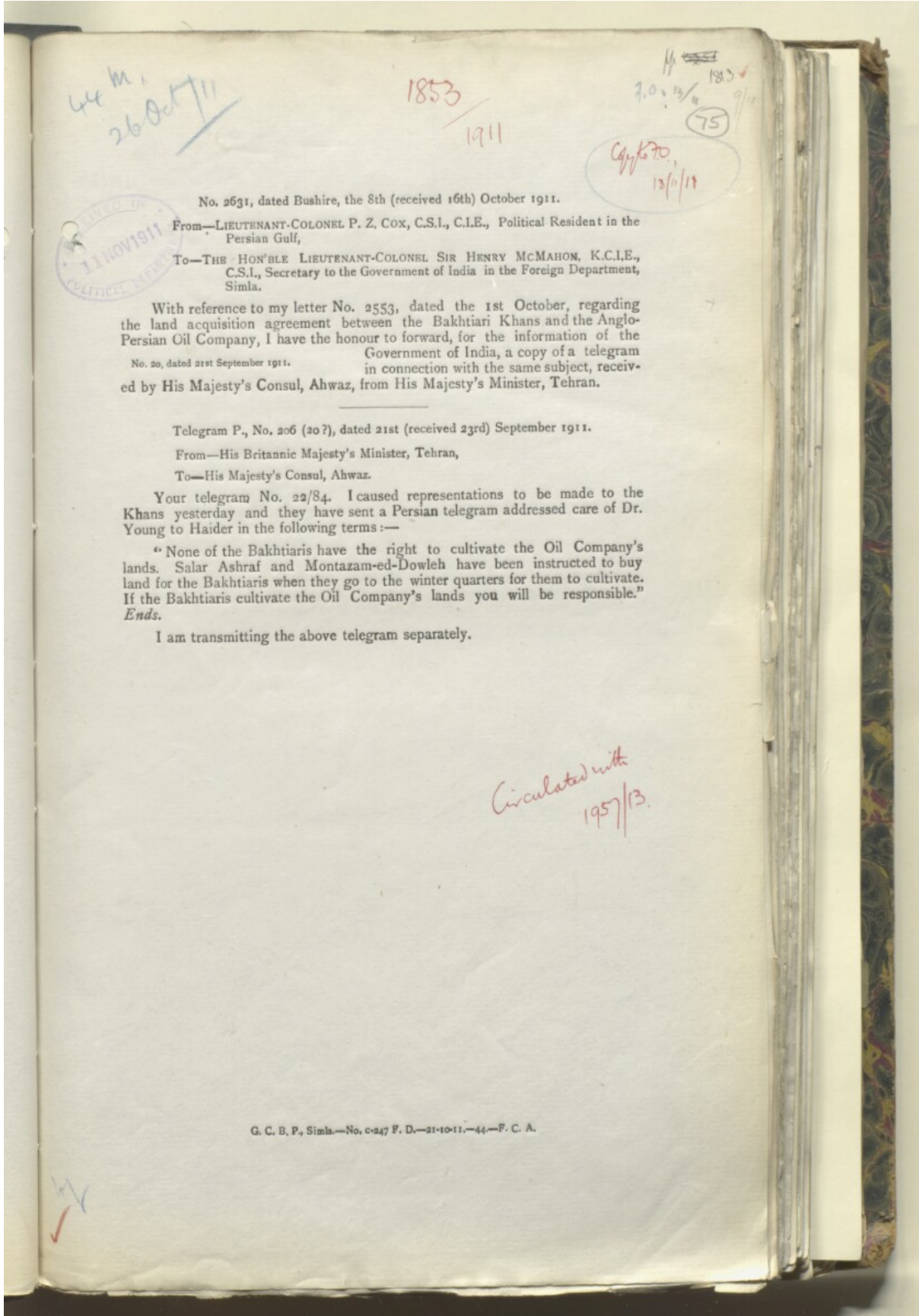


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٧٤ظ] (٢٩٢/٦)



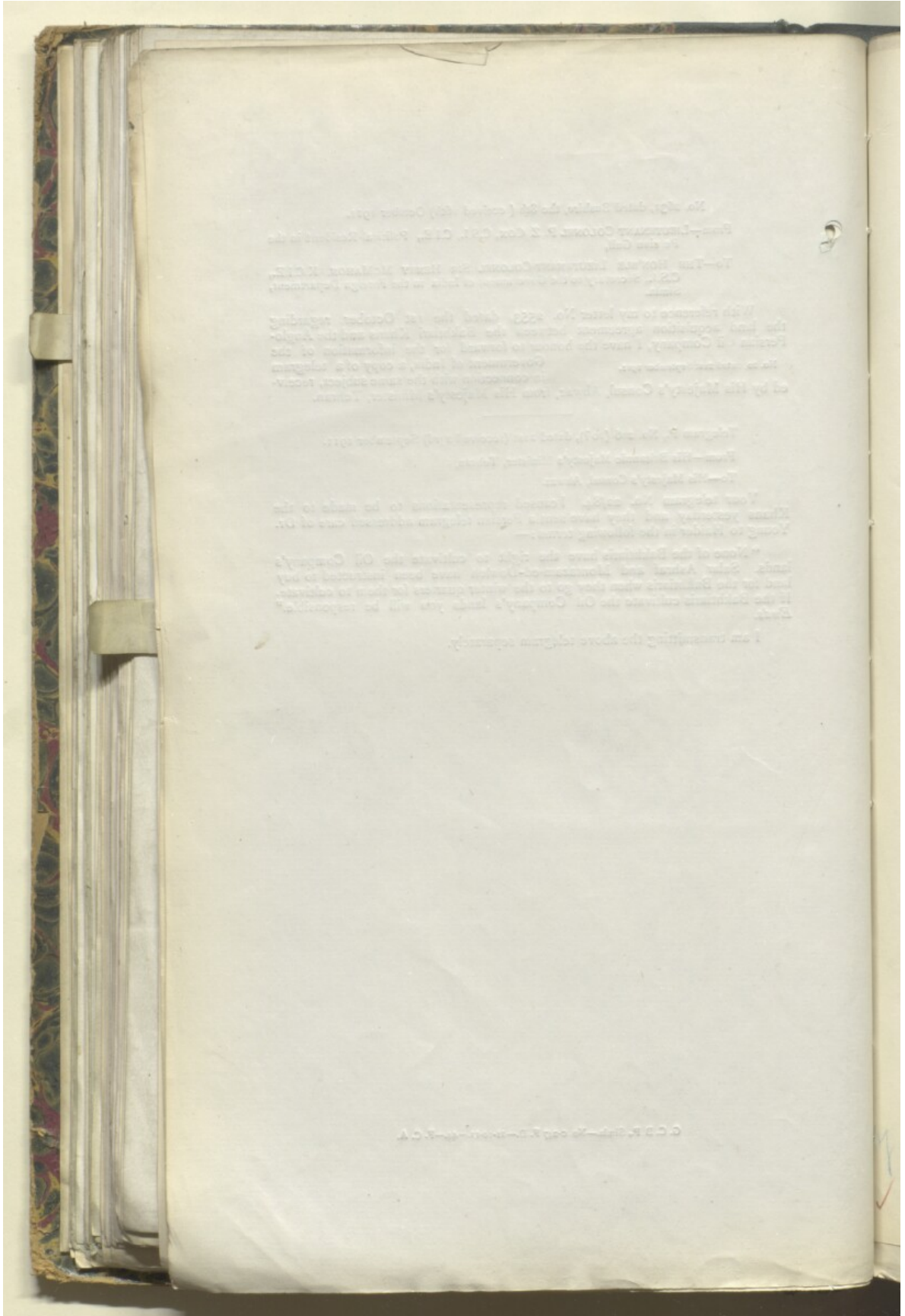


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٧٥ و] (٢٩٢/٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٧٥ظ] (٢٩٢/٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٦ و] (٢٩٢/٩)

76

Register No. 1813

Minute Paper. **Secret Department.**

Copy Letter from India, 43 M Dated 19 October 1911.
Rec. 4 November

Date.	Initials.	SUBJECT.
Under Secretary.....		Persia
Secretary of State		
Committee		
Under Secretary.....		
Secretary of State		

Copy to 30 6 November

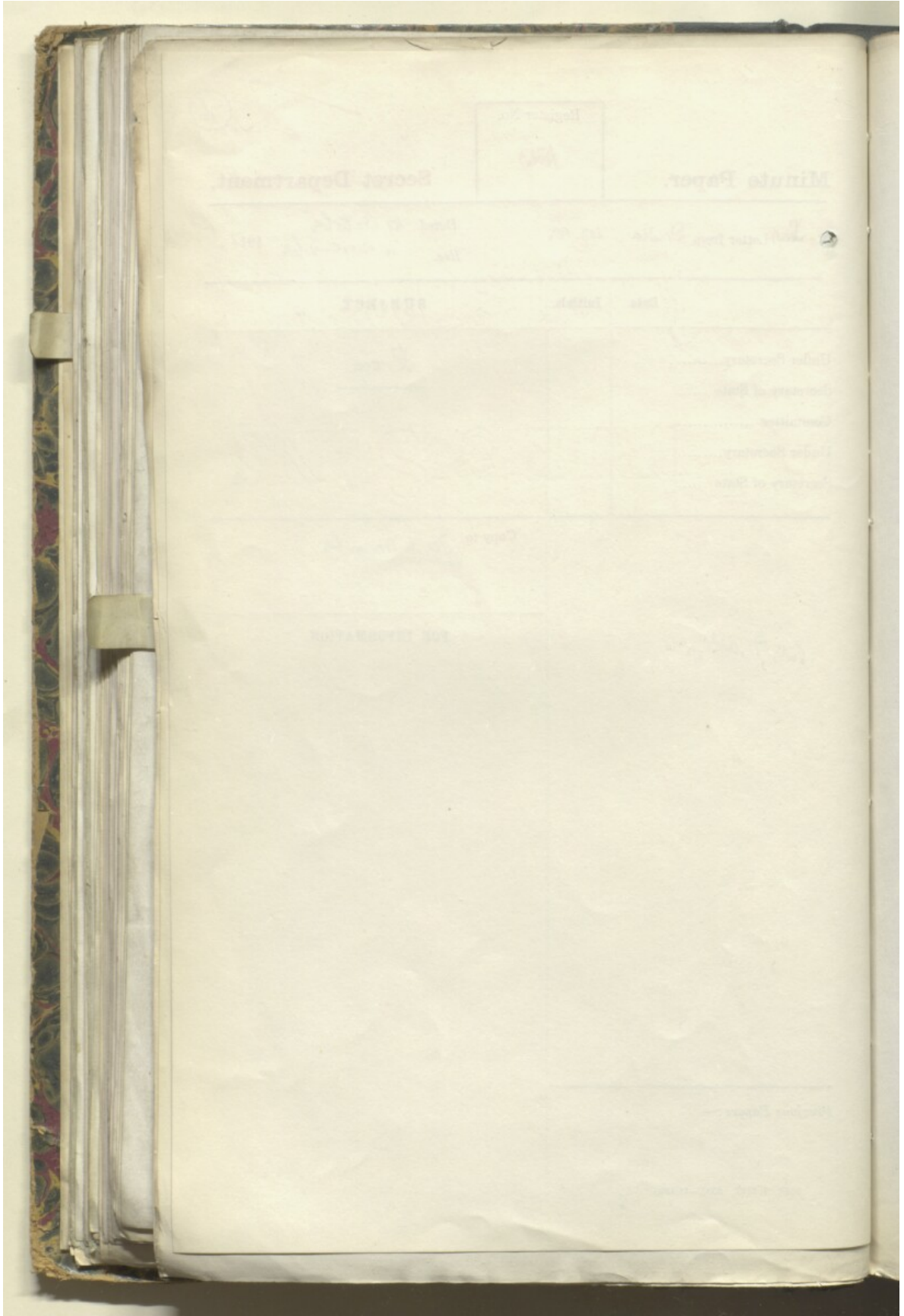
FOR INFORMATION.

Previous Papers :—

9549. 1. 2127. 2000.—11/1910.

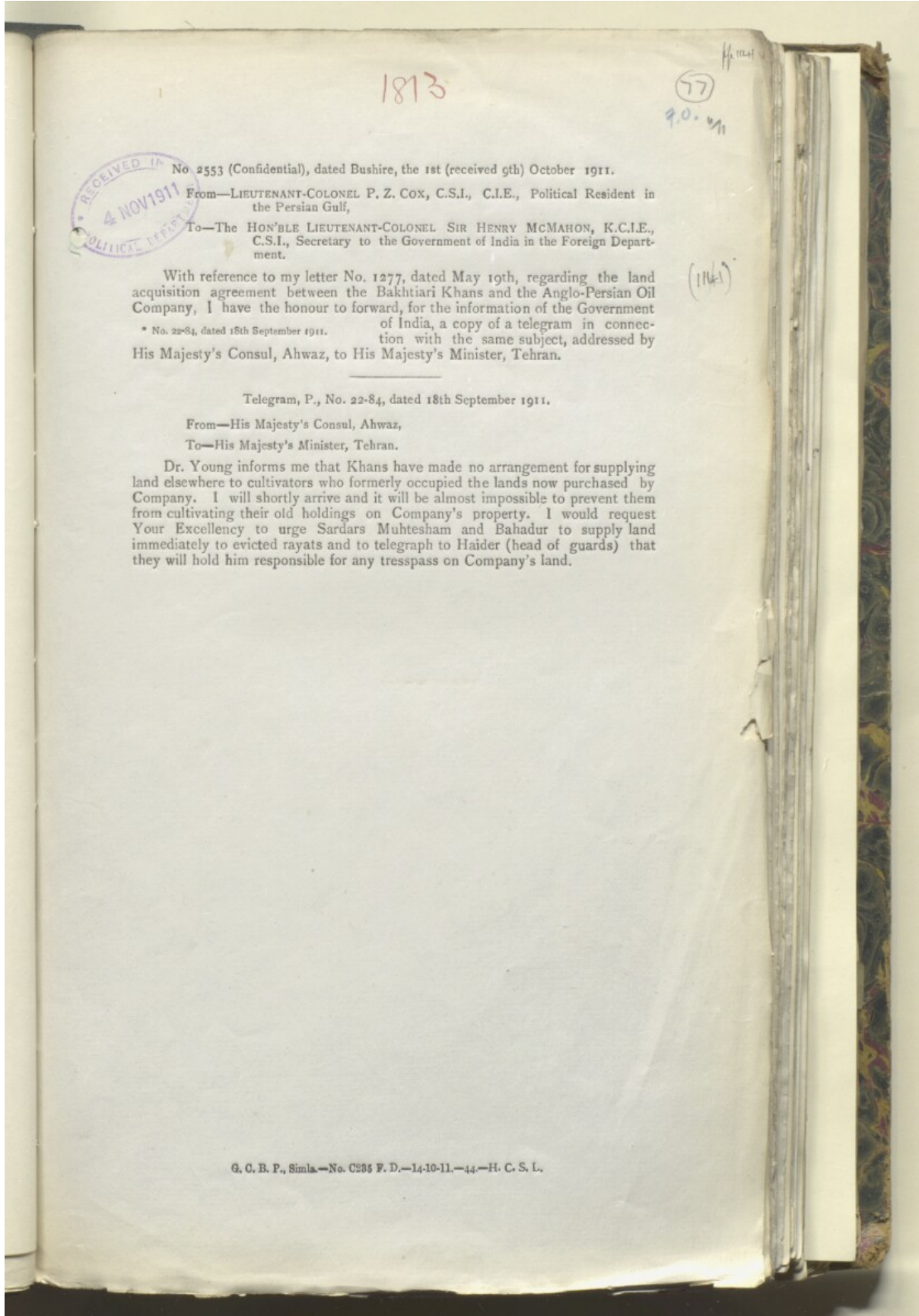


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٦ظ] (٢٩٢/١٠)



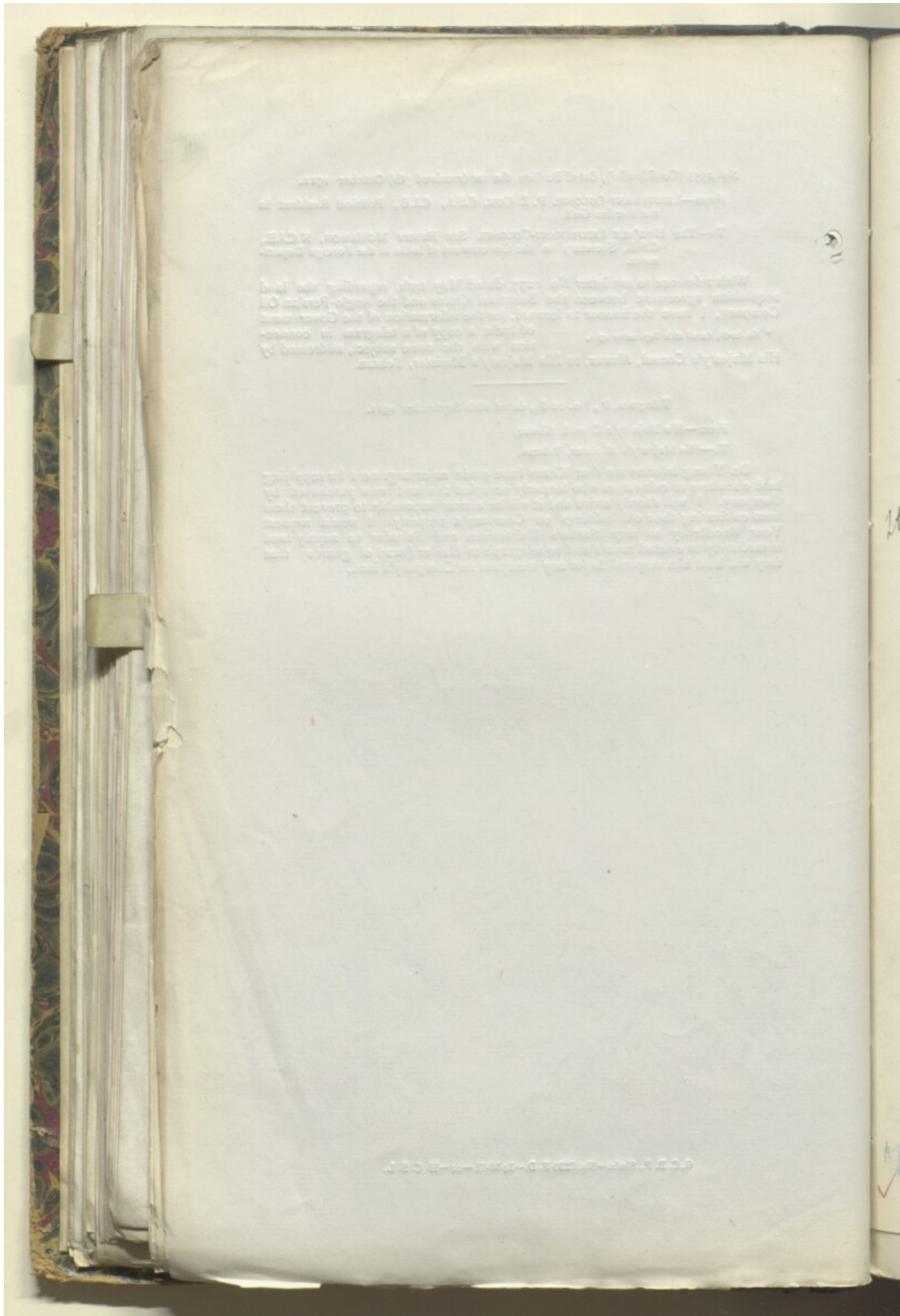


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٧٧و] (٢٩٢/١١)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٧ظ] (٢٩٢/١٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٨و] (٢٩٢/١٣)

(78)

Register No.
4599

Minute Paper. **Secret Department.**

Letter from *JD* Dated } 6, 13 Oct to Nov 1911.
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	15 Nov.	Att	<u>Persia.</u>
Secretary of State			Anglo-Persian Oil Co's affairs.
Committee			Mr. Shuster's attitude.
Under Secretary.....			
Secretary of State			

Copy to India 10 Nov. 1911, Ser. 45
13 Oct = 41
6 = 40

FOR INFORMATION.

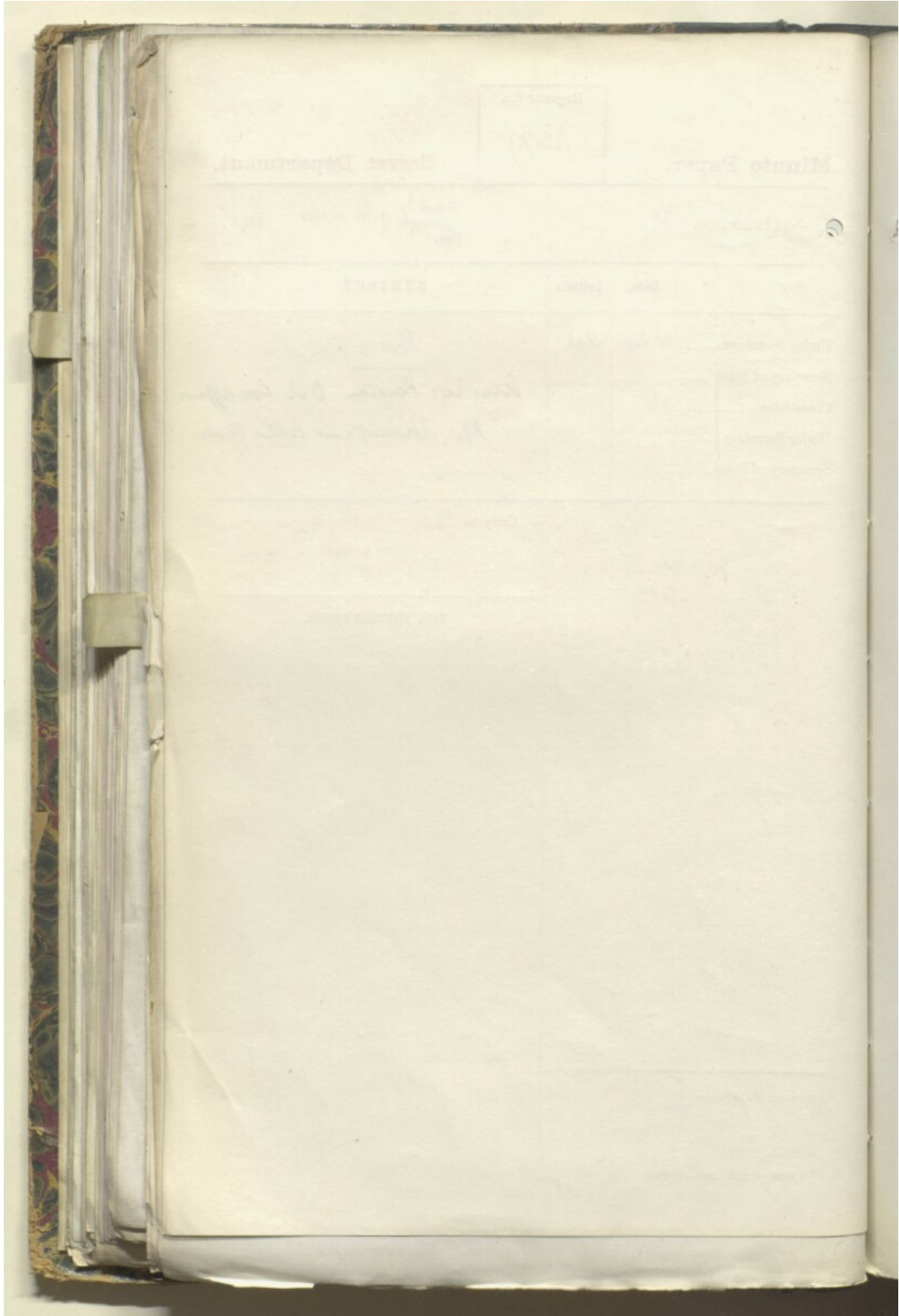
15
fully rec
16.11.11

Previous Papers:—
6751

9549. I. 2137. 2000.—11/1910.

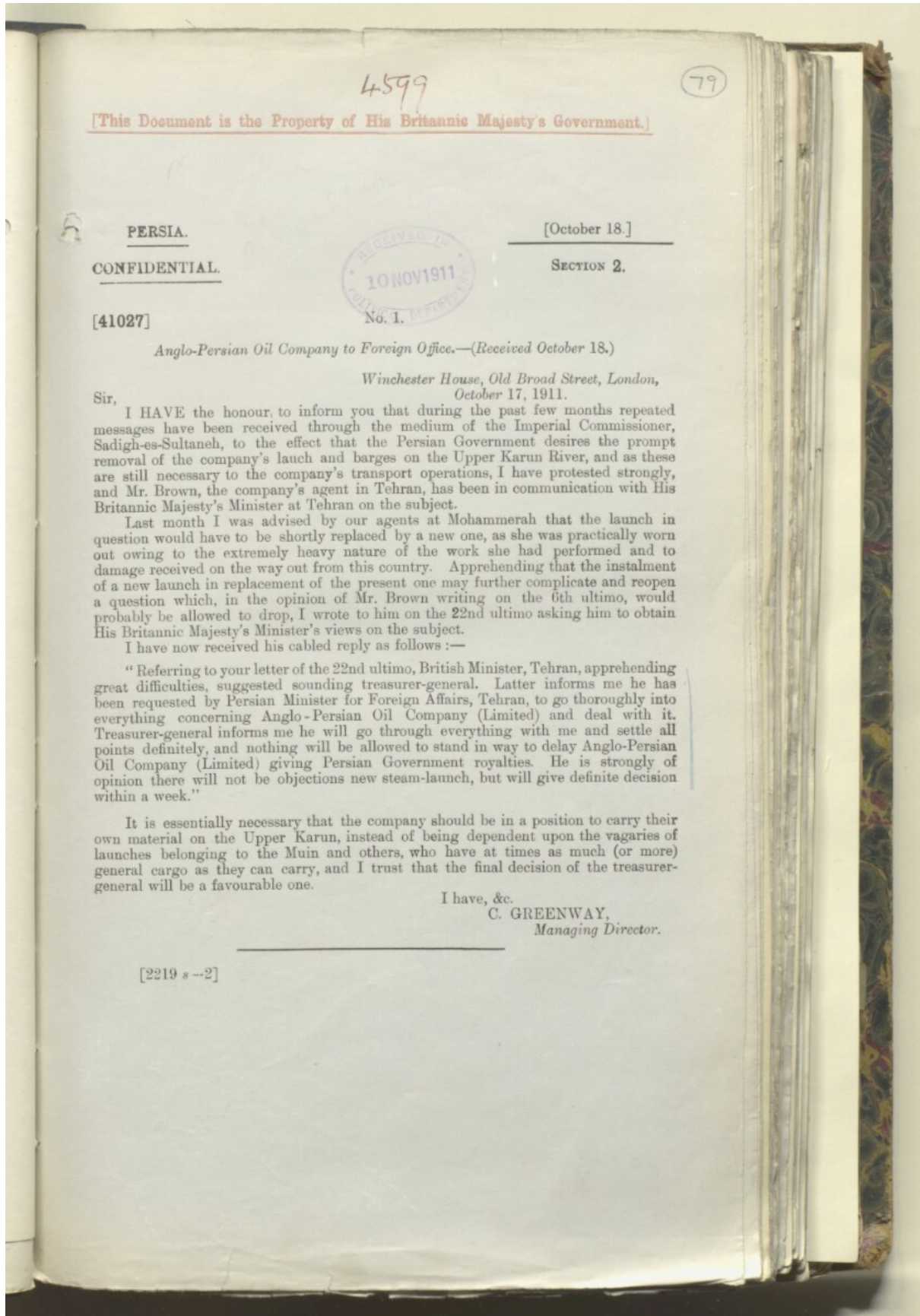


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٨ظ] (٢٩٢/١٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٩و] [٢٩٢/١٥]



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PERSIA.

[October 18.]

CONFIDENTIAL.

SECTION 2.

[41027]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received October 18.)

Winchester House, Old Broad Street, London,
October 17, 1911.

Sir,
I HAVE the honour, to inform you that during the past few months repeated messages have been received through the medium of the Imperial Commissioner, Sadigh-es-Sultaneh, to the effect that the Persian Government desires the prompt removal of the company's launch and barges on the Upper Karun River, and as these are still necessary to the company's transport operations, I have protested strongly, and Mr. Brown, the company's agent in Tehran, has been in communication with His Britannic Majesty's Minister at Tehran on the subject.

Last month I was advised by our agents at Mohammerah that the launch in question would have to be shortly replaced by a new one, as she was practically worn out owing to the extremely heavy nature of the work she had performed and to damage received on the way out from this country. Apprehending that the instalment of a new launch in replacement of the present one may further complicate and reopen a question which, in the opinion of Mr. Brown writing on the 6th ultimo, would probably be allowed to drop, I wrote to him on the 22nd ultimo asking him to obtain His Britannic Majesty's Minister's views on the subject.

I have now received his cabled reply as follows:—

“Referring to your letter of the 22nd ultimo, British Minister, Tehran, apprehending great difficulties, suggested sounding treasurer-general. Latter informs me he has been requested by Persian Minister for Foreign Affairs, Tehran, to go thoroughly into everything concerning Anglo-Persian Oil Company (Limited) and deal with it. Treasurer-general informs me he will go through everything with me and settle all points definitely, and nothing will be allowed to stand in way to delay Anglo-Persian Oil Company (Limited) giving Persian Government royalties. He is strongly of opinion there will not be objections new steam-launch, but will give definite decision within a week.”

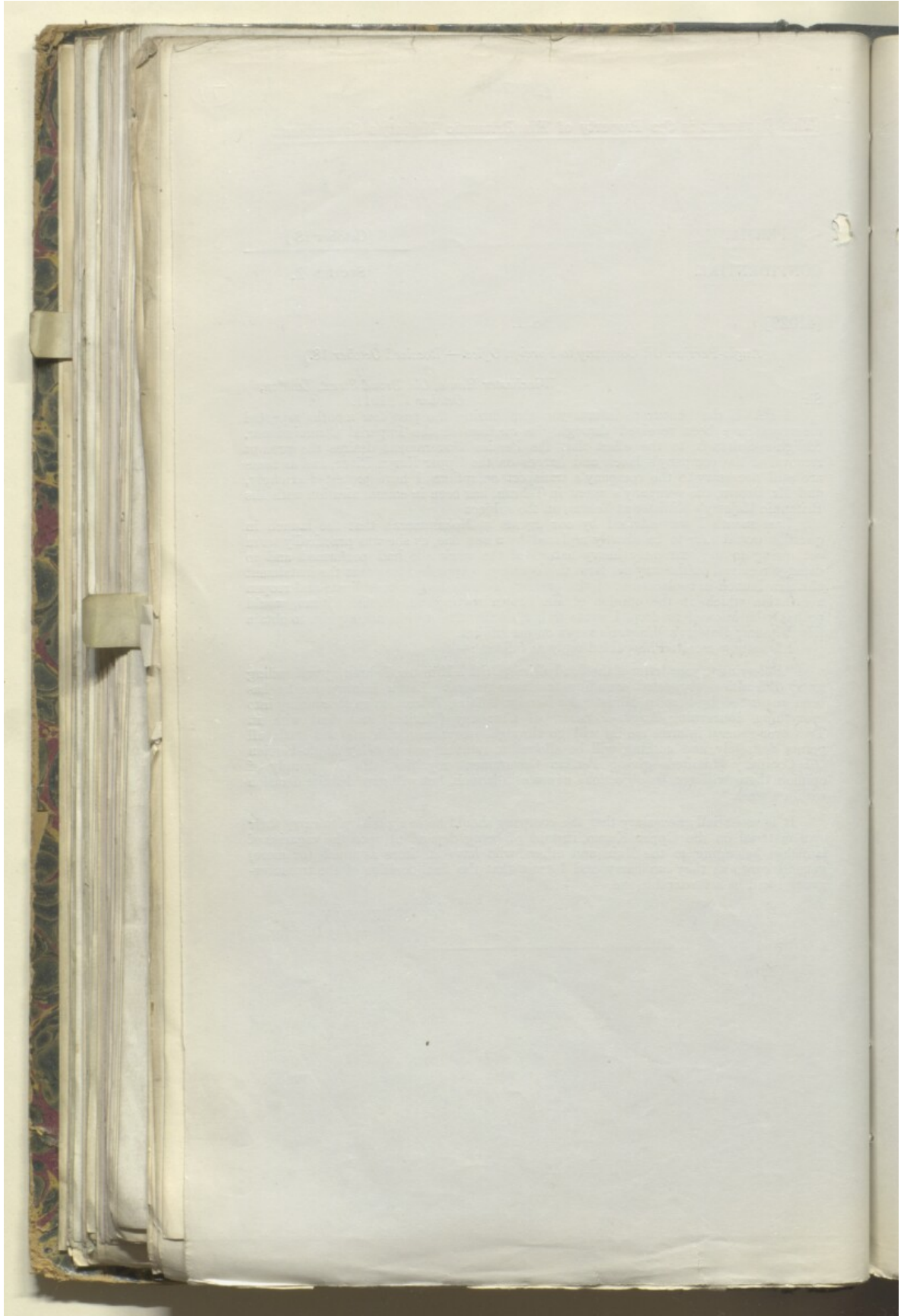
It is essentially necessary that the company should be in a position to carry their own material on the Upper Karun, instead of being dependent upon the vagaries of launches belonging to the Muin and others, who have at times as much (or more) general cargo as they can carry, and I trust that the final decision of the treasurer-general will be a favourable one.

I have, &c.
C. GREENWAY,
Managing Director.

[2219 s --2]

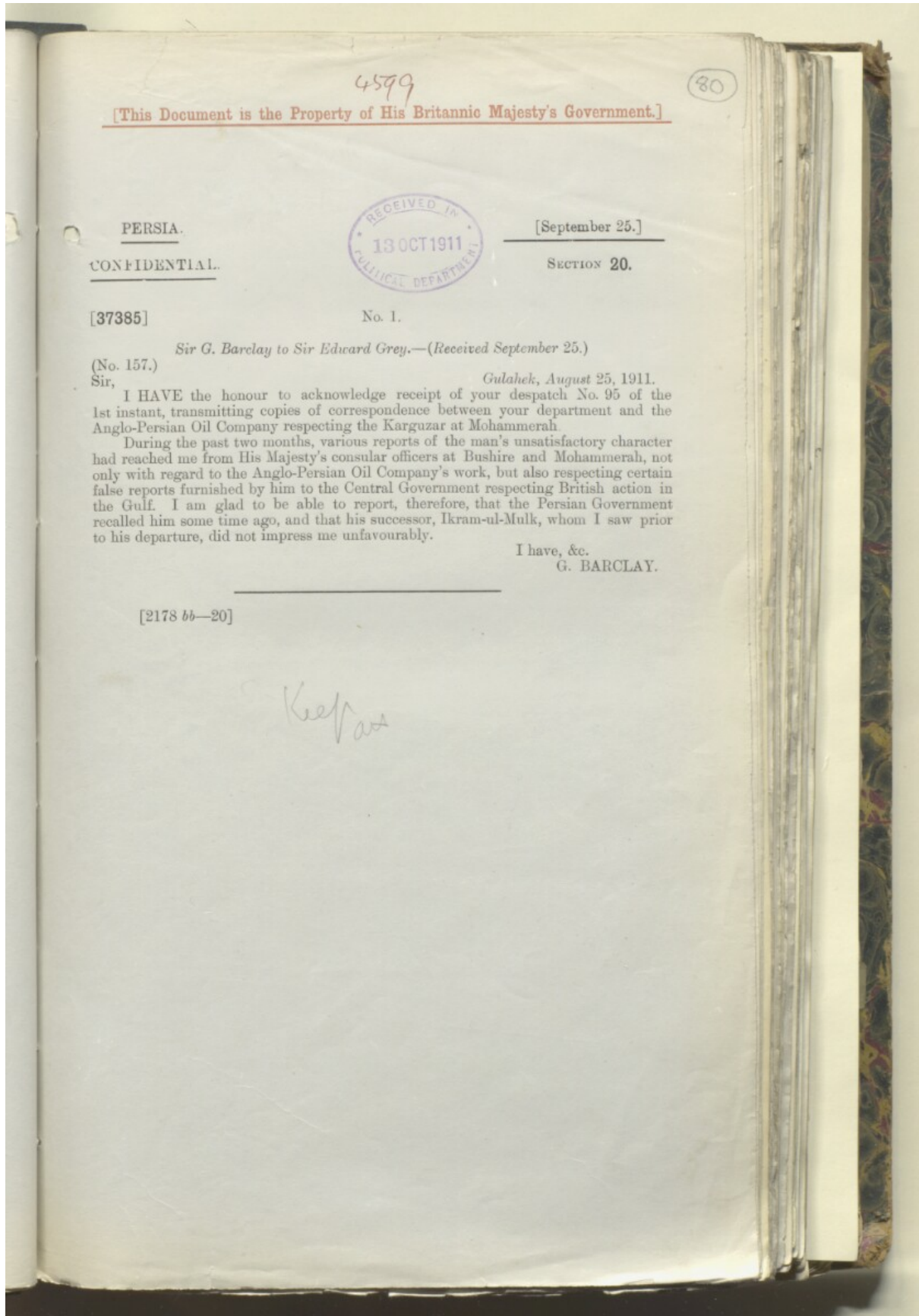


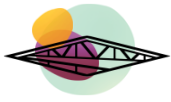
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٧٩ظ] (١٦/٢٩٢)



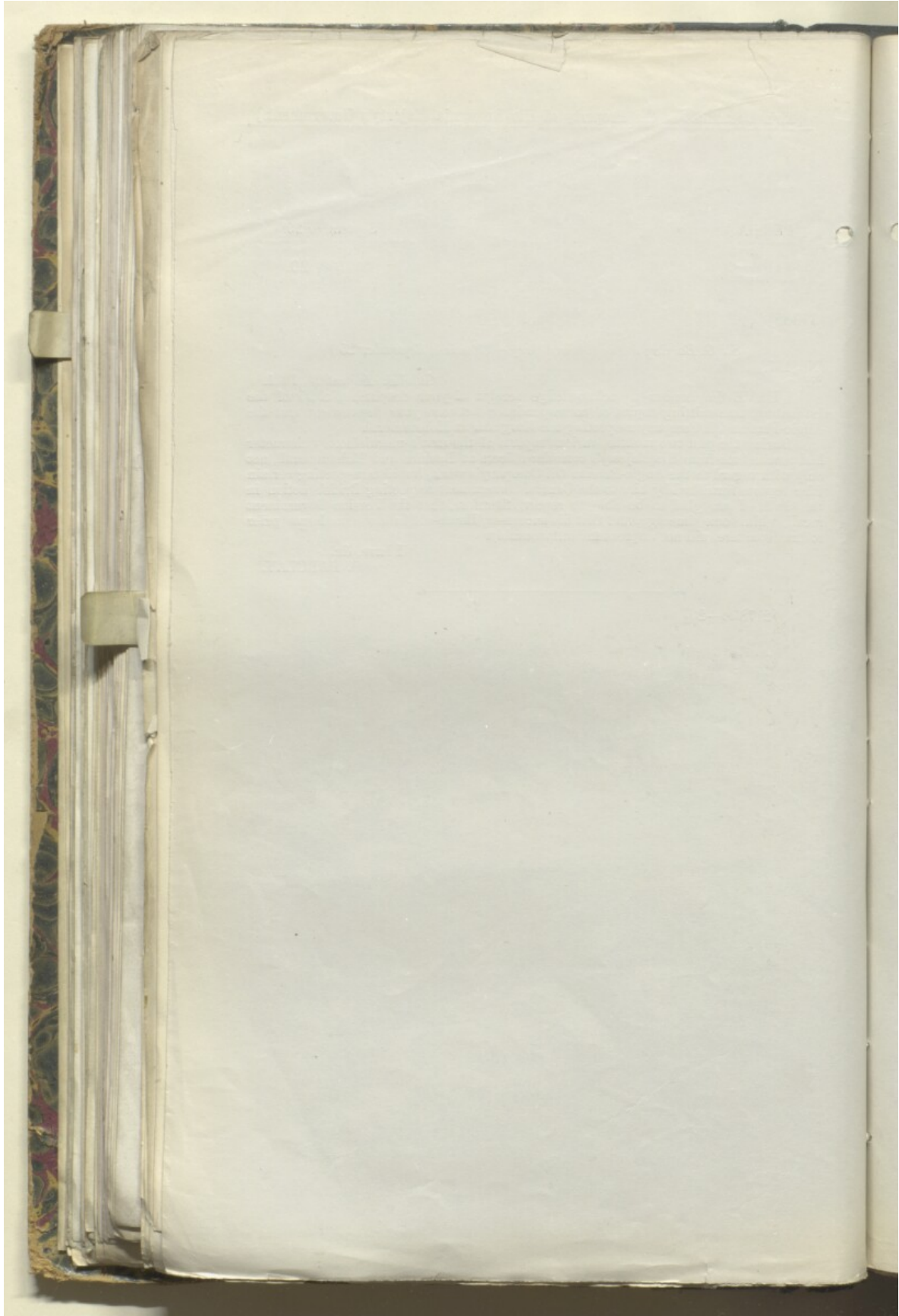


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٠] [٢٩٢/١٧]



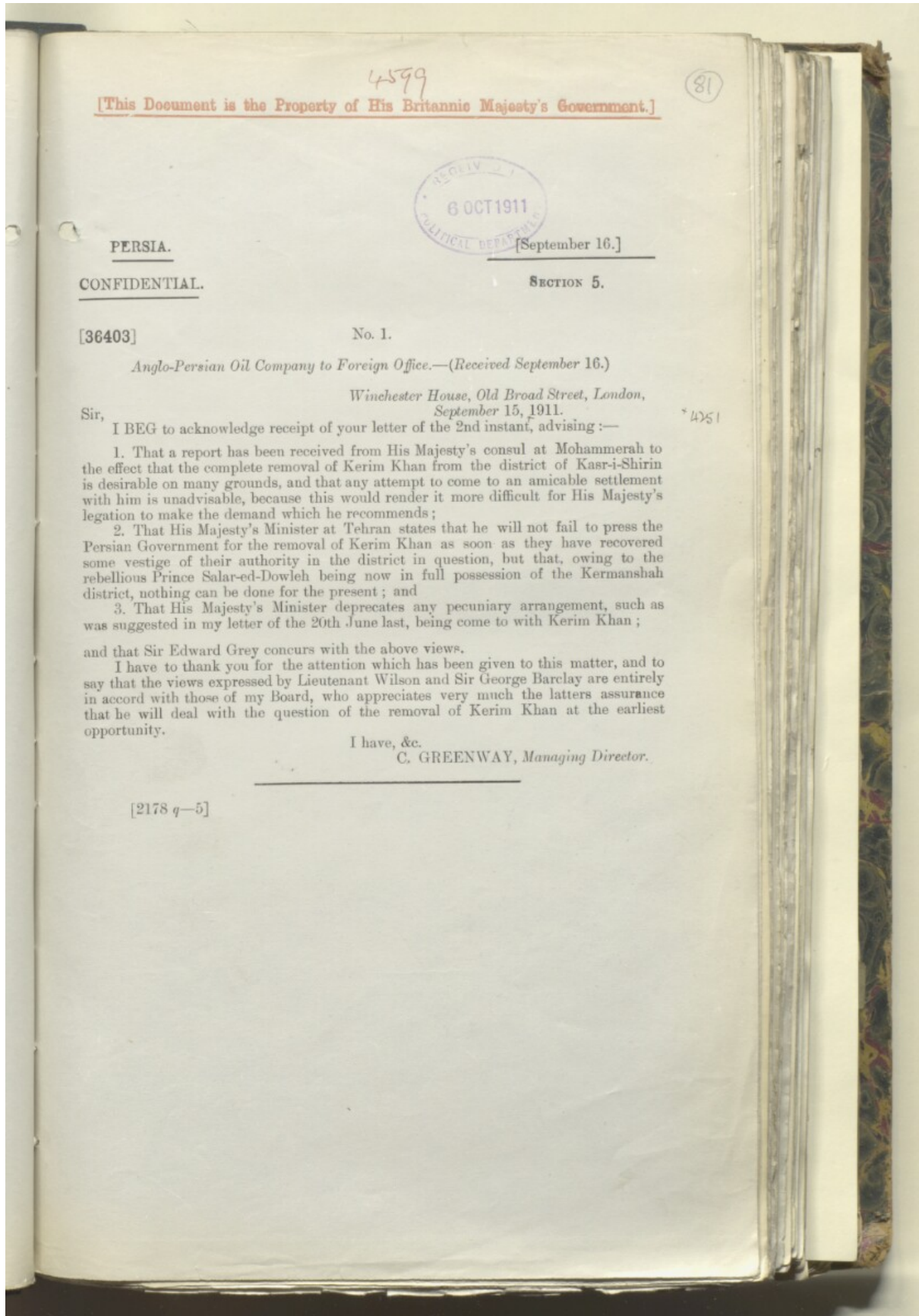


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٠ظ] (٢٩٢/١٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨١ و] (٢٩٢/١٩)



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[September 16.]

PERSIA.

CONFIDENTIAL.

SECTION 5.

[36403]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received September 16.)

*Winchester House, Old Broad Street, London,
September 15, 1911.*

Sir,

I BEG to acknowledge receipt of your letter of the 2nd instant, advising:—

1. That a report has been received from His Majesty's consul at Mohammerah to the effect that the complete removal of Kerim Khan from the district of Kasr-i-Shirin is desirable on many grounds, and that any attempt to come to an amicable settlement with him is unadvisable, because this would render it more difficult for His Majesty's legation to make the demand which he recommends;

2. That His Majesty's Minister at Tehran states that he will not fail to press the Persian Government for the removal of Kerim Khan as soon as they have recovered some vestige of their authority in the district in question, but that, owing to the rebellious Prince Salar-ed-Dowleh being now in full possession of the Kermanshah district, nothing can be done for the present; and

3. That His Majesty's Minister deprecates any pecuniary arrangement, such as was suggested in my letter of the 20th June last, being come to with Kerim Khan;

and that Sir Edward Grey concurs with the above views.

I have to thank you for the attention which has been given to this matter, and to say that the views expressed by Lieutenant Wilson and Sir George Barclay are entirely in accord with those of my Board, who appreciate very much the latter's assurance that he will deal with the question of the removal of Kerim Khan at the earliest opportunity.

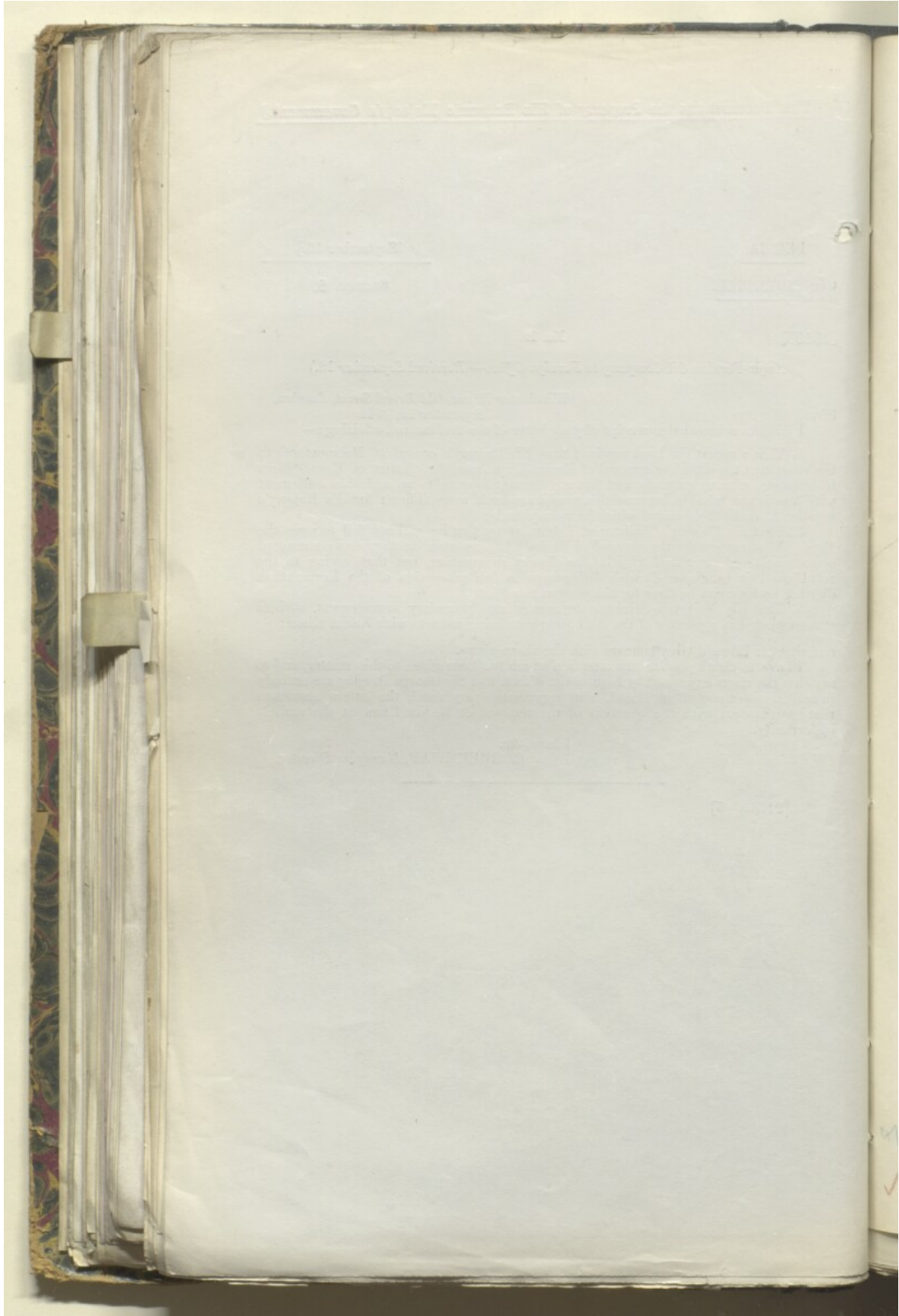
I have, &c.

C. GREENWAY, *Managing Director.*

[2178 q-5]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٨١ظ] (٢٩٢/٢٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٢و] (٢٩٢/٢١)

(82)

Register No.
4251

Minute Paper. Secret Department.

Letter from 30 Dated } 5 September 1911.
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	21 Sep.	WJ	Persia
Secretary of State	22	KK	Anglo-Persian Oil Co's affairs.
Committee			Difficulties with Kerim Khan.
Under Secretary.....			Share in their enterprise of
Secretary of State			Kakhtian Khans.
			Alleged Turkish designs on Zohab (in which Kasr-i Shimi is situated)

Copy to India 15 Sep. 1911
Secy 37

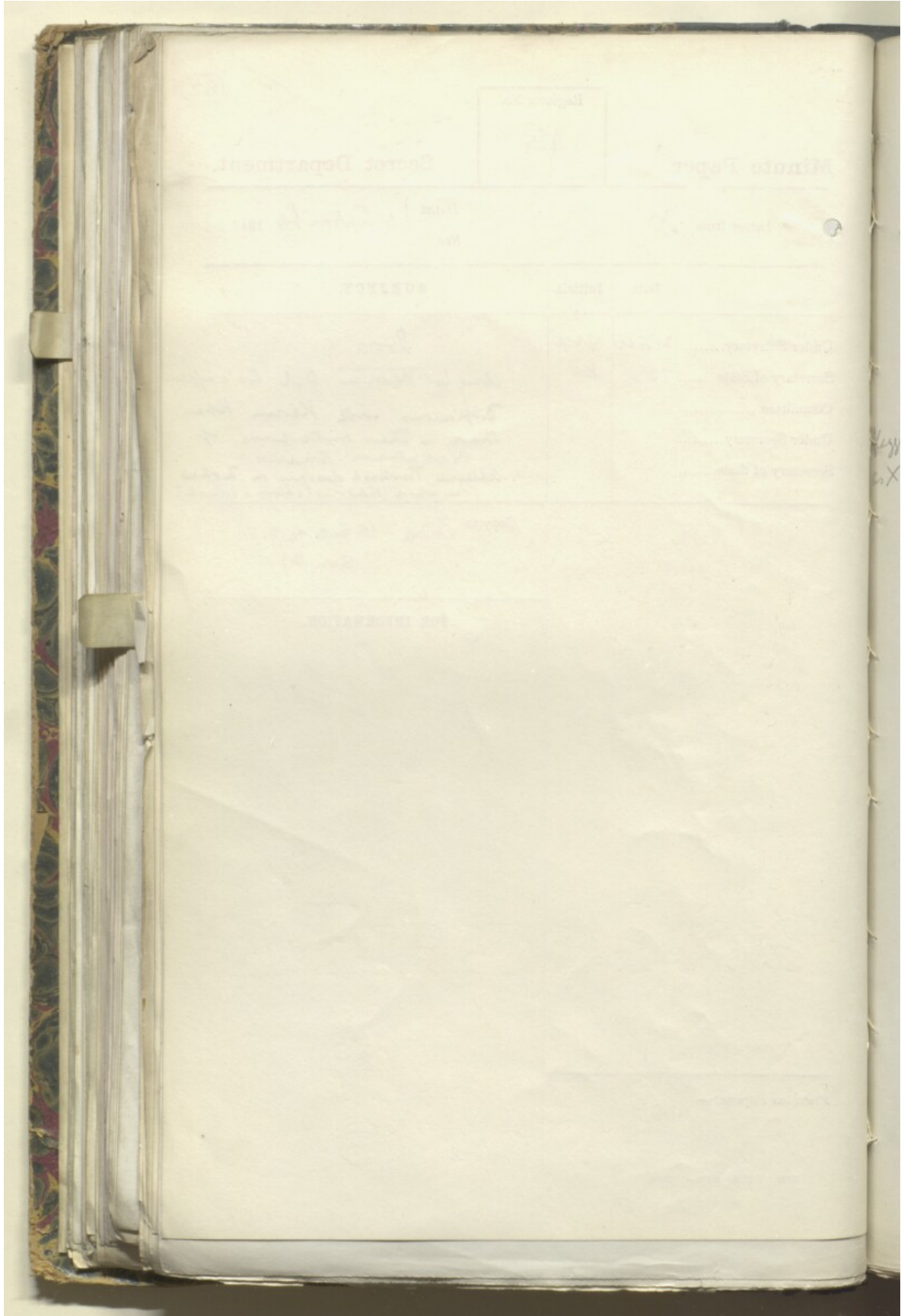
FOR INFORMATION.

Previous Papers:— 4256

9549. I. 2127. 2000.—11/1910.

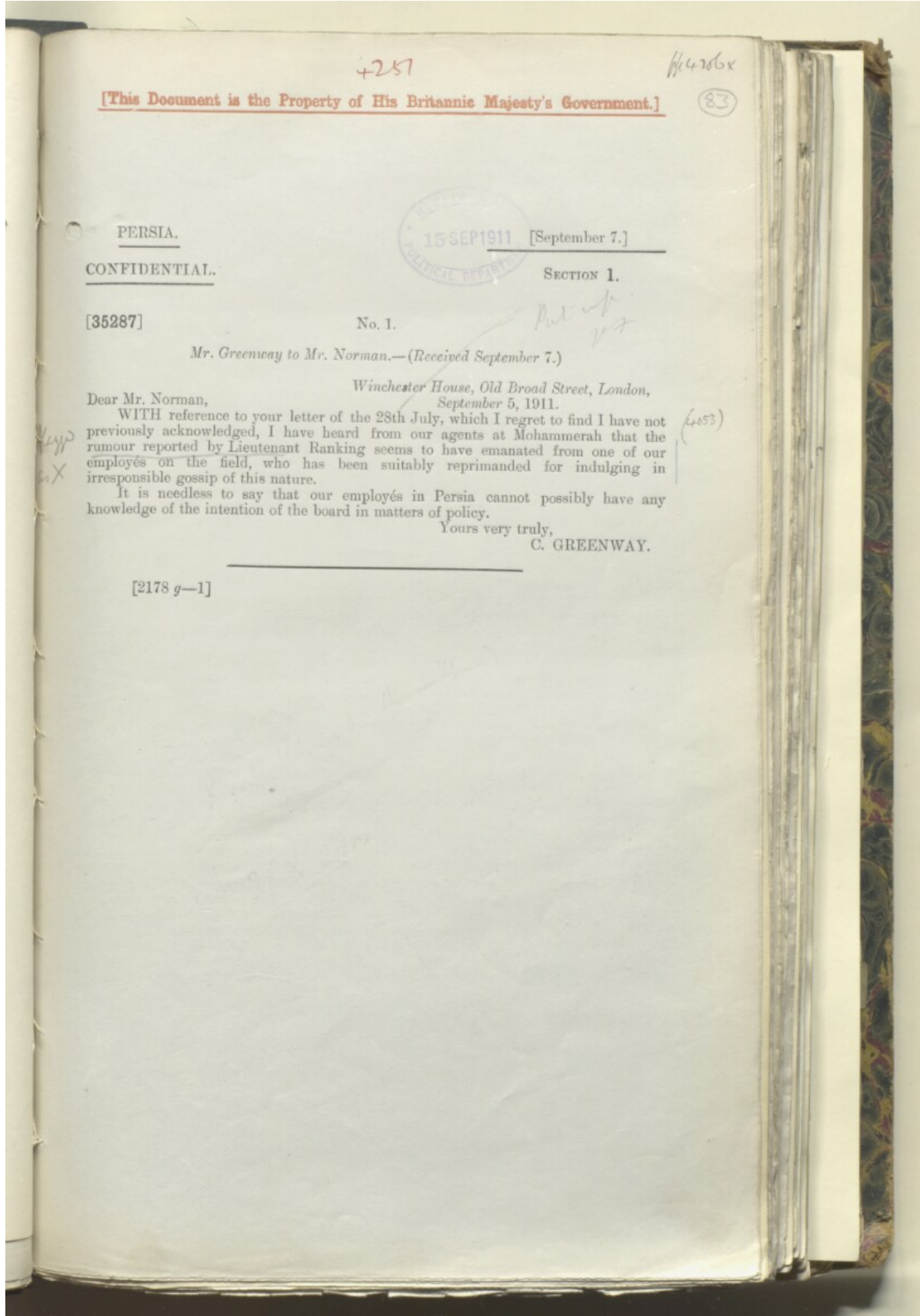


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٢ظ] (٢٩٢/٢٢)



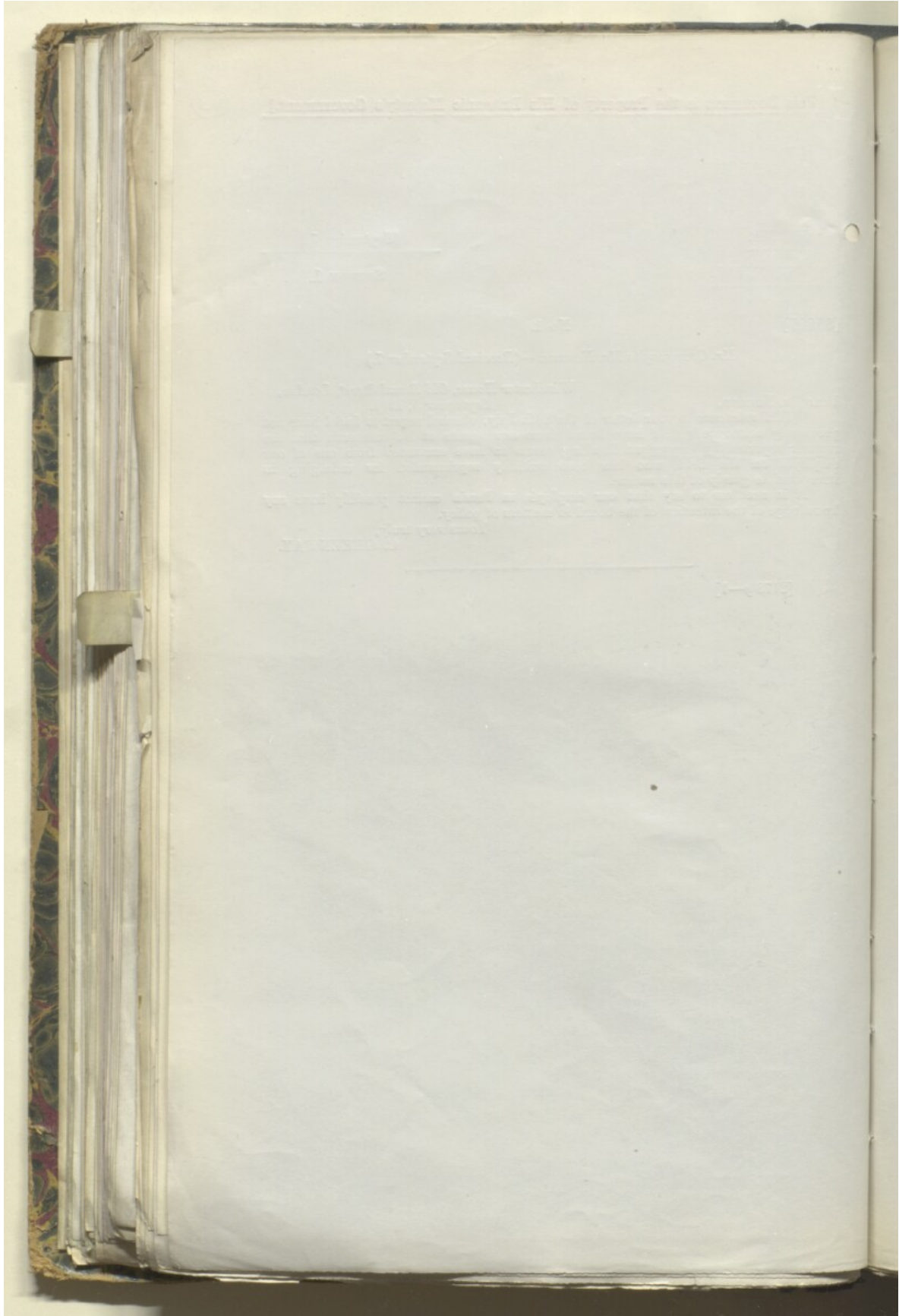


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٣و] (٢٩٢/٢٣)



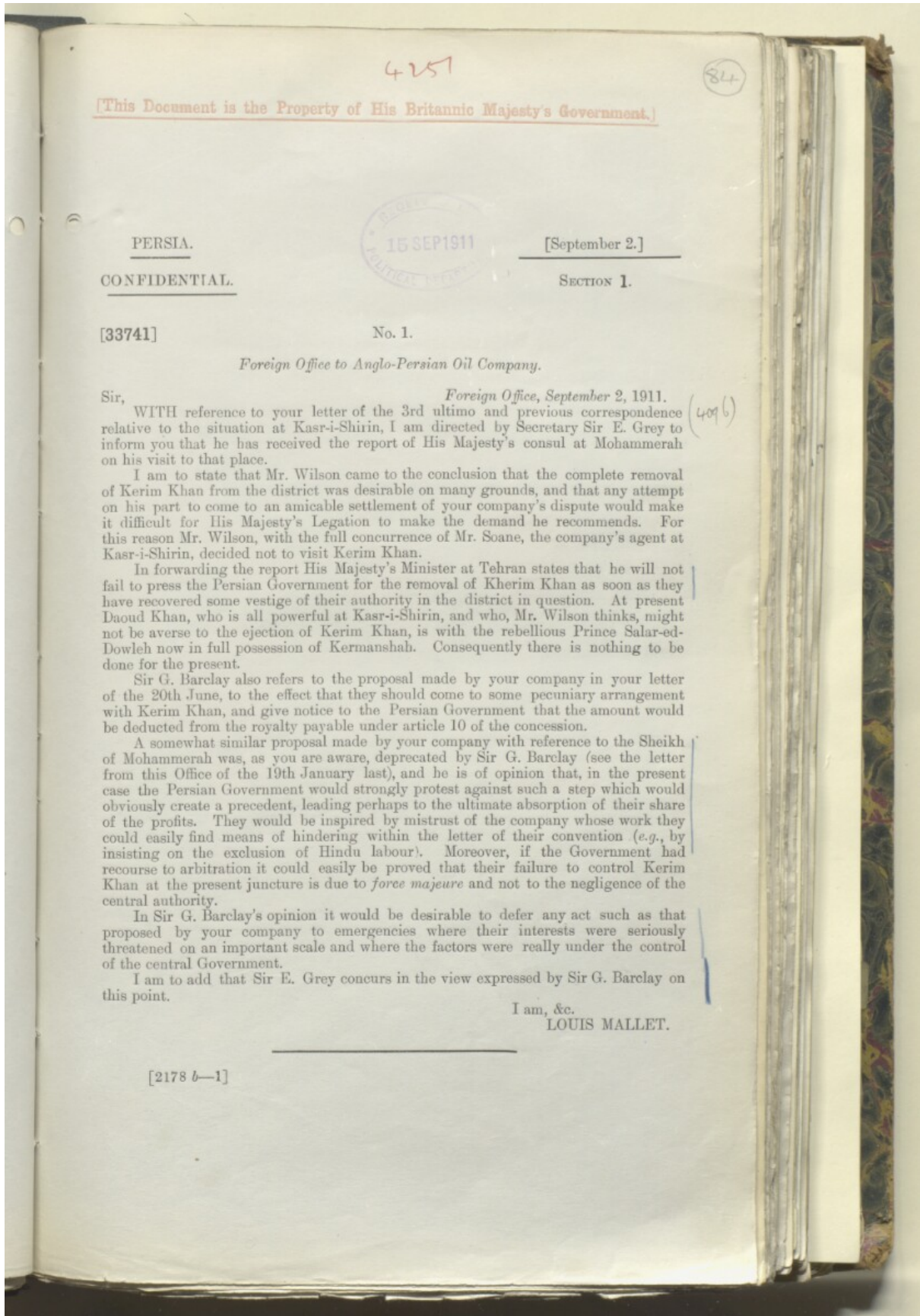


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٨٣ظ] (٢٩٢/٢٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٤و] (٢٩٢/٢٥)



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PERSIA.

15 SEP 1911

[September 2.]

CONFIDENTIAL.

SECTION 1.

[33741]

No. 1.

Foreign Office to Anglo-Persian Oil Company.

Sir, *Foreign Office, September 2, 1911.*

WITH reference to your letter of the 3rd ultimo and previous correspondence relative to the situation at Kasr-i-Shirin, I am directed by Secretary Sir E. Grey to inform you that he has received the report of His Majesty's consul at Mohammerah on his visit to that place. (4096)

I am to state that Mr. Wilson came to the conclusion that the complete removal of Kerim Khan from the district was desirable on many grounds, and that any attempt on his part to come to an amicable settlement of your company's dispute would make it difficult for His Majesty's Legation to make the demand he recommends. For this reason Mr. Wilson, with the full concurrence of Mr. Soane, the company's agent at Kasr-i-Shirin, decided not to visit Kerim Khan.

In forwarding the report His Majesty's Minister at Tehran states that he will not fail to press the Persian Government for the removal of Kherim Khan as soon as they have recovered some vestige of their authority in the district in question. At present Daoud Khan, who is all powerful at Kasr-i-Shirin, and who, Mr. Wilson thinks, might not be averse to the ejection of Kerim Khan, is with the rebellious Prince Salar-ed-Dowleh now in full possession of Kermanshab. Consequently there is nothing to be done for the present.

Sir G. Barclay also refers to the proposal made by your company in your letter of the 20th June, to the effect that they should come to some pecuniary arrangement with Kerim Khan, and give notice to the Persian Government that the amount would be deducted from the royalty payable under article 10 of the concession.

A somewhat similar proposal made by your company with reference to the Sheikh of Mohammerah was, as you are aware, deprecated by Sir G. Barclay (see the letter from this Office of the 19th January last), and he is of opinion that, in the present case the Persian Government would strongly protest against such a step which would obviously create a precedent, leading perhaps to the ultimate absorption of their share of the profits. They would be inspired by mistrust of the company whose work they could easily find means of hindering within the letter of their convention (e.g., by insisting on the exclusion of Hindu labour). Moreover, if the Government had recourse to arbitration it could easily be proved that their failure to control Kerim Khan at the present juncture is due to *force majeure* and not to the negligence of the central authority.

In Sir G. Barclay's opinion it would be desirable to defer any act such as that proposed by your company to emergencies where their interests were seriously threatened on an important scale and where the factors were really under the control of the central Government.

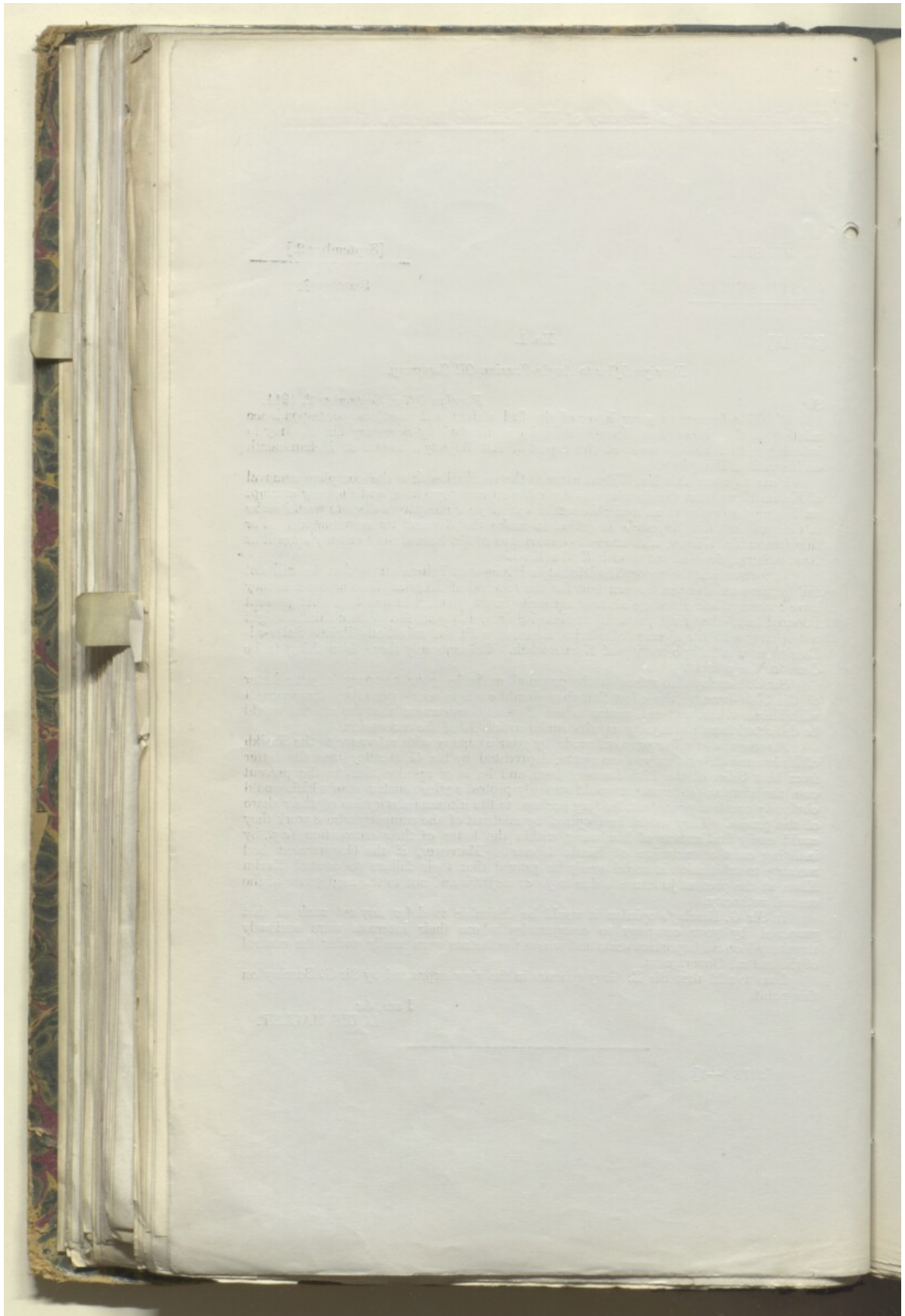
I am to add that Sir E. Grey concurs in the view expressed by Sir G. Barclay on this point.

I am, &c.
LOUIS MALLET.

[2178 b-1]

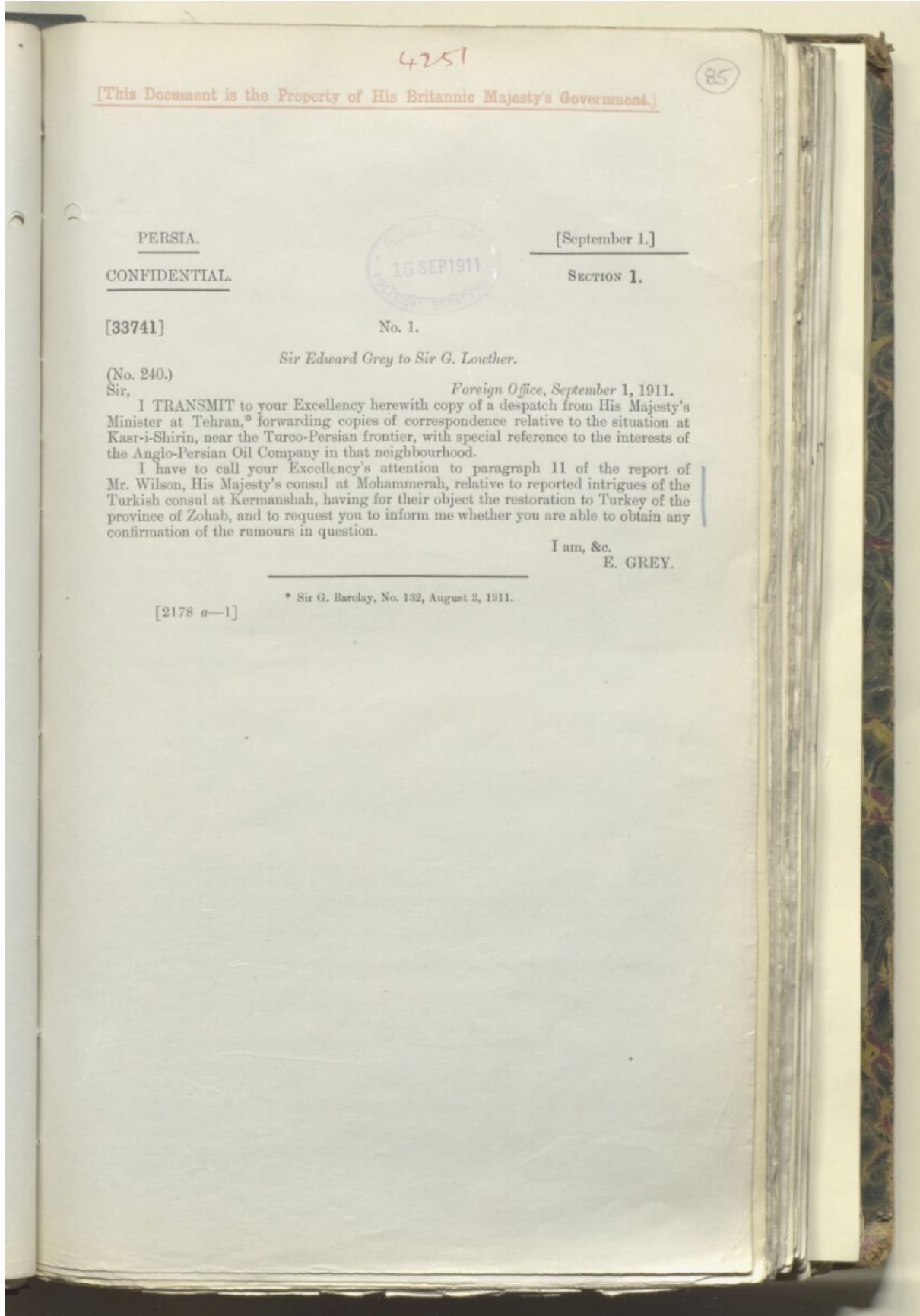


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٤ظ] (٢٩٢/٢٦)



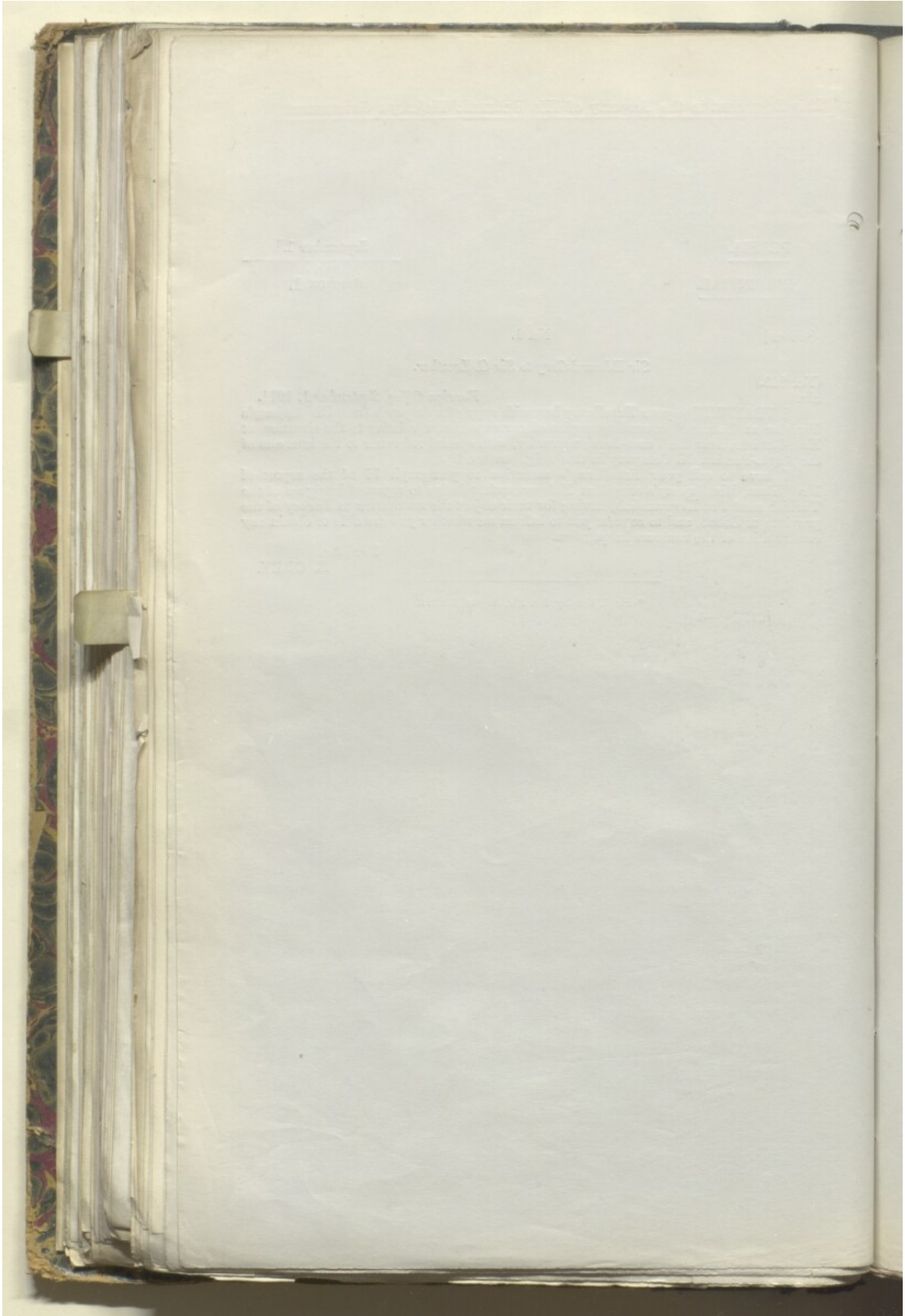


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٥] [٢٩٢/٢٧]



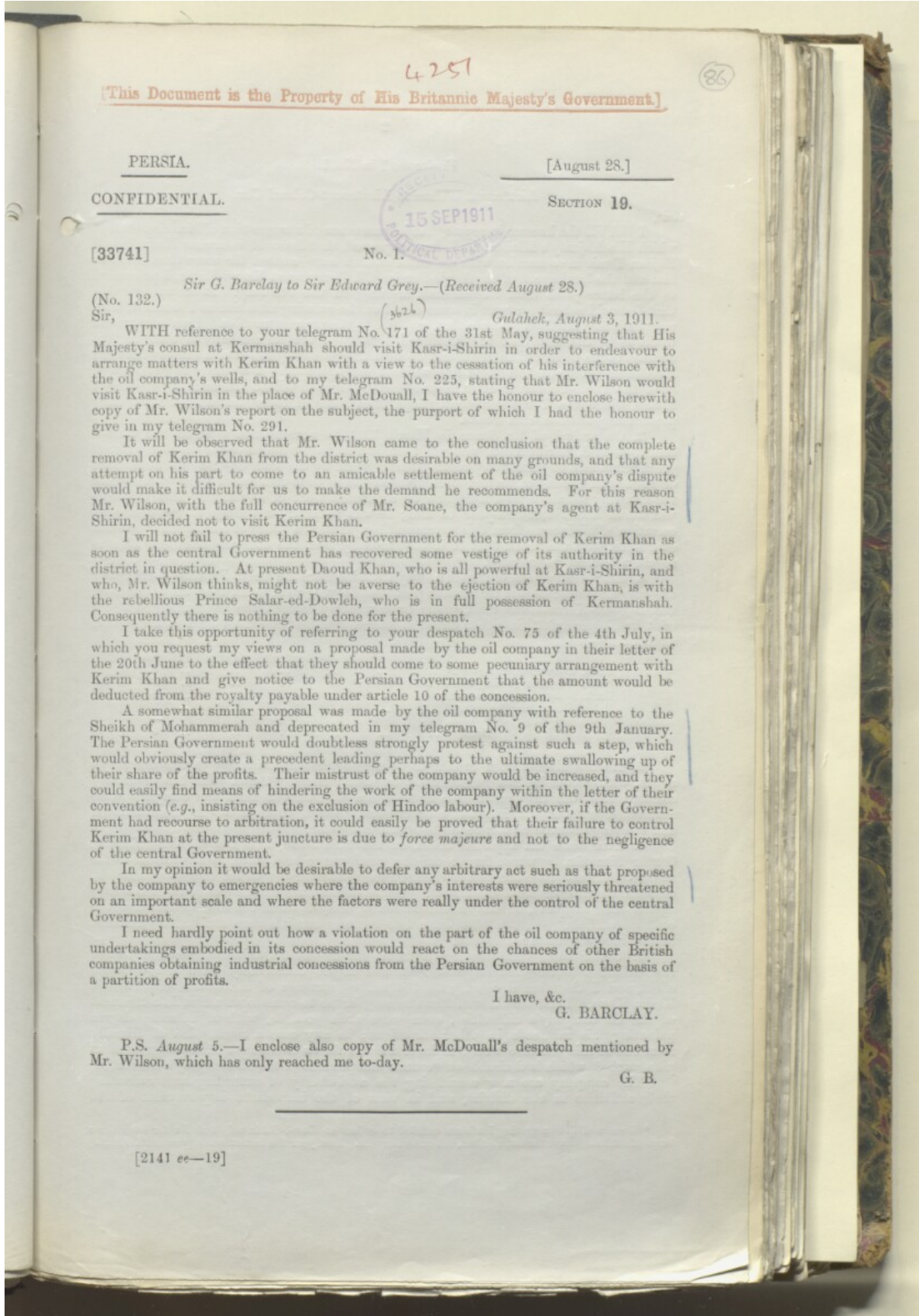


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٥ظ] (٢٩٢/٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٨٦و] (٢٩٢/٢٩)



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PERSIA.

[August 28.]

CONFIDENTIAL.

SECTION 19.

[33741]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received August 28.)

(No. 132.)

Sir,

Gulahek, August 3, 1911.

WITH reference to your telegram No. 171 of the 31st May, suggesting that His Majesty's consul at Kermanshah should visit Kasr-i-Shirin in order to endeavour to arrange matters with Kerim Khan with a view to the cessation of his interference with the oil company's wells, and to my telegram No. 225, stating that Mr. Wilson would visit Kasr-i-Shirin in the place of Mr. McDouall, I have the honour to enclose herewith copy of Mr. Wilson's report on the subject, the purport of which I had the honour to give in my telegram No. 291.

It will be observed that Mr. Wilson came to the conclusion that the complete removal of Kerim Khan from the district was desirable on many grounds, and that any attempt on his part to come to an amicable settlement of the oil company's dispute would make it difficult for us to make the demand he recommends. For this reason Mr. Wilson, with the full concurrence of Mr. Soane, the company's agent at Kasr-i-Shirin, decided not to visit Kerim Khan.

I will not fail to press the Persian Government for the removal of Kerim Khan as soon as the central Government has recovered some vestige of its authority in the district in question. At present Daoud Khan, who is all powerful at Kasr-i-Shirin, and who, Mr. Wilson thinks, might not be averse to the ejection of Kerim Khan, is with the rebellious Prince Salar-ed-Dowleh, who is in full possession of Kermanshah. Consequently there is nothing to be done for the present.

I take this opportunity of referring to your despatch No. 75 of the 4th July, in which you request my views on a proposal made by the oil company in their letter of the 20th June to the effect that they should come to some pecuniary arrangement with Kerim Khan and give notice to the Persian Government that the amount would be deducted from the royalty payable under article 10 of the concession.

A somewhat similar proposal was made by the oil company with reference to the Sheikh of Mohammerah and deprecated in my telegram No. 9 of the 9th January. The Persian Government would doubtless strongly protest against such a step, which would obviously create a precedent leading perhaps to the ultimate swallowing up of their share of the profits. Their mistrust of the company would be increased, and they could easily find means of hindering the work of the company within the letter of their convention (e.g., insisting on the exclusion of Hindoo labour). Moreover, if the Government had recourse to arbitration, it could easily be proved that their failure to control Kerim Khan at the present juncture is due to *force majeure* and not to the negligence of the central Government.

In my opinion it would be desirable to defer any arbitrary act such as that proposed by the company to emergencies where the company's interests were seriously threatened on an important scale and where the factors were really under the control of the central Government.

I need hardly point out how a violation on the part of the oil company of specific undertakings embodied in its concession would react on the chances of other British companies obtaining industrial concessions from the Persian Government on the basis of a partition of profits.

I have, &c.

G. BARCLAY.

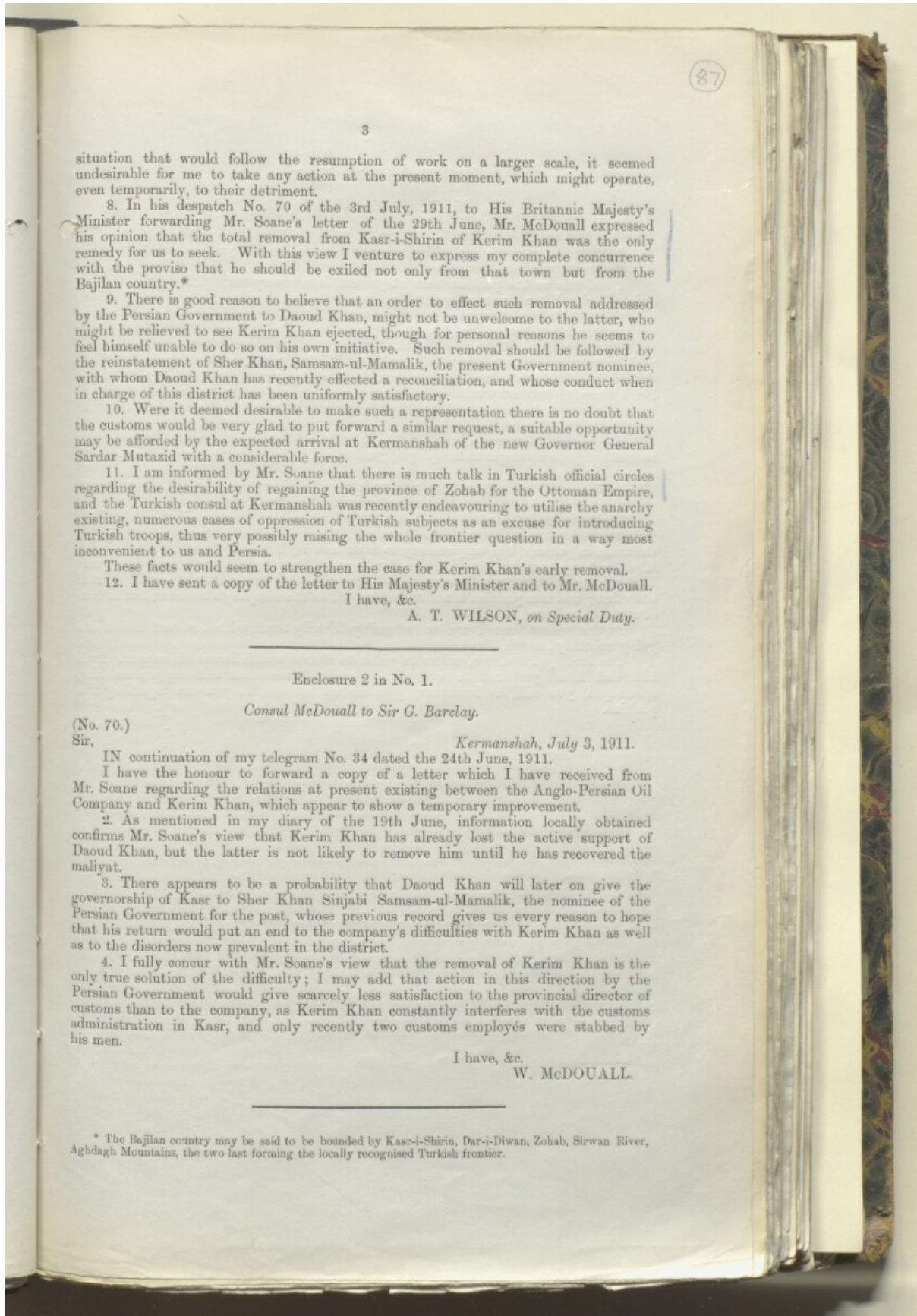
P.S. August 5.—I enclose also copy of Mr. McDouall's despatch mentioned by Mr. Wilson, which has only reached me to-day.

G. B.

[2141 ee—19]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٧و] (٢٩٢/٣١)



3

situation that would follow the resumption of work on a larger scale, it seemed undesirable for me to take any action at the present moment, which might operate, even temporarily, to their detriment.

8. In his despatch No. 70 of the 3rd July, 1911, to His Britannic Majesty's Minister forwarding Mr. Soane's letter of the 29th June, Mr. McDouall expressed his opinion that the total removal from Kasr-i-Shirin of Kerim Khan was the only remedy for us to seek. With this view I venture to express my complete concurrence with the proviso that he should be exiled not only from that town but from the Bajilan country.*

9. There is good reason to believe that an order to effect such removal addressed by the Persian Government to Daoud Khan, might not be unwelcome to the latter, who might be relieved to see Kerim Khan ejected, though for personal reasons he seems to feel himself unable to do so on his own initiative. Such removal should be followed by the reinstatement of Sher Khan, Samsam-ul-Mamalik, the present Government nominee, with whom Daoud Khan has recently effected a reconciliation, and whose conduct when in charge of this district has been uniformly satisfactory.

10. Were it deemed desirable to make such a representation there is no doubt that the customs would be very glad to put forward a similar request, a suitable opportunity may be afforded by the expected arrival at Kermanshah of the new Governor General Sardar Mutazid with a considerable force.

11. I am informed by Mr. Soane that there is much talk in Turkish official circles regarding the desirability of regaining the province of Zohab for the Ottoman Empire, and the Turkish consul at Kermanshah was recently endeavouring to utilise the anarchy existing, numerous cases of oppression of Turkish subjects as an excuse for introducing Turkish troops, thus very possibly raising the whole frontier question in a way most inconvenient to us and Persia.

These facts would seem to strengthen the case for Kerim Khan's early removal.

12. I have sent a copy of the letter to His Majesty's Minister and to Mr. McDouall. I have, &c.

A. T. WILSON, on Special Duty.

Enclosure 2 in No. 1.

Consul McDouall to Sir G. Barclay.

(No. 70.)
Sir,

Kermanshah, July 3, 1911.

IN continuation of my telegram No. 34 dated the 24th June, 1911.

I have the honour to forward a copy of a letter which I have received from Mr. Soane regarding the relations at present existing between the Anglo-Persian Oil Company and Kerim Khan, which appear to show a temporary improvement.

2. As mentioned in my diary of the 19th June, information locally obtained confirms Mr. Soane's view that Kerim Khan has already lost the active support of Daoud Khan, but the latter is not likely to remove him until he has recovered the maliyat.

3. There appears to be a probability that Daoud Khan will later on give the governorship of Kasr to Sher Khan Sinjabi Samsam-ul-Mamalik, the nominee of the Persian Government for the post, whose previous record gives us every reason to hope that his return would put an end to the company's difficulties with Kerim Khan as well as to the disorders now prevalent in the district.

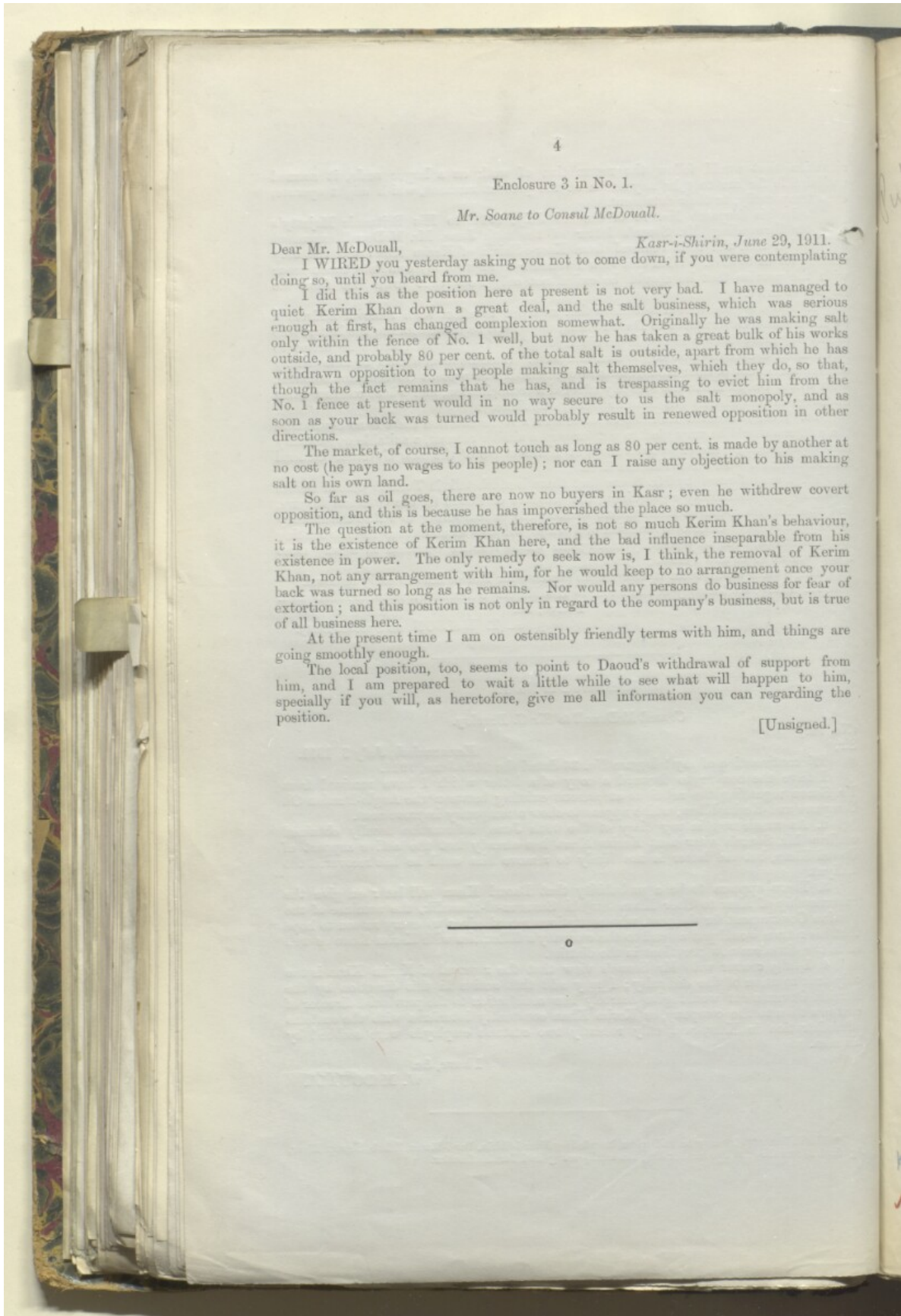
4. I fully concur with Mr. Soane's view that the removal of Kerim Khan is the only true solution of the difficulty; I may add that action in this direction by the Persian Government would give scarcely less satisfaction to the provincial director of customs than to the company, as Kerim Khan constantly interferes with the customs administration in Kasr, and only recently two customs employés were stabbed by his men.

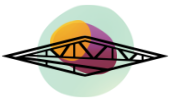
I have, &c.
W. McDOUALL

* The Bajilan country may be said to be bounded by Kasr-i-Shirin, Dar-i-Diwan, Zohab, Sirwan River, Aghdagh Mountains, the two last forming the locally recognised Turkish frontier.

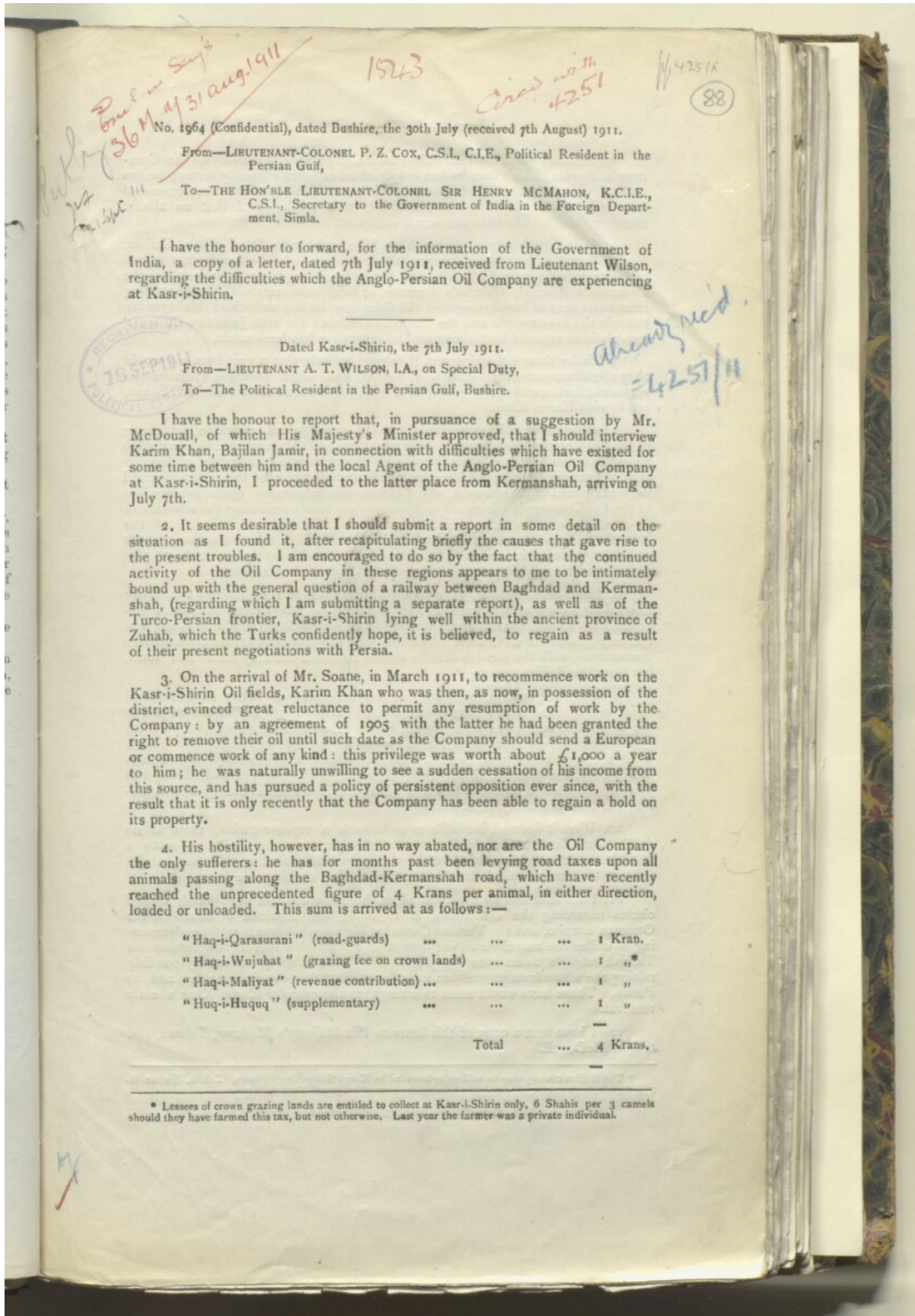


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٧ظ] (٢٩٢/٣٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط: شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٨و] (٢٩٢/٣٣)



No. 1964 (Confidential), dated Bushire, the 30th July (received 7th August) 1911.

From—LIEUTENANT-COLONEL P. Z. COX, C.S.I., C.I.E., Political Resident in the Persian Gulf,

To—THE HON'BLE LIEUTENANT-COLONEL SIR HENRY MCMAHON, K.C.I.E., C.S.I., Secretary to the Government of India in the Foreign Department, Simla.

I have the honour to forward, for the information of the Government of India, a copy of a letter, dated 7th July 1911, received from Lieutenant Wilson, regarding the difficulties which the Anglo-Persian Oil Company are experiencing at Kasr-i-Shirin.

Dated Kasr-i-Shirin, the 7th July 1911.

From—LIEUTENANT A. T. WILSON, I.A., on Special Duty,

To—The Political Resident in the Persian Gulf, Bushire.

I have the honour to report that, in pursuance of a suggestion by Mr. McDouall, of which His Majesty's Minister approved, that I should interview Karim Khan, Bajilan Jamir, in connection with difficulties which have existed for some time between him and the local Agent of the Anglo-Persian Oil Company at Kasr-i-Shirin, I proceeded to the latter place from Kermanshah, arriving on July 7th.

2. It seems desirable that I should submit a report in some detail on the situation as I found it, after recapitulating briefly the causes that gave rise to the present troubles. I am encouraged to do so by the fact that the continued activity of the Oil Company in these regions appears to me to be intimately bound up with the general question of a railway between Baghdad and Kermanshah, (regarding which I am submitting a separate report), as well as of the Turco-Persian frontier, Kasr-i-Shirin lying well within the ancient province of Zuhab, which the Turks confidently hope, it is believed, to regain as a result of their present negotiations with Persia.

3. On the arrival of Mr. Soane, in March 1911, to recommence work on the Kasr-i-Shirin Oil fields, Karim Khan who was then, as now, in possession of the district, evinced great reluctance to permit any resumption of work by the Company: by an agreement of 1905 with the latter he had been granted the right to remove their oil until such date as the Company should send a European or commence work of any kind: this privilege was worth about £1,000 a year to him; he was naturally unwilling to see a sudden cessation of his income from this source, and has pursued a policy of persistent opposition ever since, with the result that it is only recently that the Company has been able to regain a hold on its property.

4. His hostility, however, has in no way abated, nor are the Oil Company the only sufferers: he has for months past been levying road taxes upon all animals passing along the Baghdad-Kermanshah road, which have recently reached the unprecedented figure of 4 Krans per animal, in either direction, loaded or unloaded. This sum is arrived at as follows:—

"Haq-i-Qarasurani" (road-guards)	1 Kran.
"Haq-i-Wujubat" (grazing fee on crown lands)	1 "
"Haq-i-Maliyat" (revenue contribution)	1 "
"Huq-i-Huquq" (supplementary)	1 "
Total	4 Krans,

* Lessees of crown grazing lands are entitled to collect at Kasr-i-Shirin only, 6 Shahis per 3 camels should they have farmed this tax, but not otherwise. Last year the farmer was a private individual.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٩و] (٢٩٢/٣٥)

(89)

Register No.
4206

Minute Paper. Secret Department.

Letter from 70 Dated } 31 Aug 7 Sept 1911.
Rec. } 28

	Date.	Initials.	SUBJECT.
Under Secretary.....	11 Sept.	WJ	Persia
Secretary of State	13	KK	Anglo-Persian Oil Co.
Committee			Presentation of their shares
Under Secretary.....			to the Bakhtiari Khans
Secretary of State			Proposed advance to Persian
			Govt. on security of their shares

Copy to India 8 Sep. 1911 + 29 Sept
Secy 36 Sep 1911
W. J. 1911

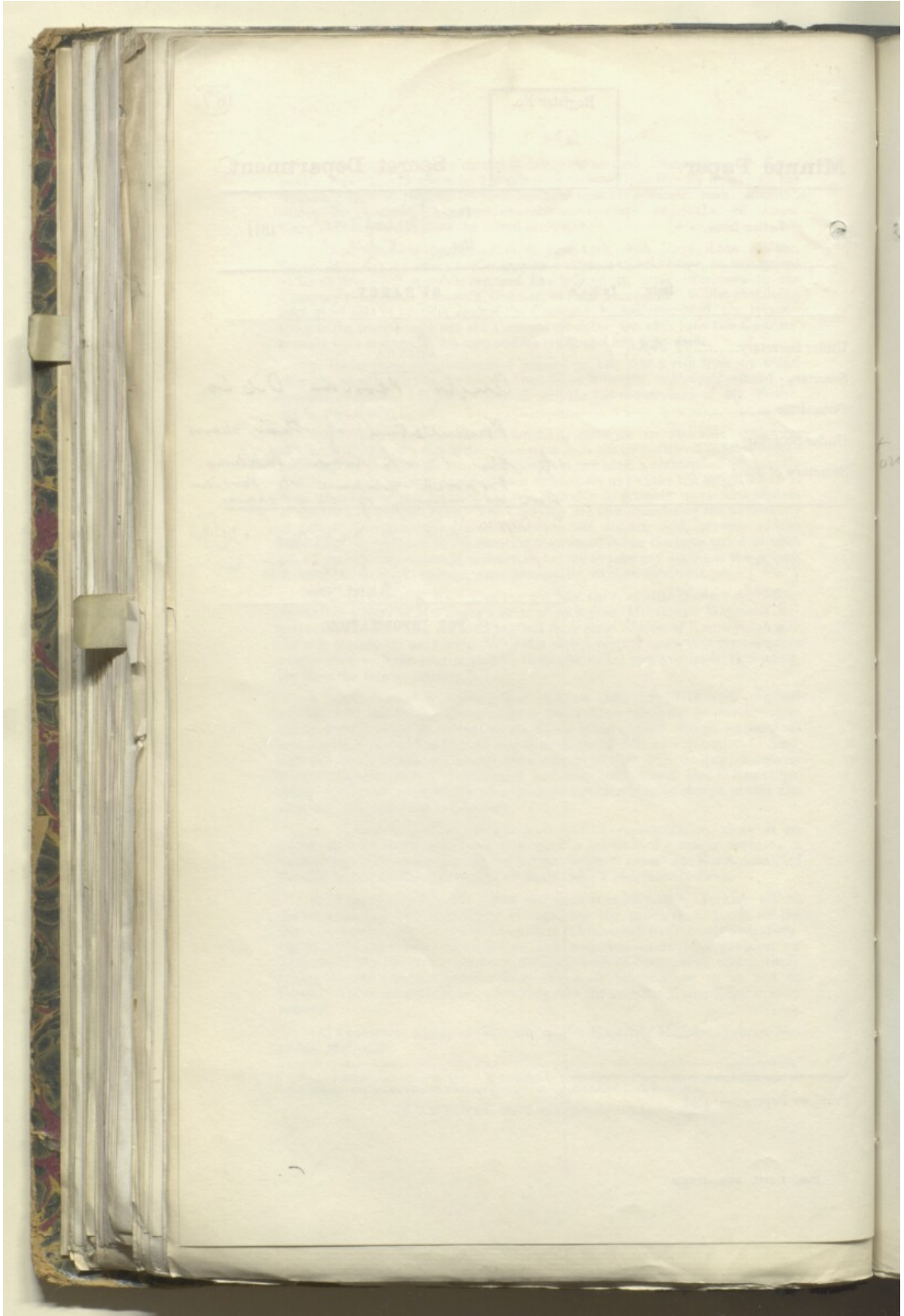
FOR INFORMATION.

Previous Papers:— 4896

9549. I. 2127. 2000.—11/1910.

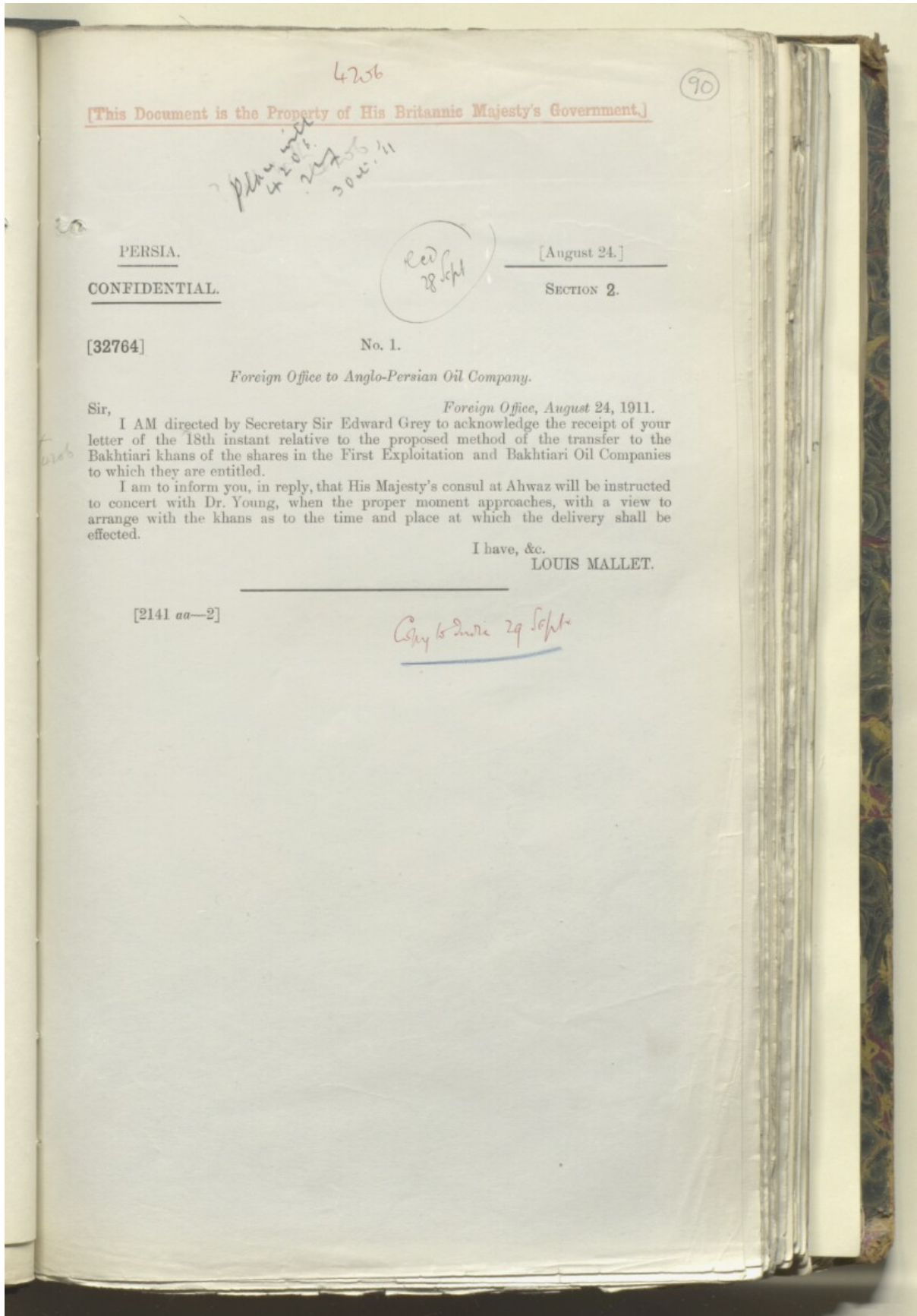


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٨٩ظ] (٢٩٢/٣٦)



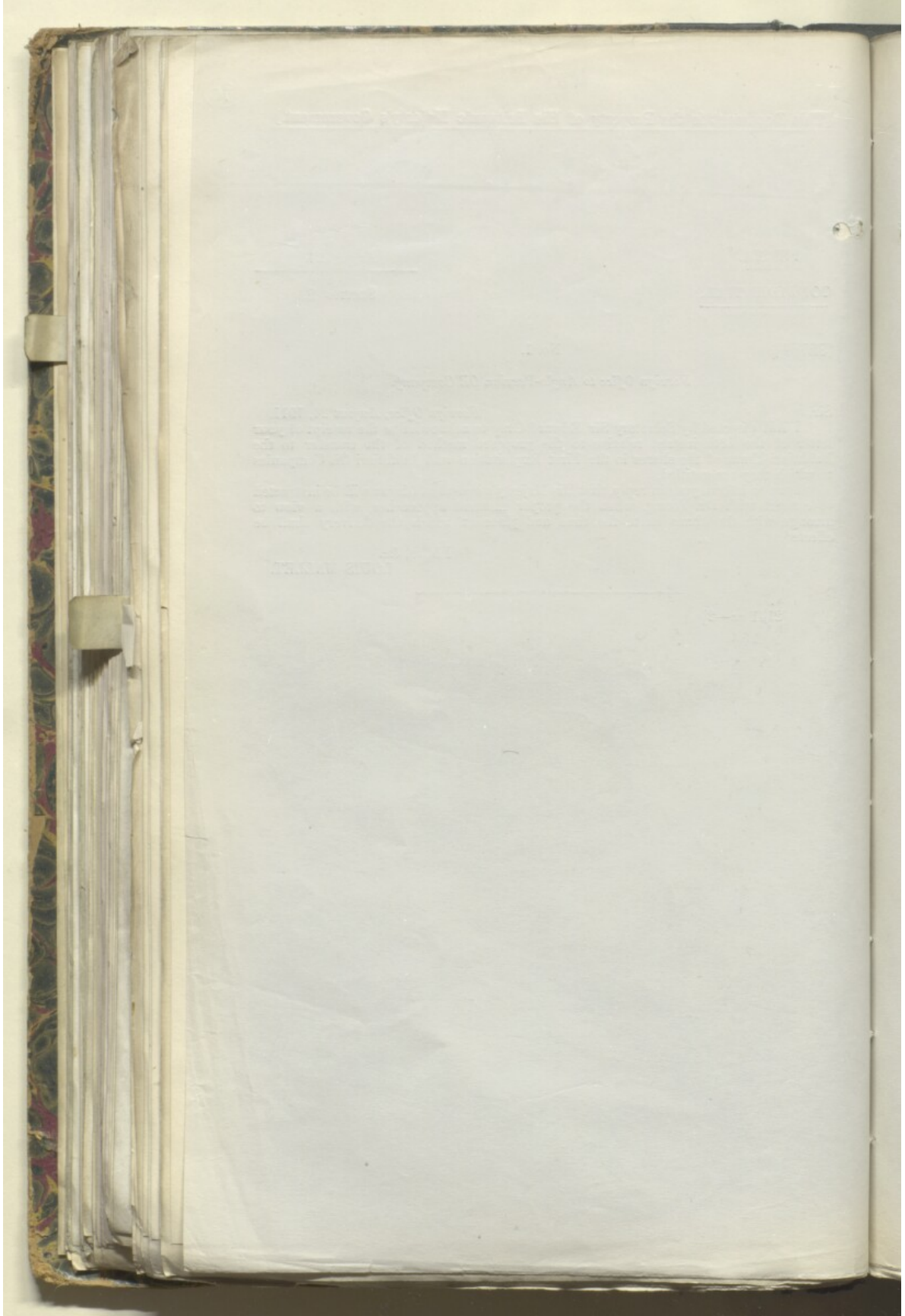


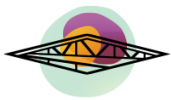
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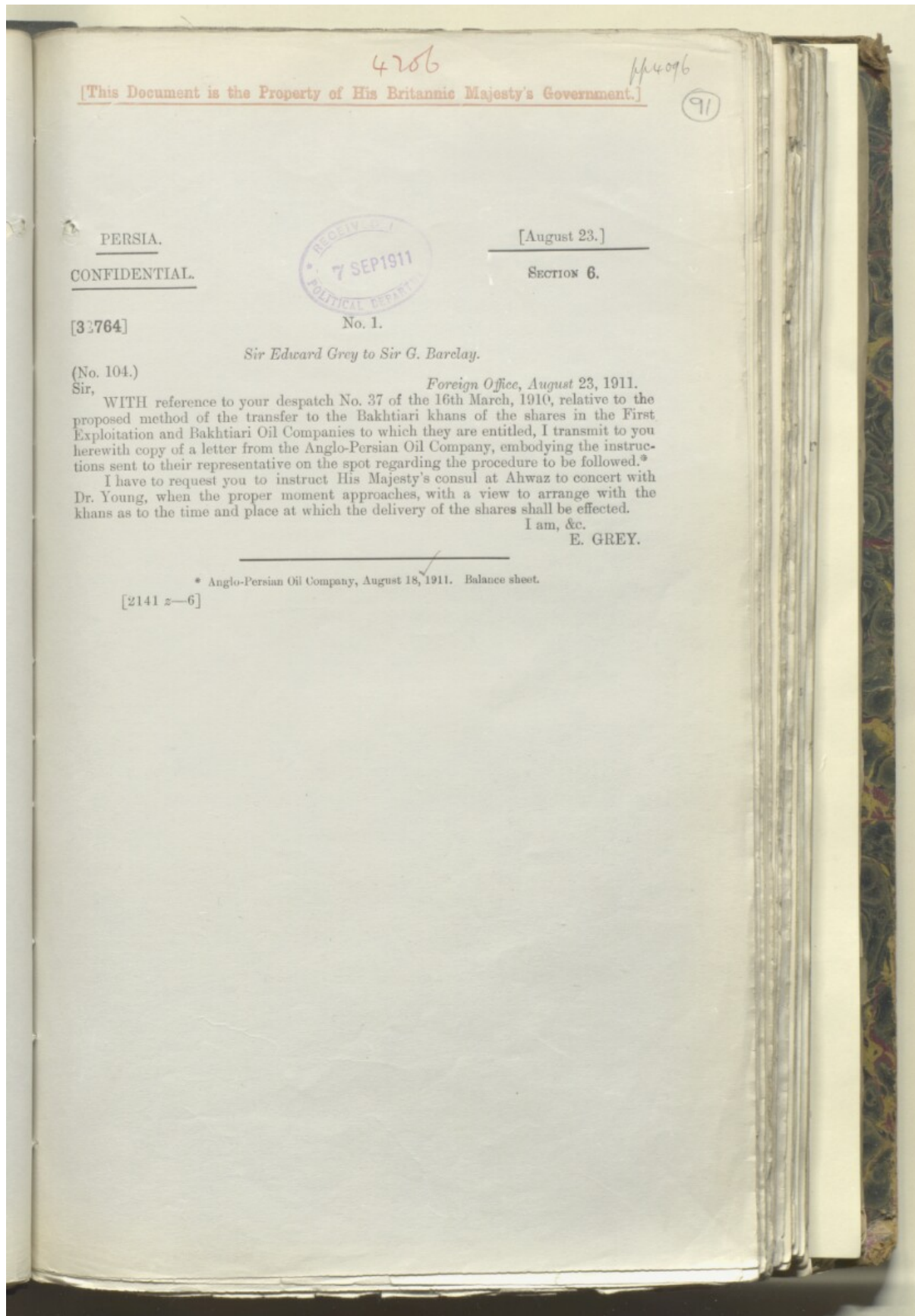


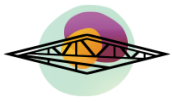
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فارسية والبختاريين؛ [٩٠ظ] (٢٩٢/٣٨)



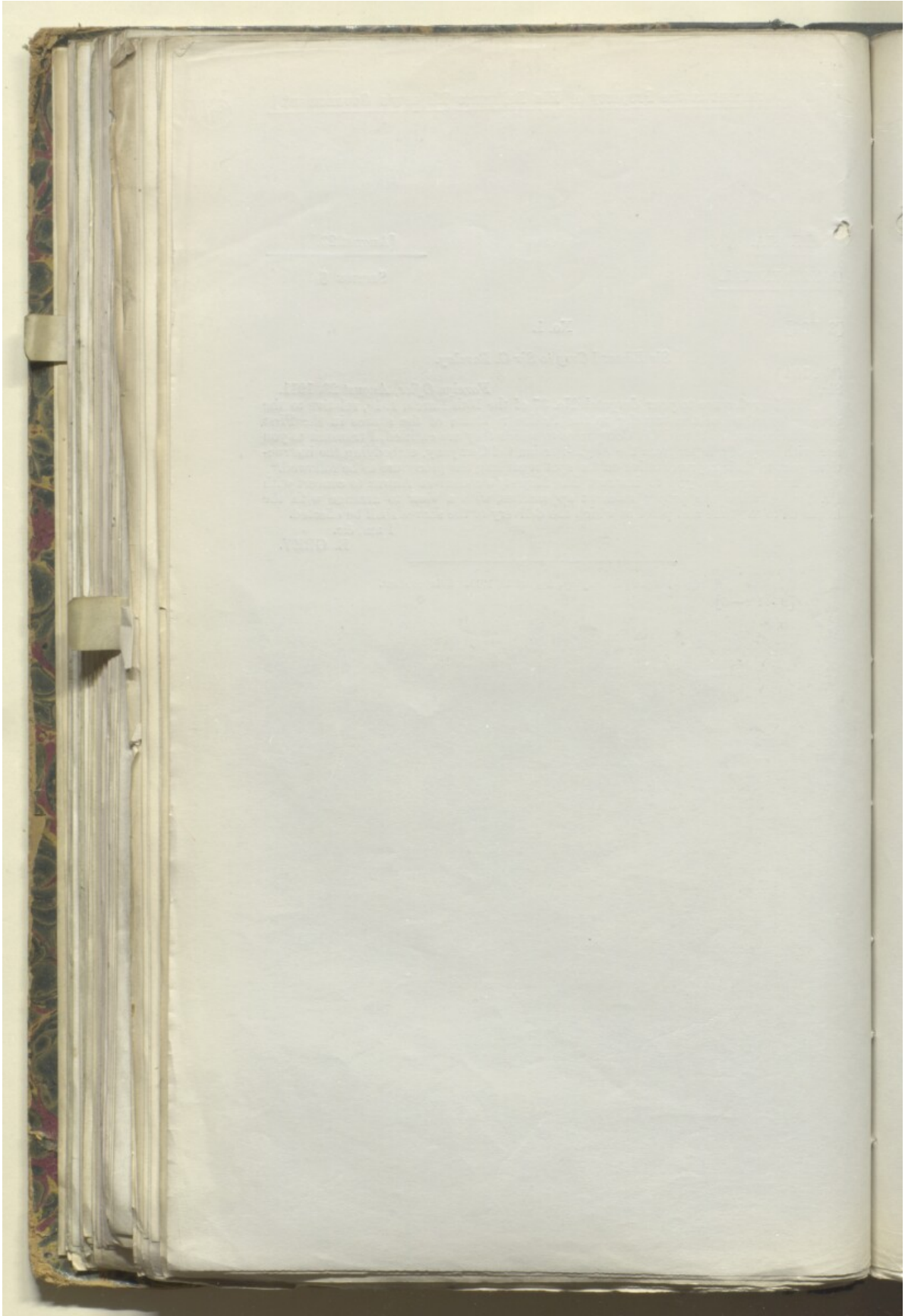


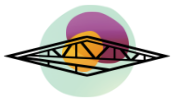
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩١] [٢٩٢/٣٩]



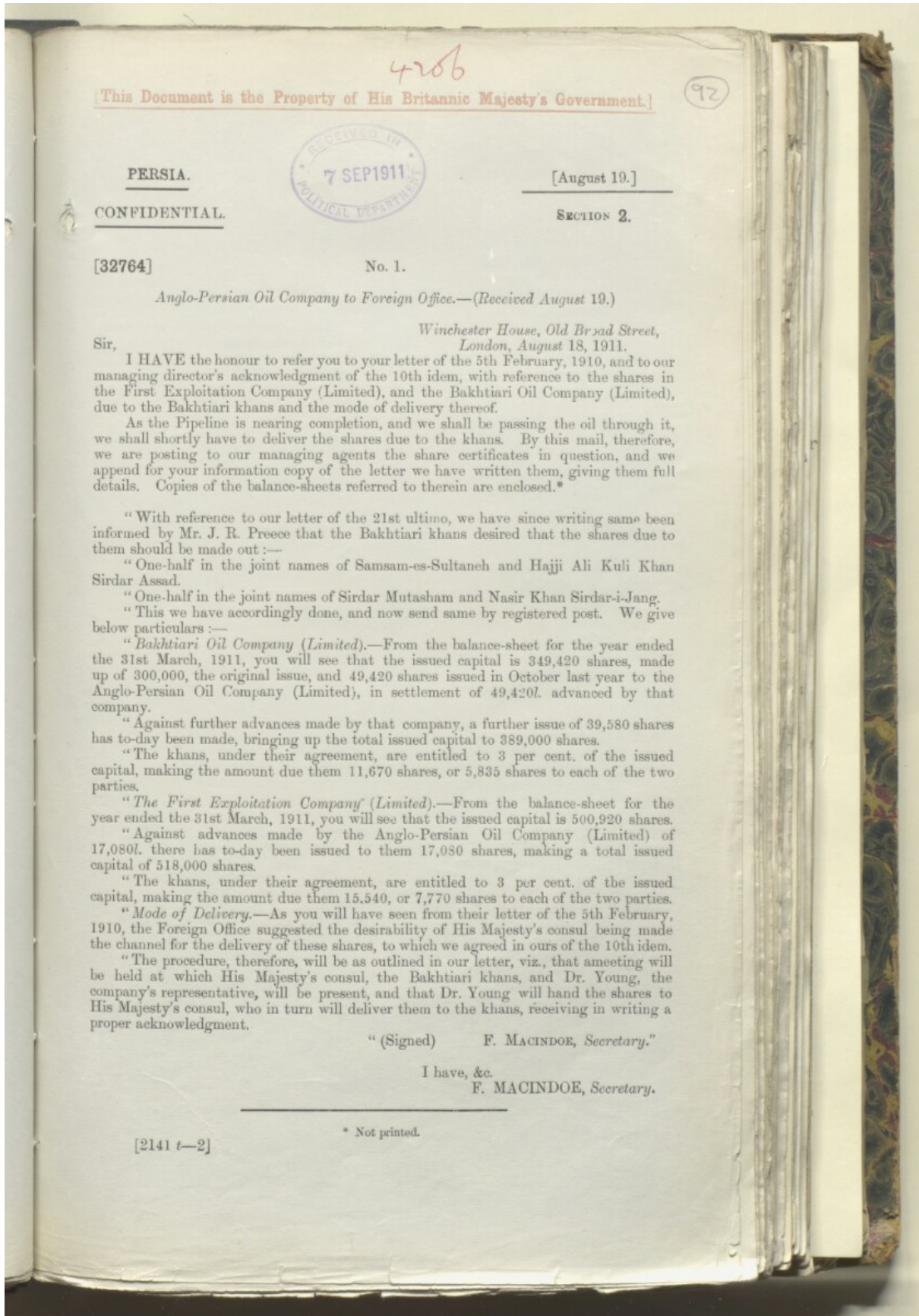


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٩١ظ] (٢٩٢/٤٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٩٢] [٢٩٢/٤١]



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PERSIA.



[August 19.]

CONFIDENTIAL

SECTION 2.

[32764]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received August 19.)

Winchester House, Old Broad Street,
London, August 18, 1911.

Sir,

I HAVE the honour to refer you to your letter of the 5th February, 1910, and to our managing director's acknowledgment of the 10th idem, with reference to the shares in the First Exploitation Company (Limited), and the Bakhtiari Oil Company (Limited), due to the Bakhtiari khans and the mode of delivery thereof.

As the Pipeline is nearing completion, and we shall be passing the oil through it, we shall shortly have to deliver the shares due to the khans. By this mail, therefore, we are posting to our managing agents the share certificates in question, and we append for your information copy of the letter we have written them, giving them full details. Copies of the balance-sheets referred to therein are enclosed.*

"With reference to our letter of the 21st ultimo, we have since writing same been informed by Mr. J. R. Preece that the Bakhtiari khans desired that the shares due to them should be made out:—

"One-half in the joint names of Samsam-es-Sultaneh and Hajji Ali Kuli Khan Sirdar Assad.

"One-half in the joint names of Sirdar Mutasham and Nasir Khan Sirdar-i-Jang.

"This we have accordingly done, and now send same by registered post. We give below particulars:—

"*Bakhtiari Oil Company (Limited)*.—From the balance-sheet for the year ended the 31st March, 1911, you will see that the issued capital is 349,420 shares, made up of 300,000, the original issue, and 49,420 shares issued in October last year to the Anglo-Persian Oil Company (Limited), in settlement of 49,420*l.* advanced by that company.

"Against further advances made by that company, a further issue of 39,580 shares has to-day been made, bringing up the total issued capital to 389,000 shares.

"The khans, under their agreement, are entitled to 3 per cent. of the issued capital, making the amount due them 11,670 shares, or 5,835 shares to each of the two parties.

"*The First Exploitation Company (Limited)*.—From the balance-sheet for the year ended the 31st March, 1911, you will see that the issued capital is 500,920 shares.

"Against advances made by the Anglo-Persian Oil Company (Limited) of 17,080*l.* there has to-day been issued to them 17,080 shares, making a total issued capital of 518,000 shares.

"The khans, under their agreement, are entitled to 3 per cent. of the issued capital, making the amount due them 15,540, or 7,770 shares to each of the two parties.

"*Mode of Delivery*.—As you will have seen from their letter of the 5th February, 1910, the Foreign Office suggested the desirability of His Majesty's consul being made the channel for the delivery of these shares, to which we agreed in ours of the 10th idem.

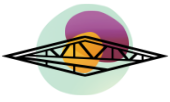
"The procedure, therefore, will be as outlined in our letter, viz., that a meeting will be held at which His Majesty's consul, the Bakhtiari khans, and Dr. Young, the company's representative, will be present, and that Dr. Young will hand the shares to His Majesty's consul, who in turn will deliver them to the khans, receiving in writing a proper acknowledgment.

"(Signed) F. MACINDOE, Secretary."

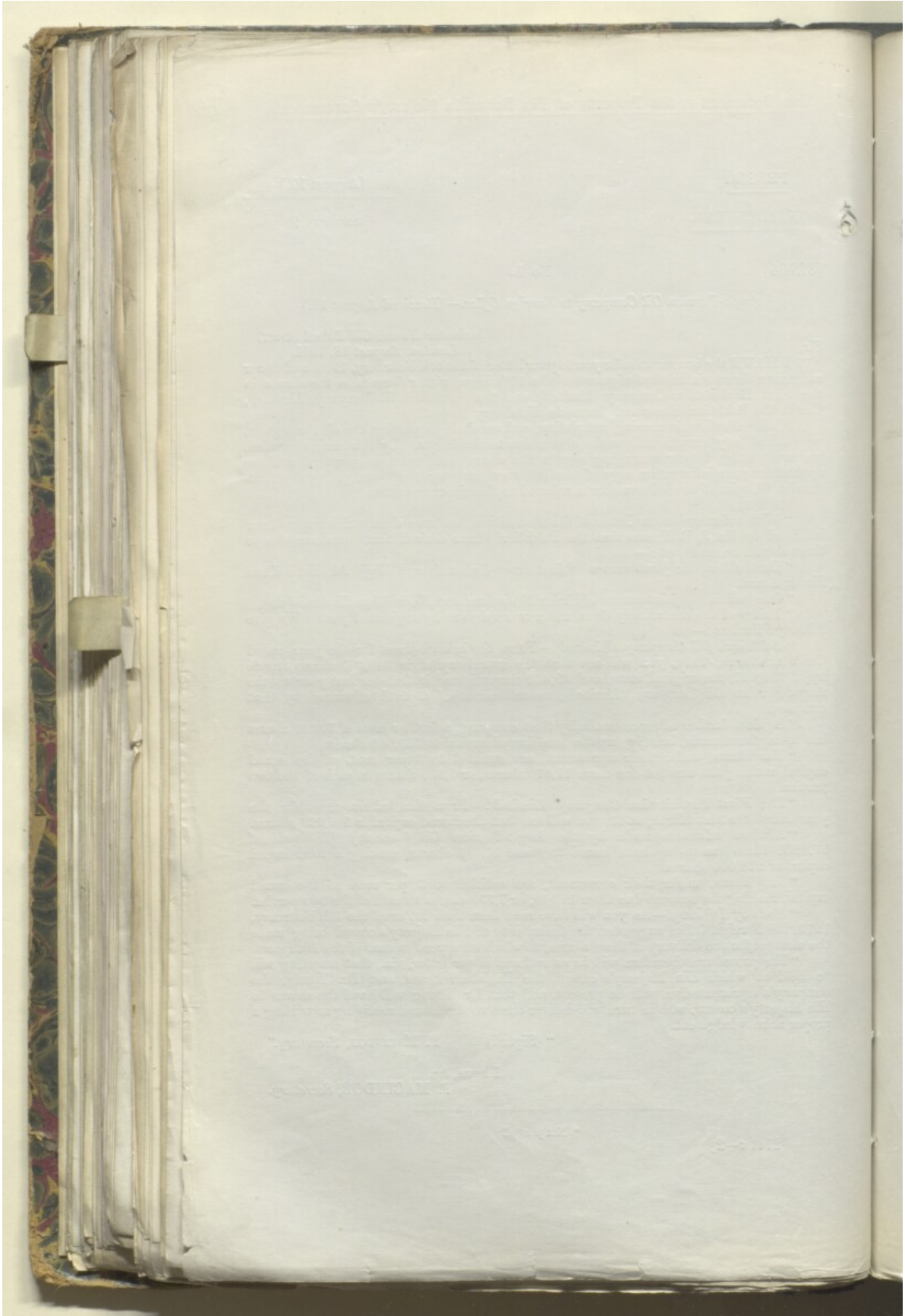
I have, &c.
F. MACINDOE, Secretary.

* Not printed.

[2141 t-2]

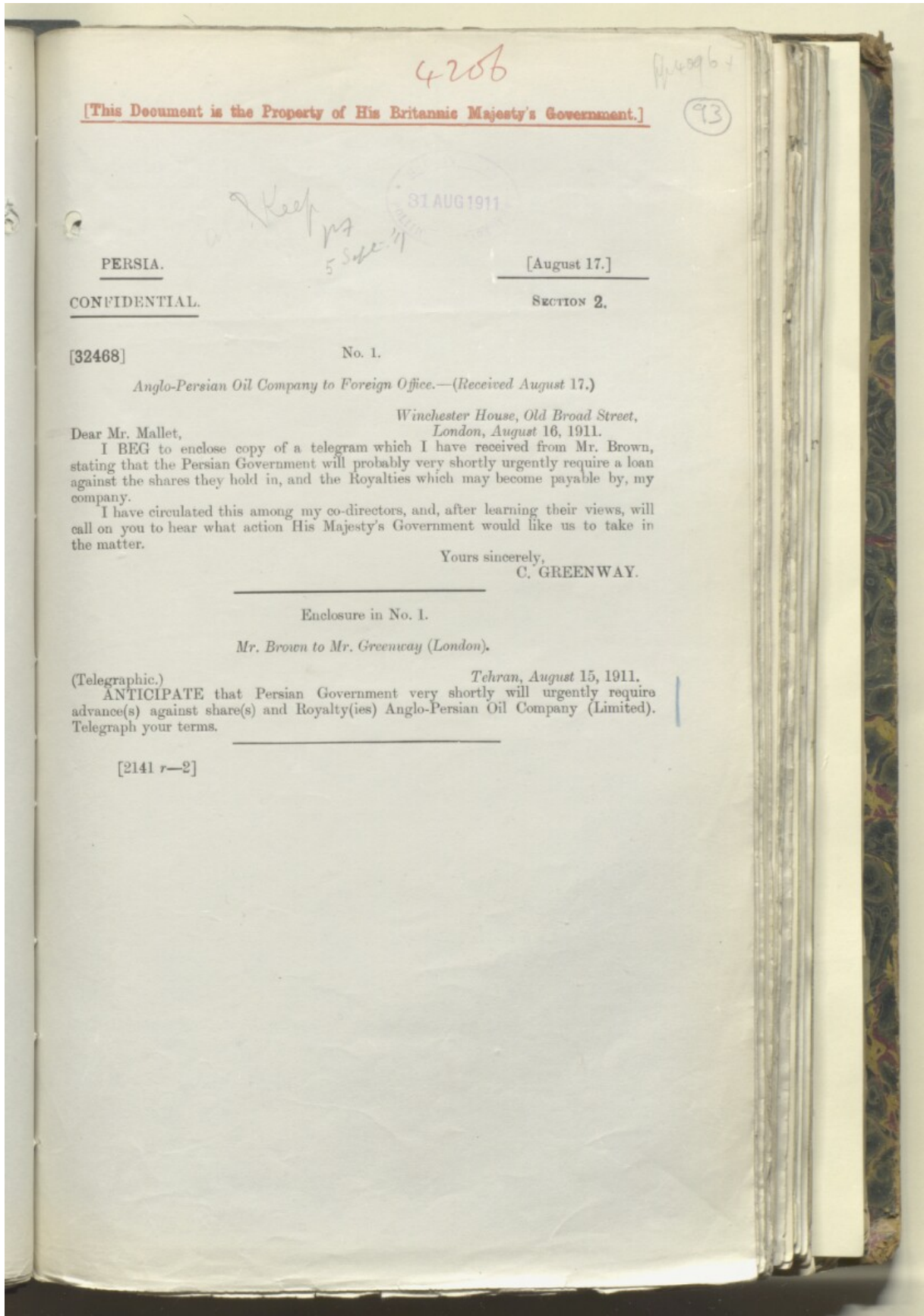


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٩٢ ظ] (٢٩٢/٤٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٩٣ و] (٢٩٢/٤٣)



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PERSIA.

[August 17.]

CONFIDENTIAL.

SECTION 2.

[32468]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received August 17.)

*Winchester House, Old Broad Street,
London, August 16, 1911.*

Dear Mr. Mallet,

I BEG to enclose copy of a telegram which I have received from Mr. Brown, stating that the Persian Government will probably very shortly urgently require a loan against the shares they hold in, and the Royalties which may become payable by, my company.

I have circulated this among my co-directors, and, after learning their views, will call on you to hear what action His Majesty's Government would like us to take in the matter.

Yours sincerely,
C. GREENWAY.

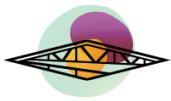
Enclosure in No. 1.

Mr. Brown to Mr. Greenway (London).

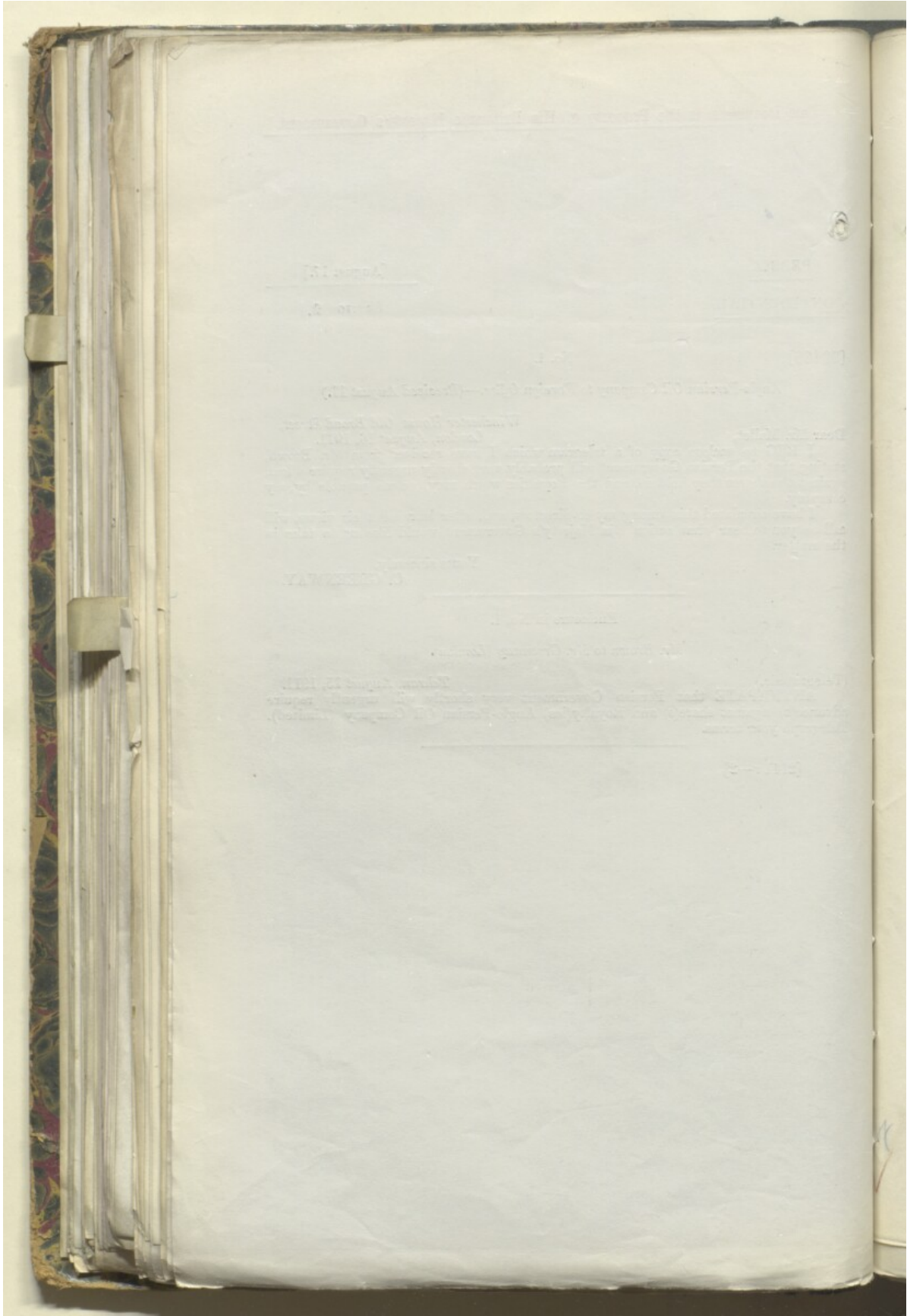
(Telegraphic.)

Tehran, August 15, 1911.
ANTICIPATE that Persian Government very shortly will urgently require advance(s) against share(s) and Royalty(ies) Anglo-Persian Oil Company (Limited). Telegraph your terms.

[2141 r-2]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٣ظ] (٤٤/٢٩٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٤ و] (٢٩٢/٤٥)

Register No. 4096 (94)

Minute Paper. Secret Department.

Letter from 70. Dated } 17 August, 1911.
Rec. } (5)

Date.	Initials.	SUBJECT.
Under Secretary..... 23 Aug	abl	<u>Persia.</u> The Anglo-Persian Oil Co.'s affairs. (1) Unfriendly action of the Kanguzar at Mohammerah. (2) Suggested removal of Kerim Khan from Kasr-i-Shirin Copy to India 18 Aug. 1911 Scap. 33
Secretary of State 24 ..	En	
Committee		
Under Secretary.....		
Secretary of State		

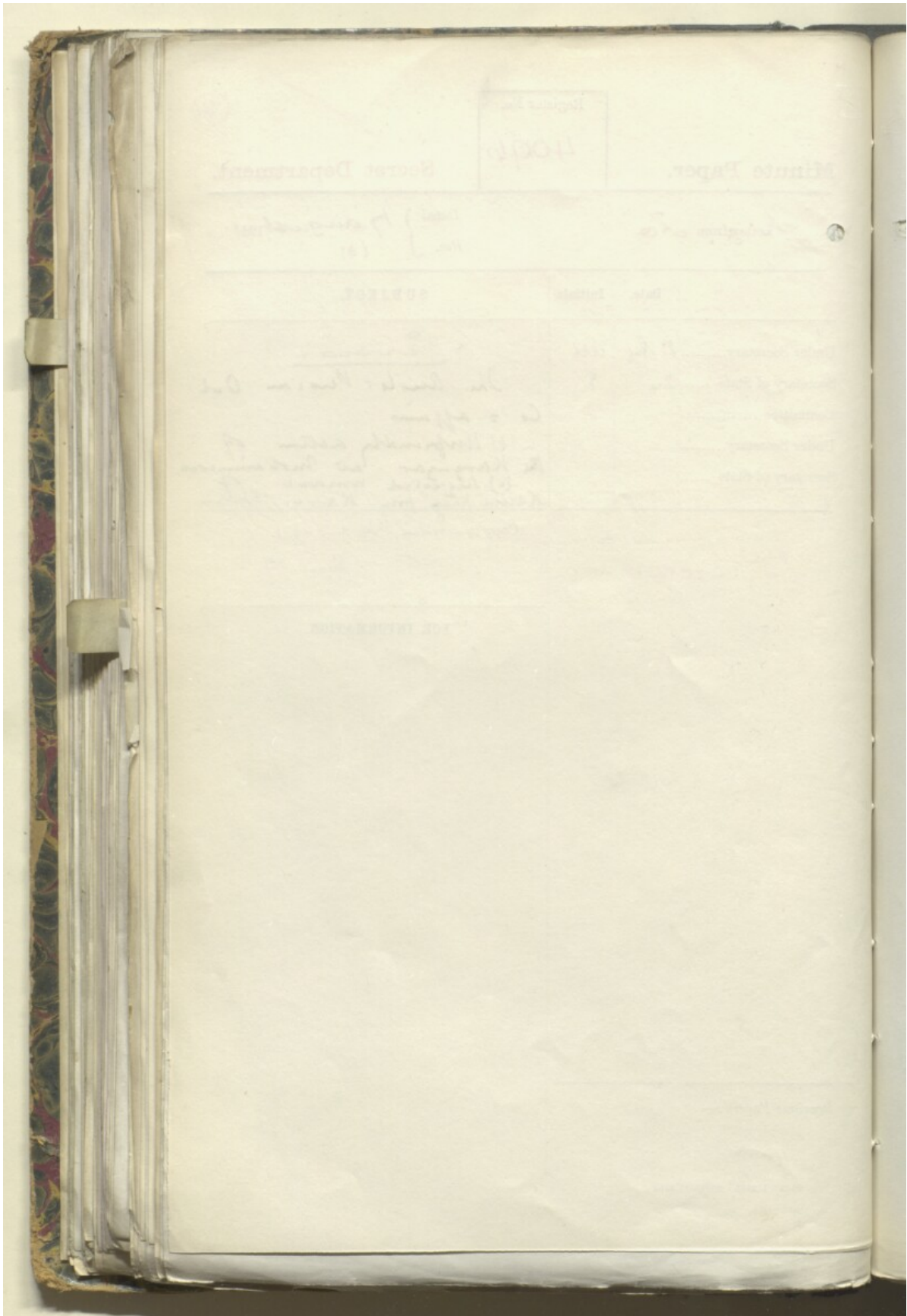
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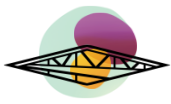
FOR INFORMATION.

Previous Papers:—
4053
9549. I. 2127. 2000.—11/1910.

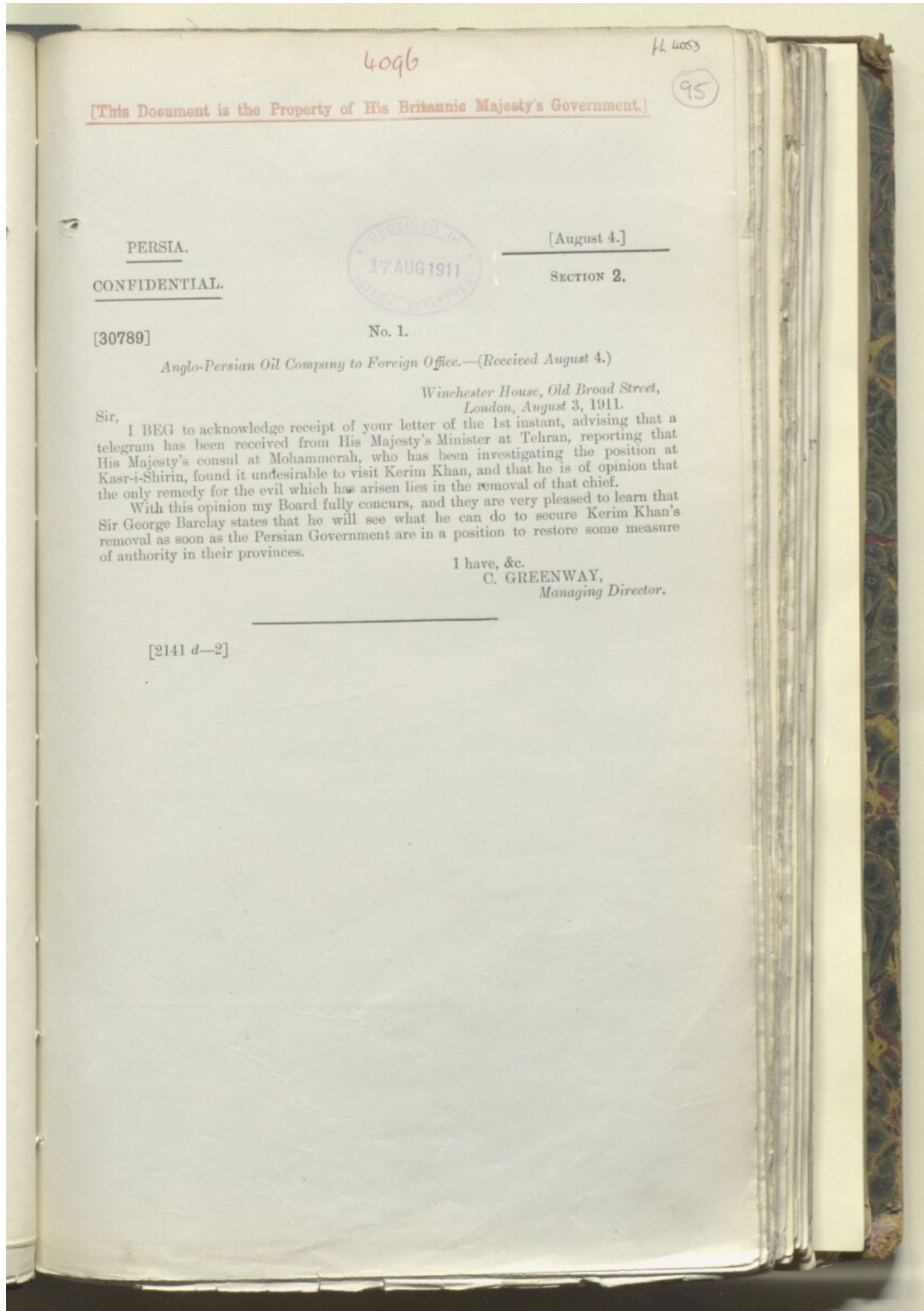


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٩٤ظ] (٢٩٢/٤٦)



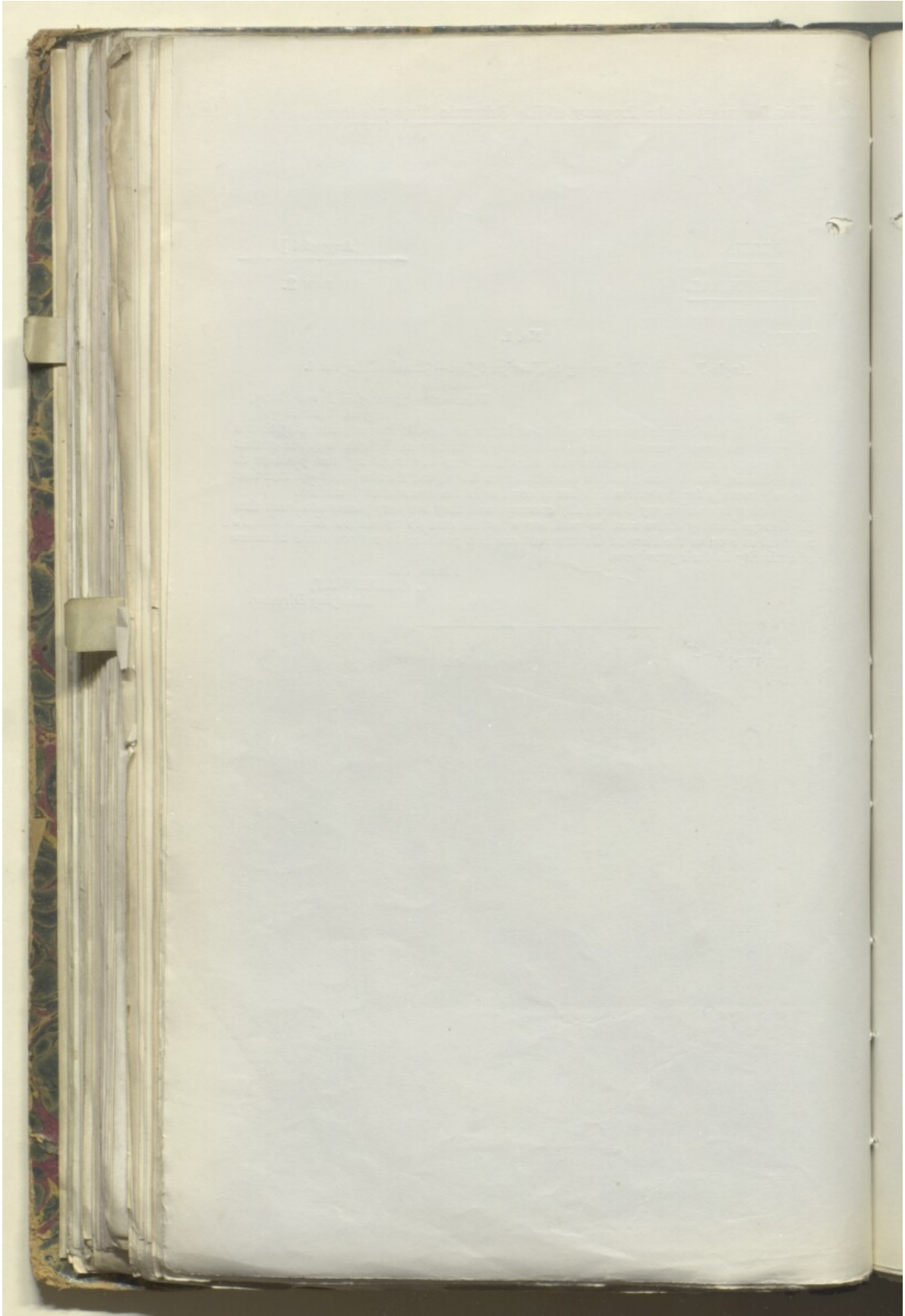


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٩٥] [٢٩٢/٤٧]



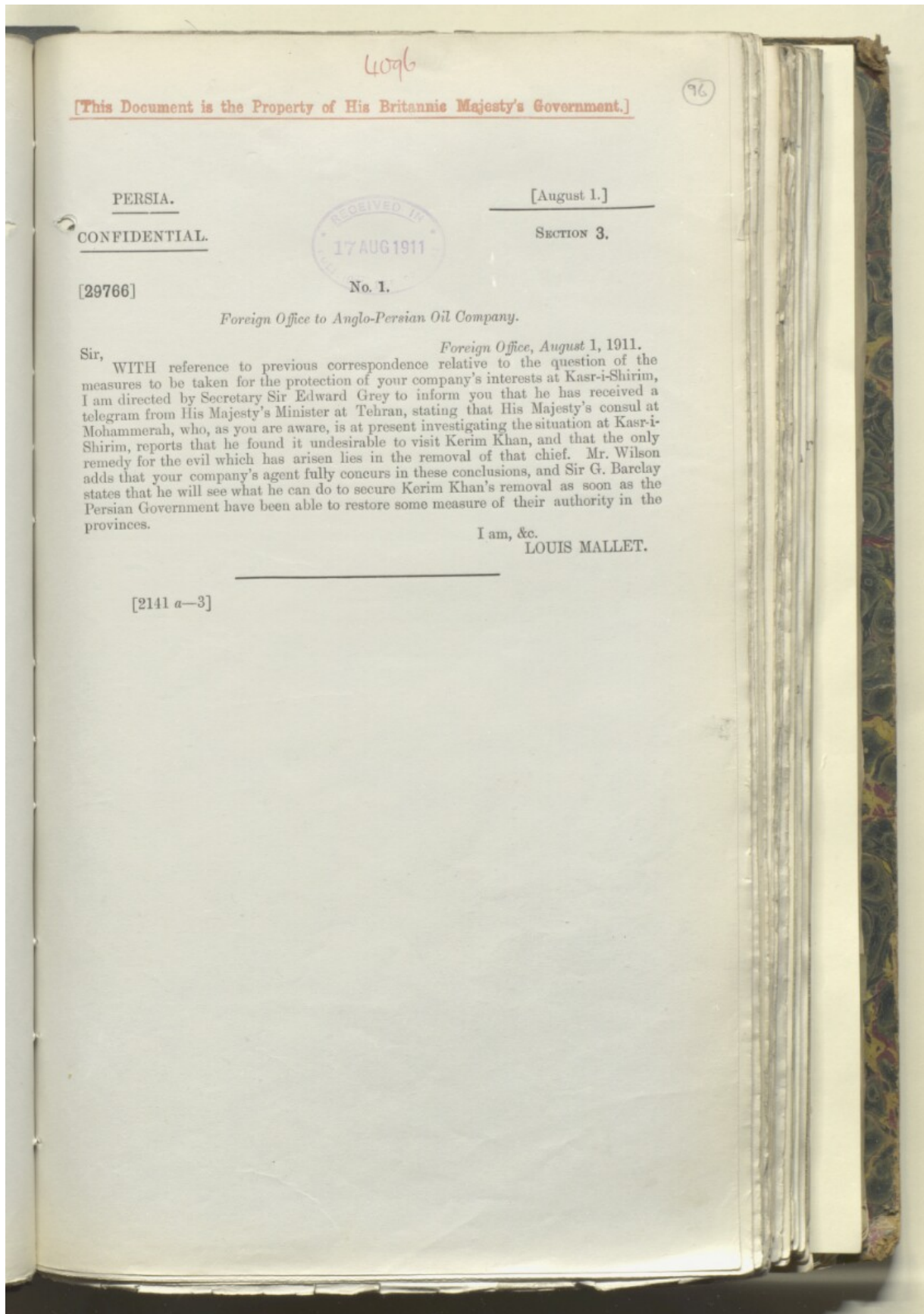


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٩٥ظ] (٢٩٢/٤٨)



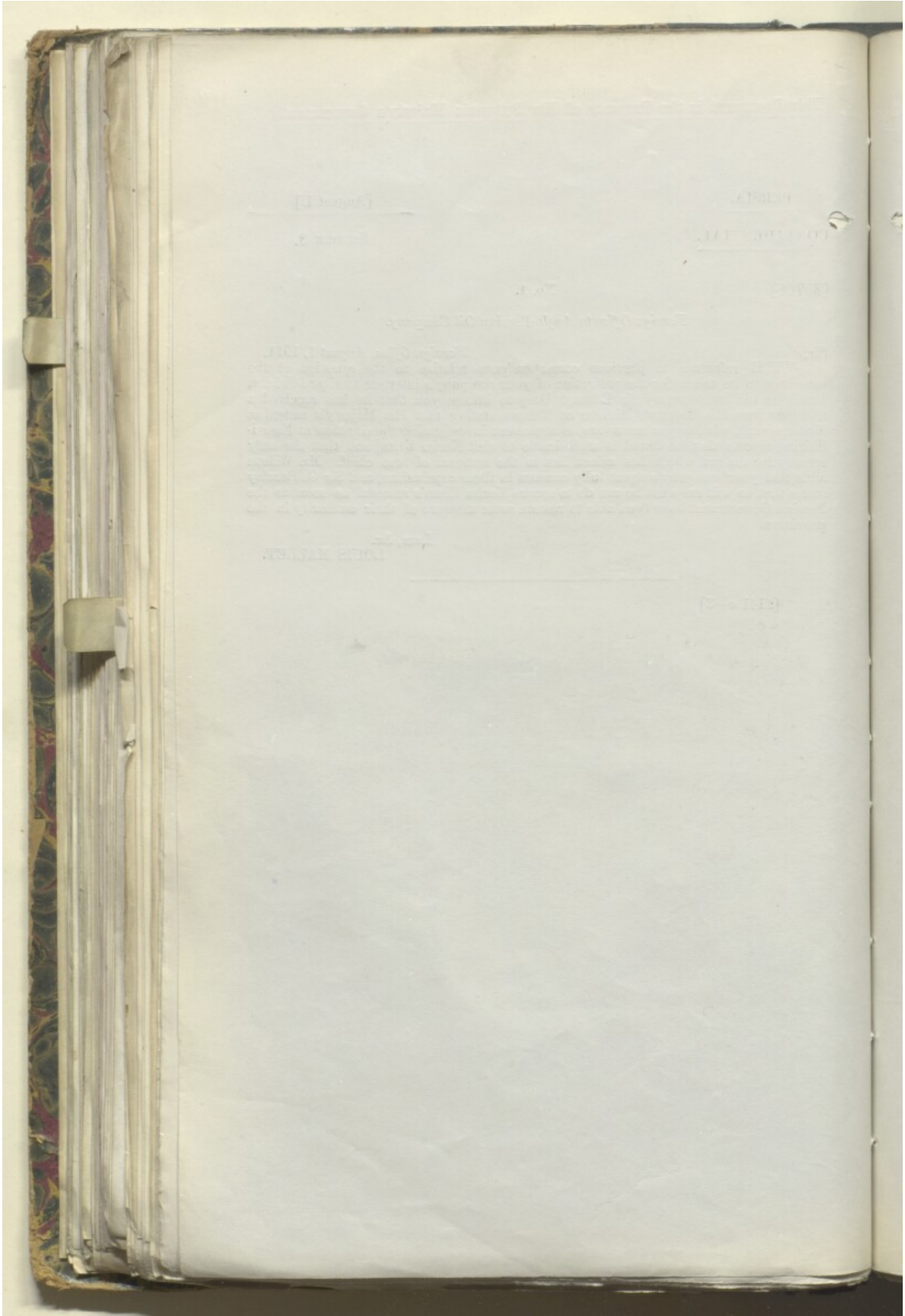


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٦و] [٢٩٢/٤٩]



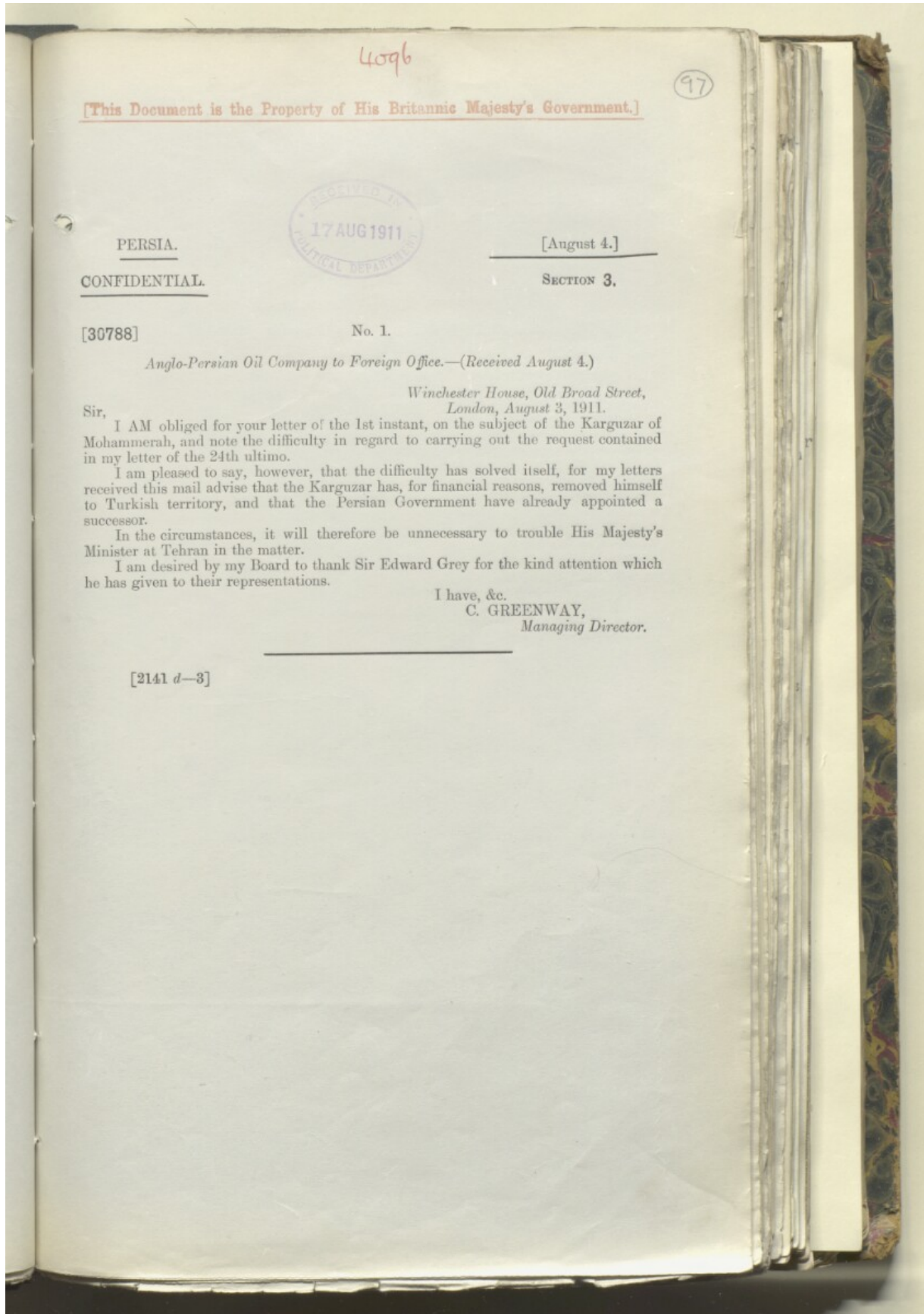


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٦ظ] (٢٩٢/٥٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٩٧و] (٢٩٢/٥١)



4096

(97)

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PERSIA.



[August 4.]

CONFIDENTIAL.

SECTION 3.

[30788]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received August 4.)

*Winchester House, Old Broad Street,
London, August 3, 1911.*

Sir,

I AM obliged for your letter of the 1st instant, on the subject of the Karguzar of Mohammerah, and note the difficulty in regard to carrying out the request contained in my letter of the 24th ultimo.

I am pleased to say, however, that the difficulty has solved itself, for my letters received this mail advise that the Karguzar has, for financial reasons, removed himself to Turkish territory, and that the Persian Government have already appointed a successor.

In the circumstances, it will therefore be unnecessary to trouble His Majesty's Minister at Tehran in the matter.

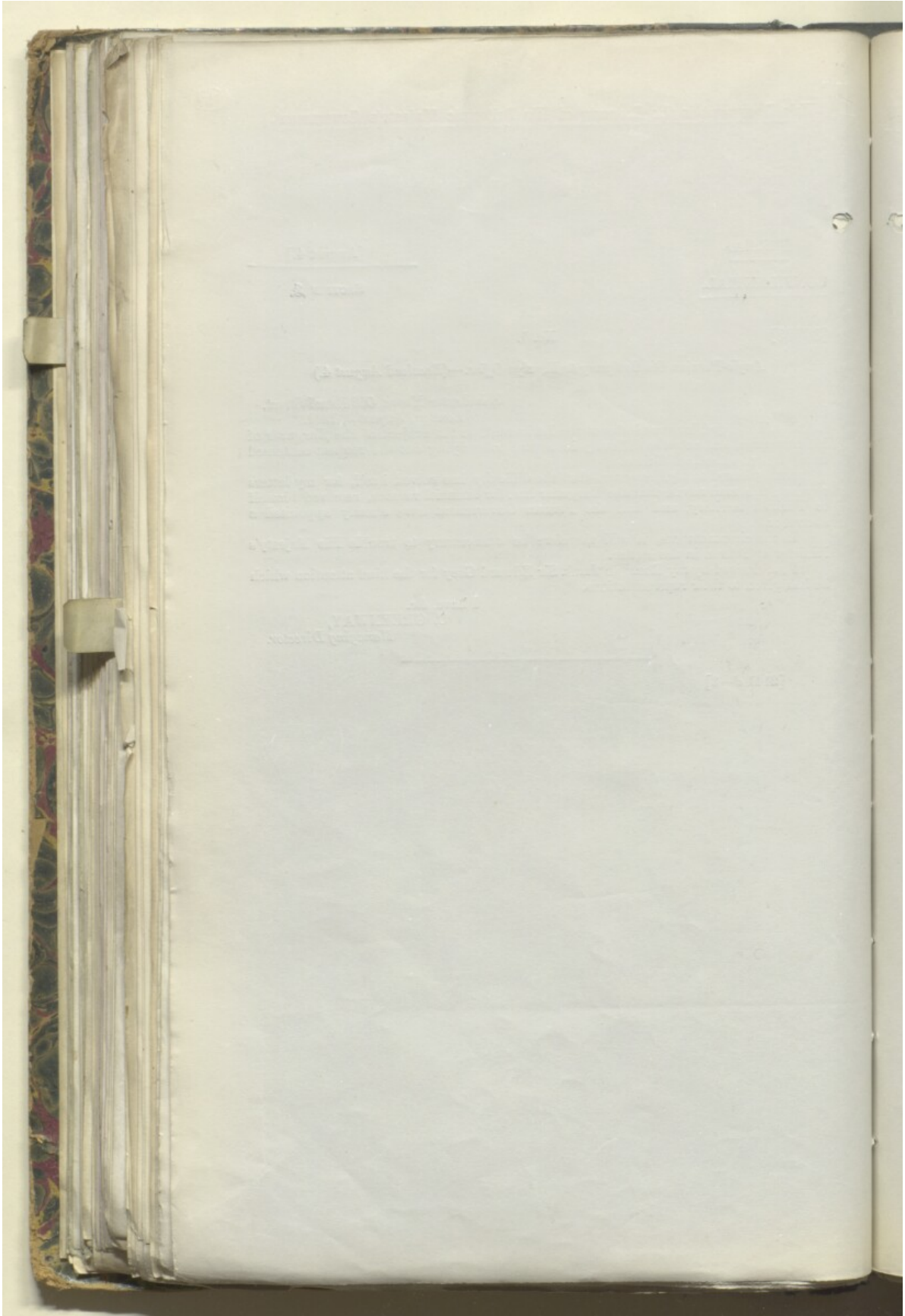
I am desired by my Board to thank Sir Edward Grey for the kind attention which he has given to their representations.

I have, &c.
C. GREENWAY,
Managing Director.

[2141 d-3]

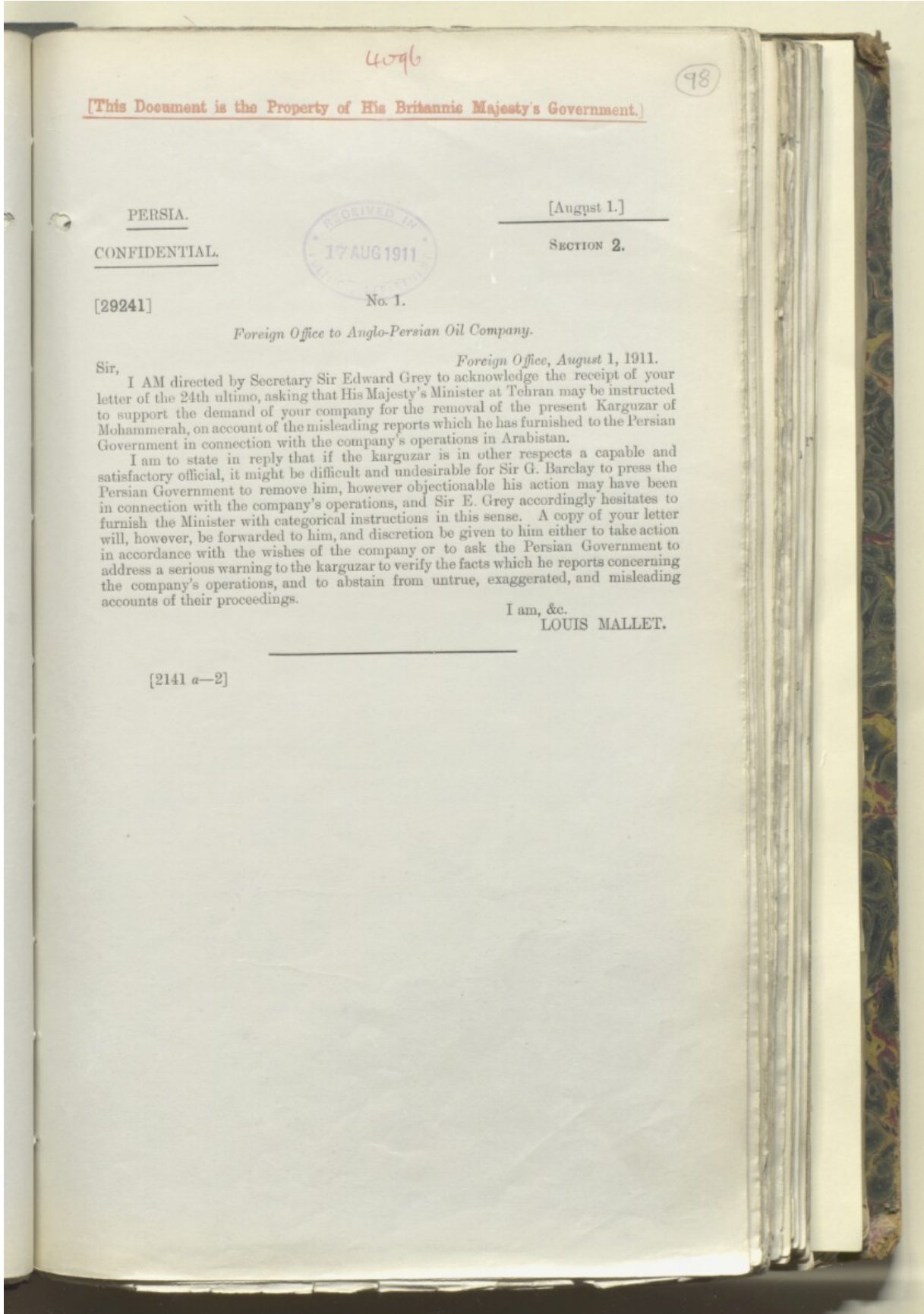


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٧ظ] (٢٩٢/٥٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٨و] (٢٩٢/٥٣)



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PERSIA.

[August 1.]

CONFIDENTIAL.

SECTION 2.

[29241]

No. 1.

Foreign Office to Anglo-Persian Oil Company.

Foreign Office, August 1, 1911.

Sir,

I AM directed by Secretary Sir Edward Grey to acknowledge the receipt of your letter of the 24th ultimo, asking that His Majesty's Minister at Tehran may be instructed to support the demand of your company for the removal of the present Karguzar of Mohammerah, on account of the misleading reports which he has furnished to the Persian Government in connection with the company's operations in Arabistan.

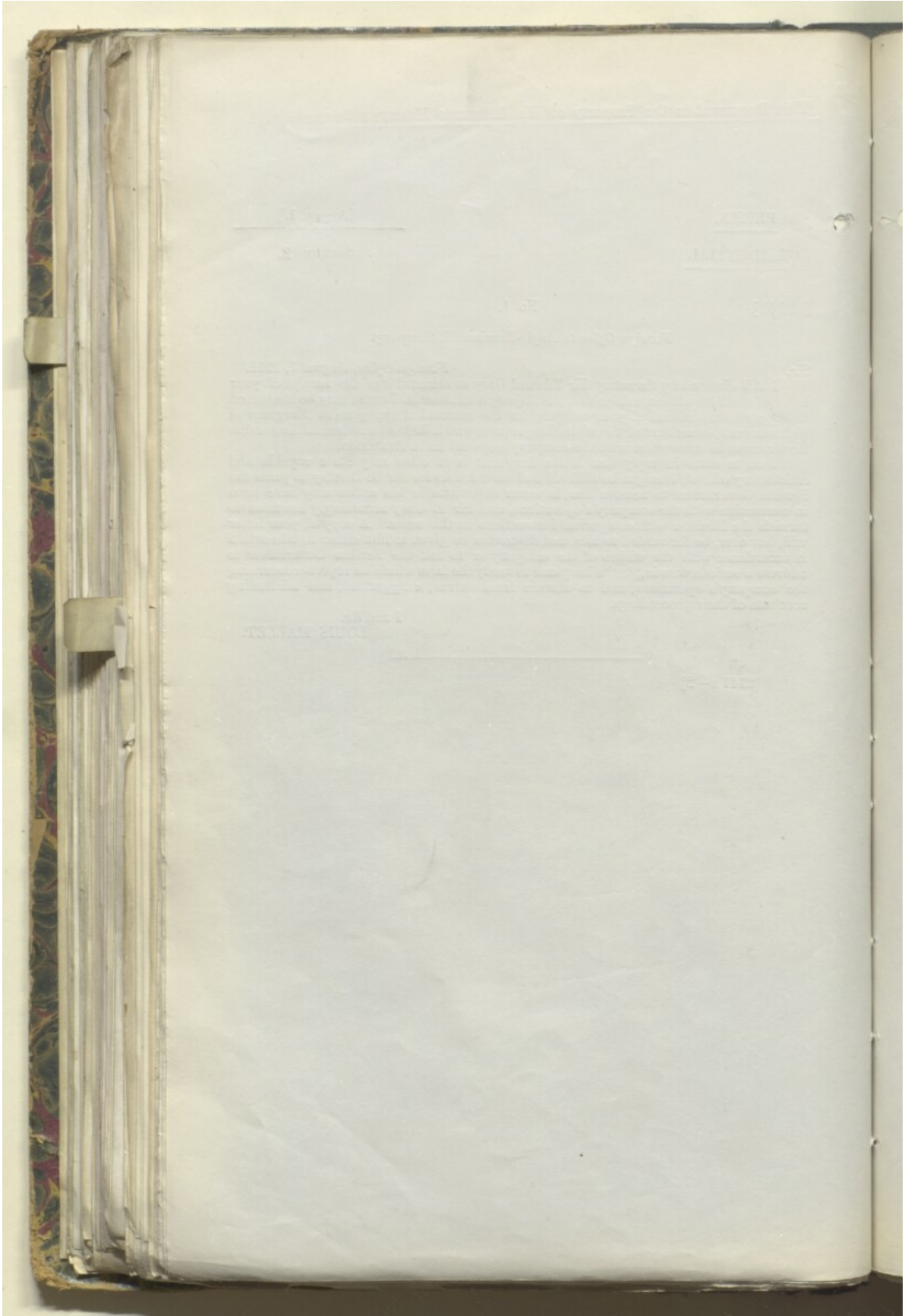
I am to state in reply that if the karguzar is in other respects a capable and satisfactory official, it might be difficult and undesirable for Sir G. Barclay to press the Persian Government to remove him, however objectionable his action may have been in connection with the company's operations, and Sir E. Grey accordingly hesitates to furnish the Minister with categorical instructions in this sense. A copy of your letter will, however, be forwarded to him, and discretion be given to him either to take action in accordance with the wishes of the company or to ask the Persian Government to address a serious warning to the karguzar to verify the facts which he reports concerning the company's operations, and to abstain from untrue, exaggerated, and misleading accounts of their proceedings.

I am, &c.
LOUIS MALLET.

[2141 a-2]

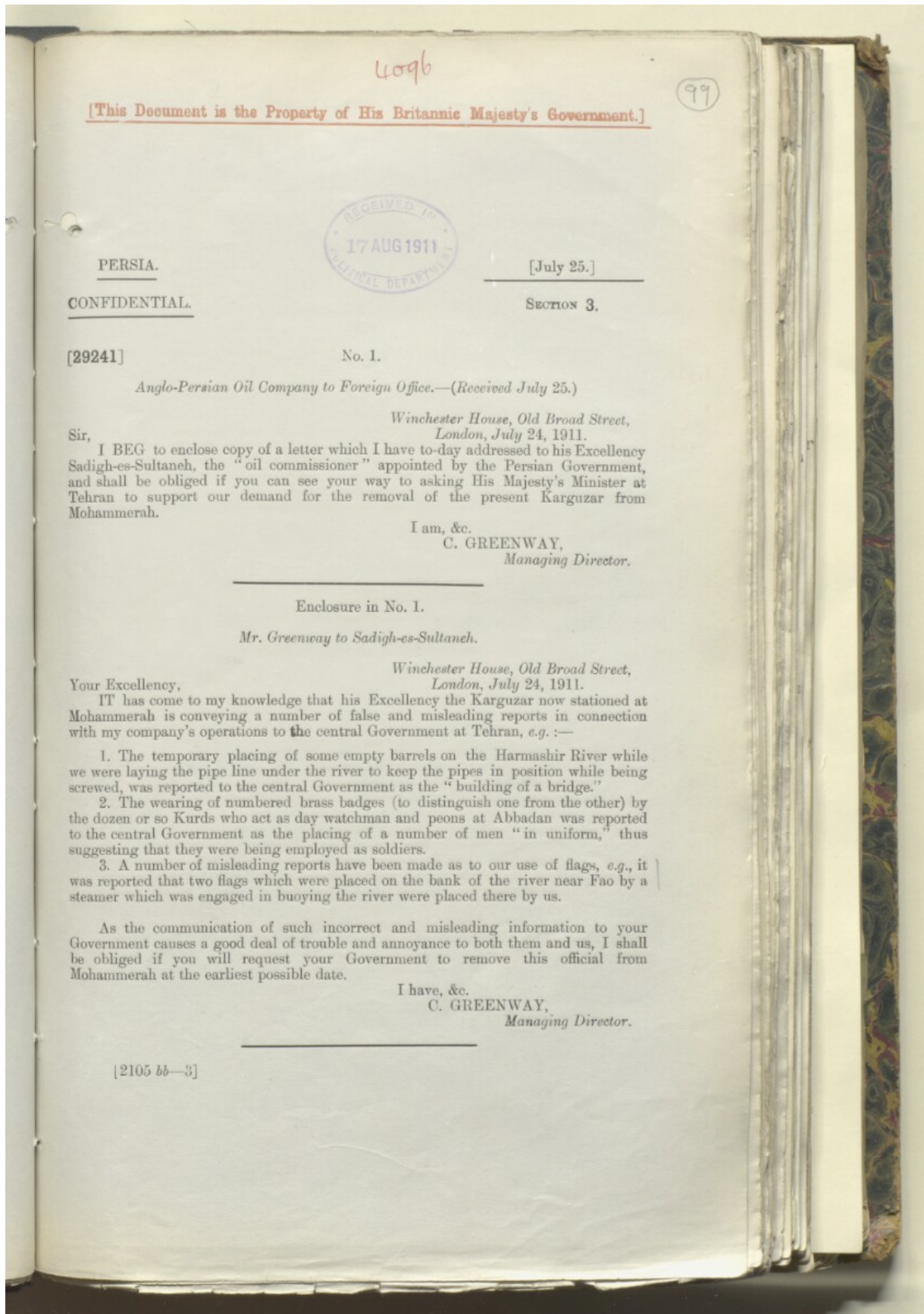


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٩٨ظ] (٥٤/٢٩٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٩] [٢٩٢/٥٥]



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PERSIA.



[July 25.]

CONFIDENTIAL

SECTION 3.

[29241]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received July 25.)

Winchester House, Old Broad Street,
London, July 24, 1911.

Sir, I BEG to enclose copy of a letter which I have to-day addressed to his Excellency Sadigh-es-Sultaneh, the "oil commissioner" appointed by the Persian Government, and shall be obliged if you can see your way to asking His Majesty's Minister at Tehran to support our demand for the removal of the present Karguzar from Mohammerah.

I am, &c.
C. GREENWAY,
Managing Director.

Enclosure in No. 1.

Mr. Greenway to Sadigh-es-Sultaneh.

Winchester House, Old Broad Street,
London, July 24, 1911.

Your Excellency,

IT has come to my knowledge that his Excellency the Karguzar now stationed at Mohammerah is conveying a number of false and misleading reports in connection with my company's operations to the central Government at Tehran, e.g. :—

1. The temporary placing of some empty barrels on the Harmashir River while we were laying the pipe line under the river to keep the pipes in position while being screwed, was reported to the central Government as the "building of a bridge."
2. The wearing of numbered brass badges (to distinguish one from the other) by the dozen or so Kurds who act as day watchman and peons at Abbadan was reported to the central Government as the placing of a number of men "in uniform," thus suggesting that they were being employed as soldiers.
3. A number of misleading reports have been made as to our use of flags, e.g., it was reported that two flags which were placed on the bank of the river near Fao by a steamer which was engaged in buoing the river were placed there by us.

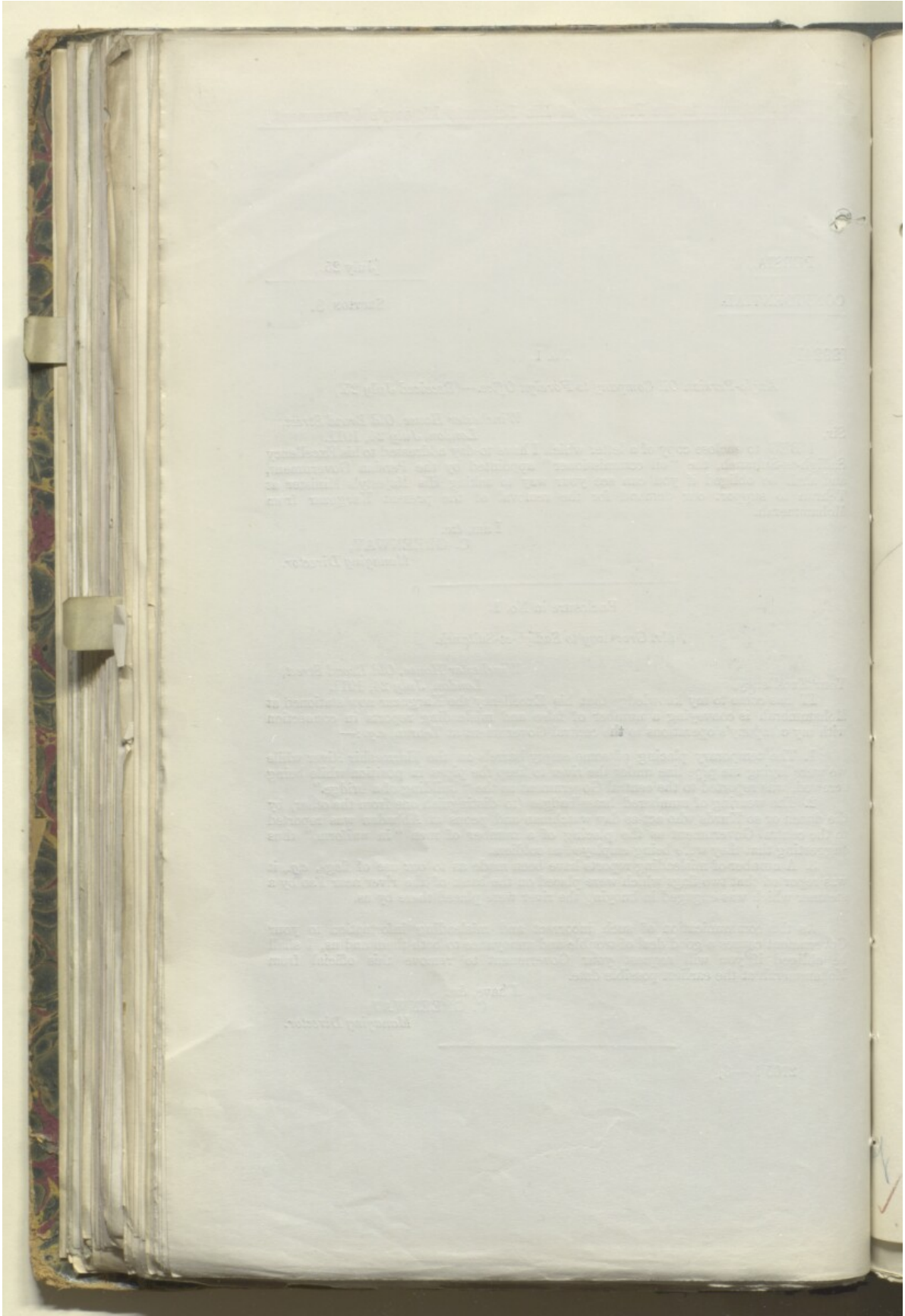
As the communication of such incorrect and misleading information to your Government causes a good deal of trouble and annoyance to both them and us, I shall be obliged if you will request your Government to remove this official from Mohammerah at the earliest possible date.

I have, &c.
C. GREENWAY,
Managing Director.

[2105 bb—3]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٩٩ظ] (٢٩٢/٥٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٠] (٢٩٢/٥٧)

(100)

Register No.
4053

Minute Paper. **Secret Department.**

Letter from *FO.* Dated } 10 August 1911.
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	15 Aug.	<i>Abd</i>	<i>Persia</i>
Secretary of State	15	<i>cm</i>	<i>The Anglo-Persian Oil</i>
Committee			<i>Co. + the Bakhtiari Khans</i>
Under Secretary.....			
Secretary of State			

Copy to India 11 Aug. 1911
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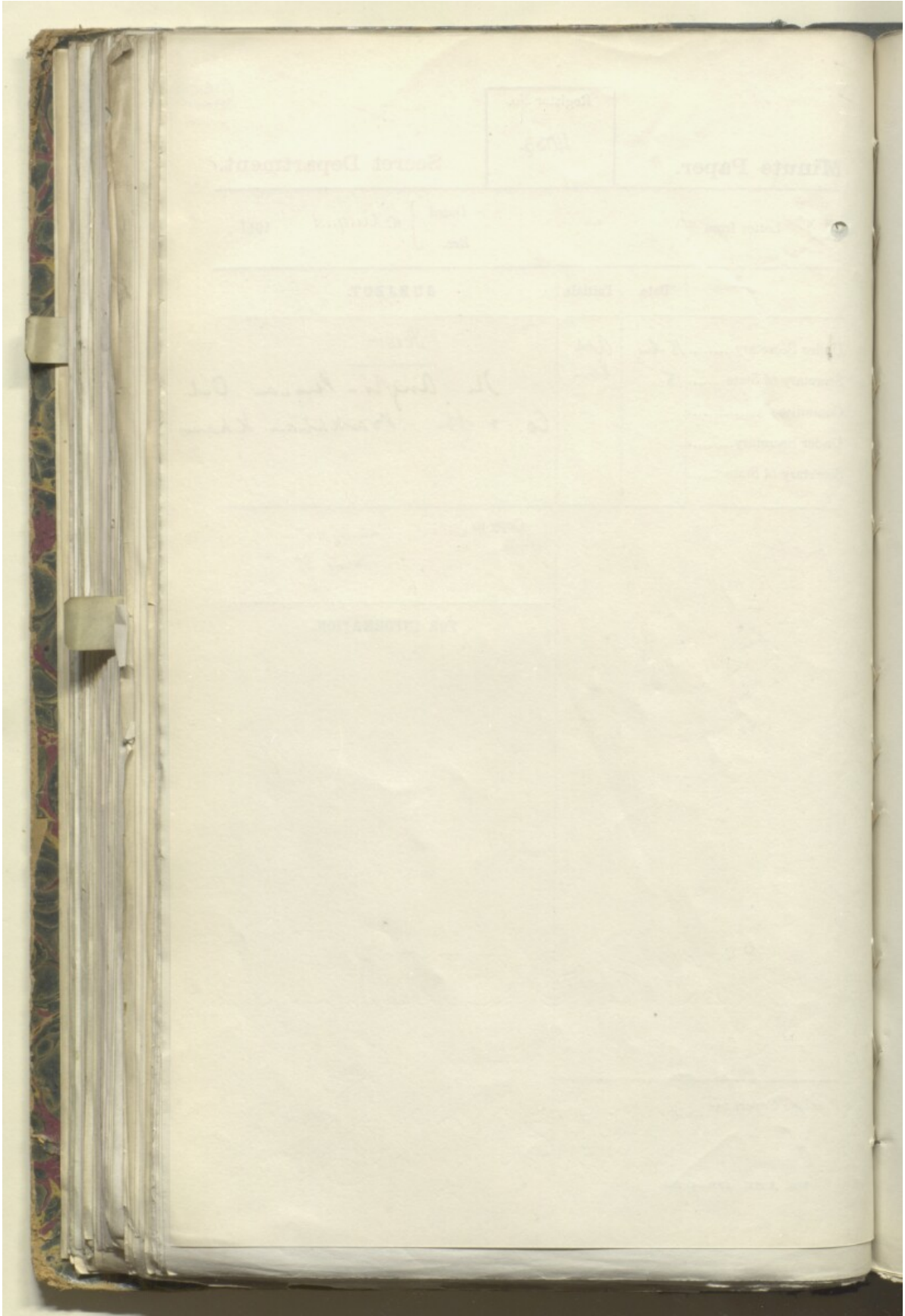
FOR INFORMATION.

Previous Papers :- 4075

9540. I. 2127. 2000.—11/1910.

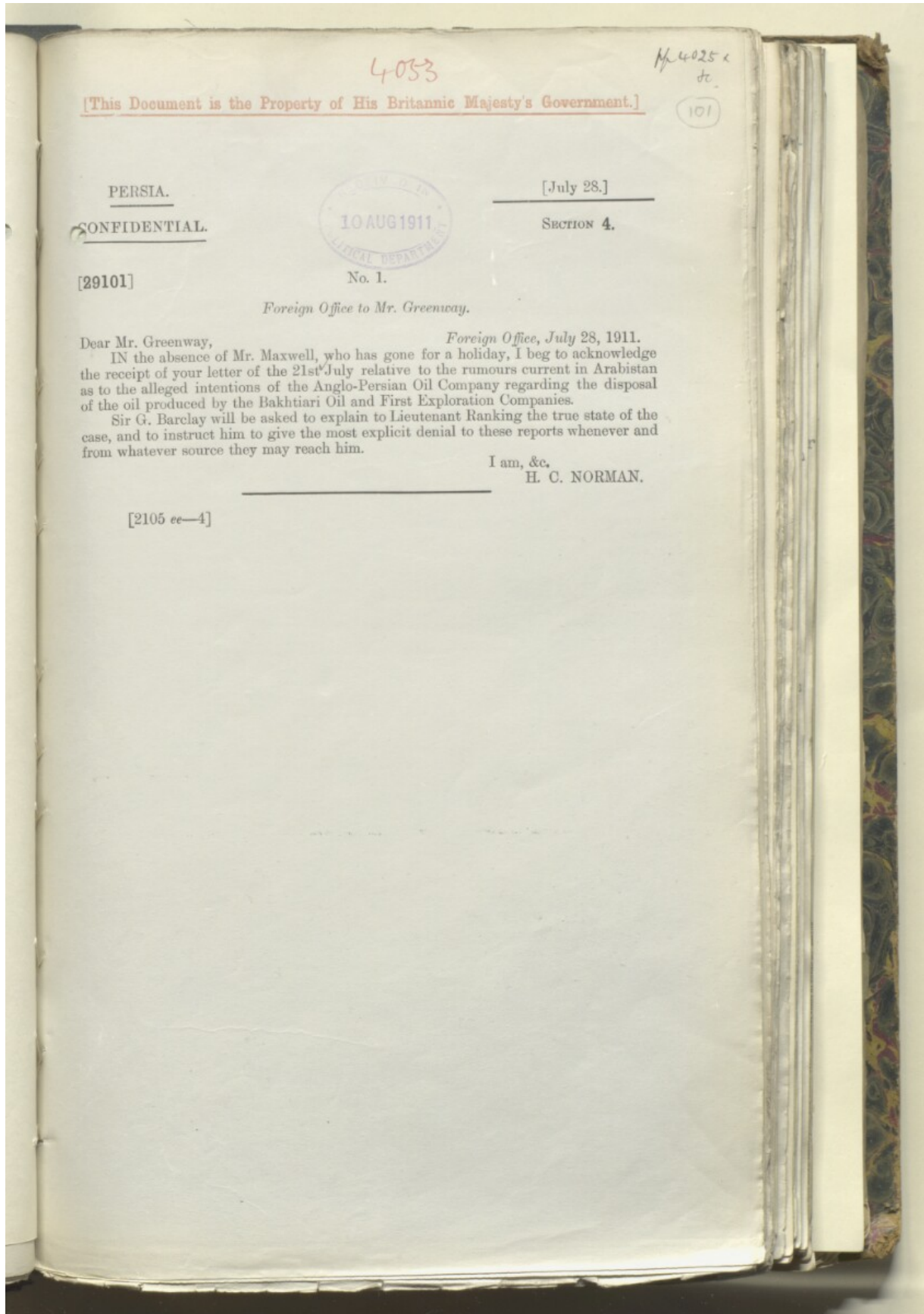


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٠ظ] (٢٩٢/٥٨)



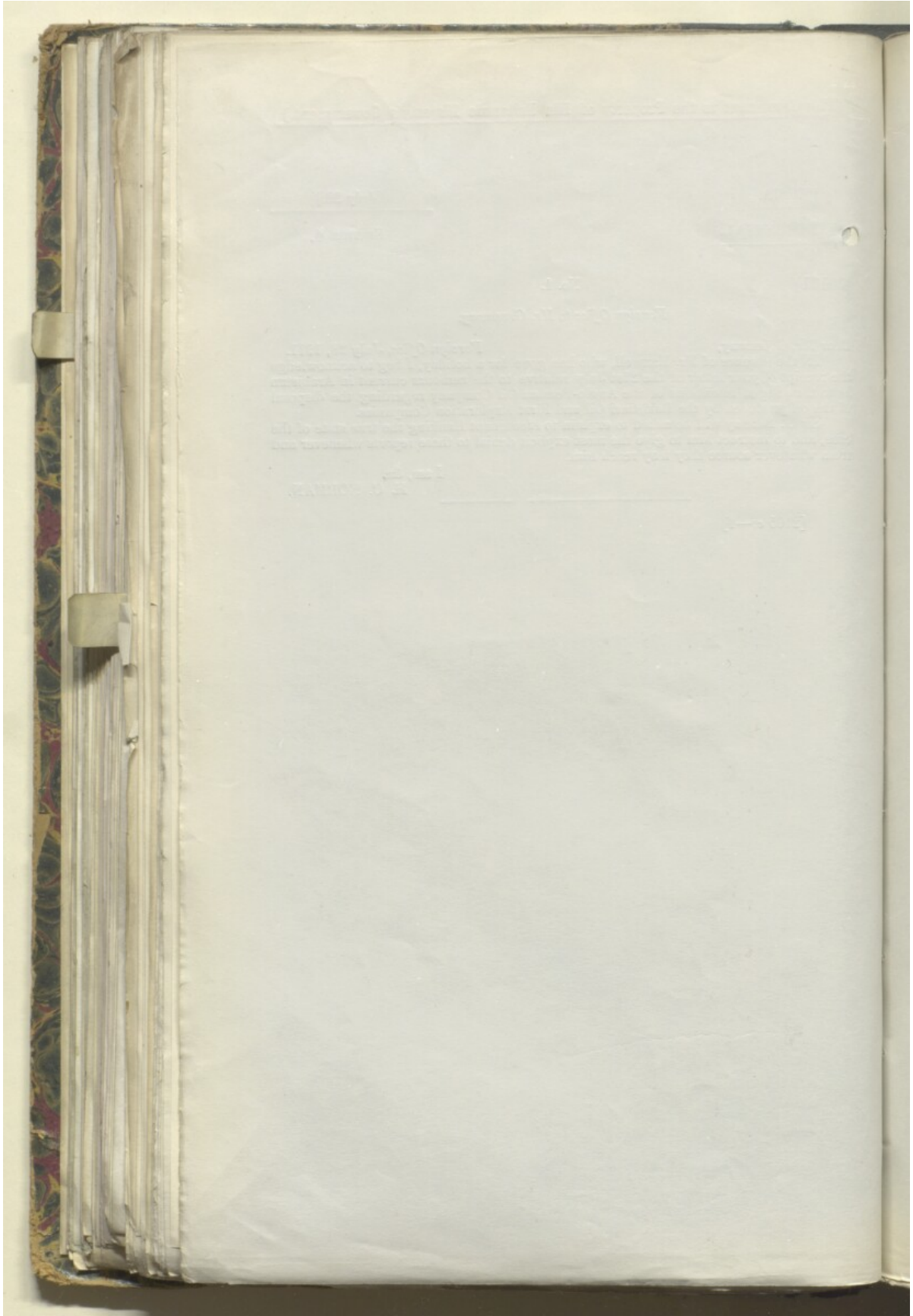


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠١] [٢٩٢/٥٩]



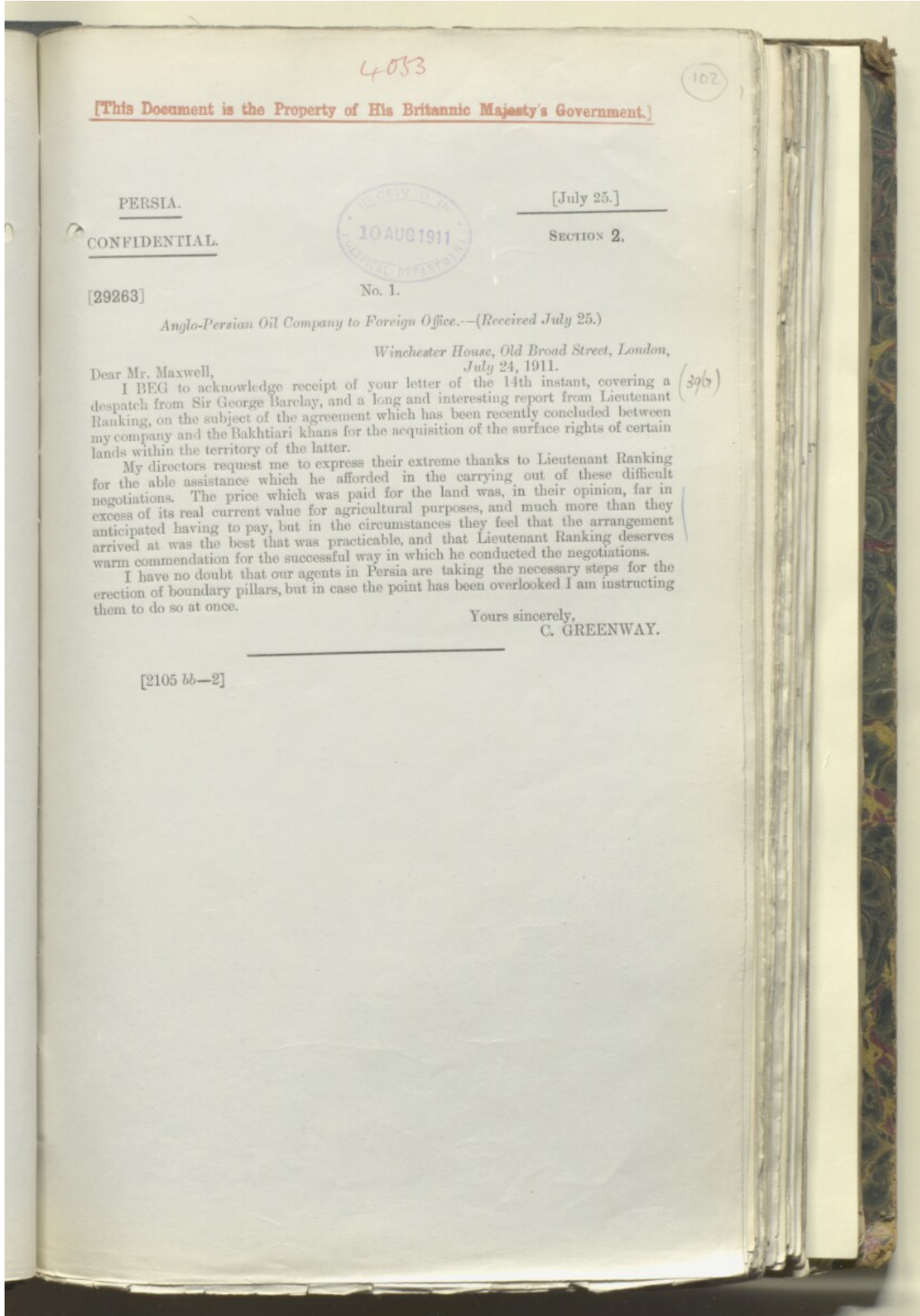


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠١ ظ] (٢٩٢/٦٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٢] (٢٩٢/٦١)



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PERSIA.

[July 25.]

CONFIDENTIAL.



SECTION 2.

[29263]

No. 1.

Anglo-Persian Oil Company to Foreign Office.--(Received July 25.)

*Winchester House, Old Broad Street, London,
July 24, 1911.*

Dear Mr. Maxwell,

I BEG to acknowledge receipt of your letter of the 14th instant, covering a despatch from Sir George Barclay, and a long and interesting report from Lieutenant Ranking, on the subject of the agreement which has been recently concluded between my company and the Bakhtiari khans for the acquisition of the surface rights of certain lands within the territory of the latter. (397)

My directors request me to express their extreme thanks to Lieutenant Ranking for the able assistance which he afforded in the carrying out of these difficult negotiations. The price which was paid for the land was, in their opinion, far in excess of its real current value for agricultural purposes, and much more than they anticipated having to pay, but in the circumstances they feel that the arrangement arrived at was the best that was practicable, and that Lieutenant Ranking deserves warm commendation for the successful way in which he conducted the negotiations.

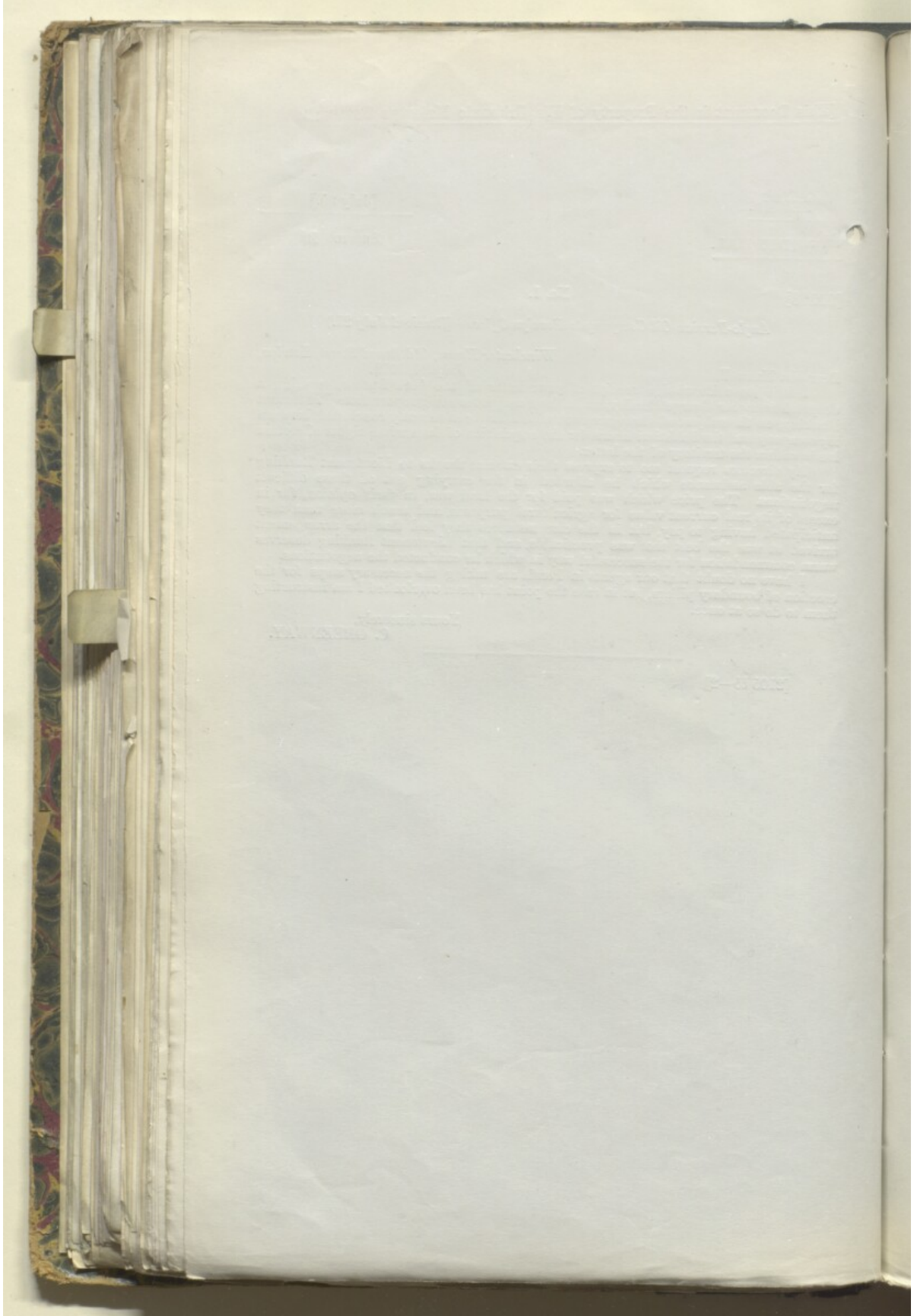
I have no doubt that our agents in Persia are taking the necessary steps for the erection of boundary pillars, but in case the point has been overlooked I am instructing them to do so at once.

Yours sincerely,
C. GREENWAY.

[2105 bb--2]

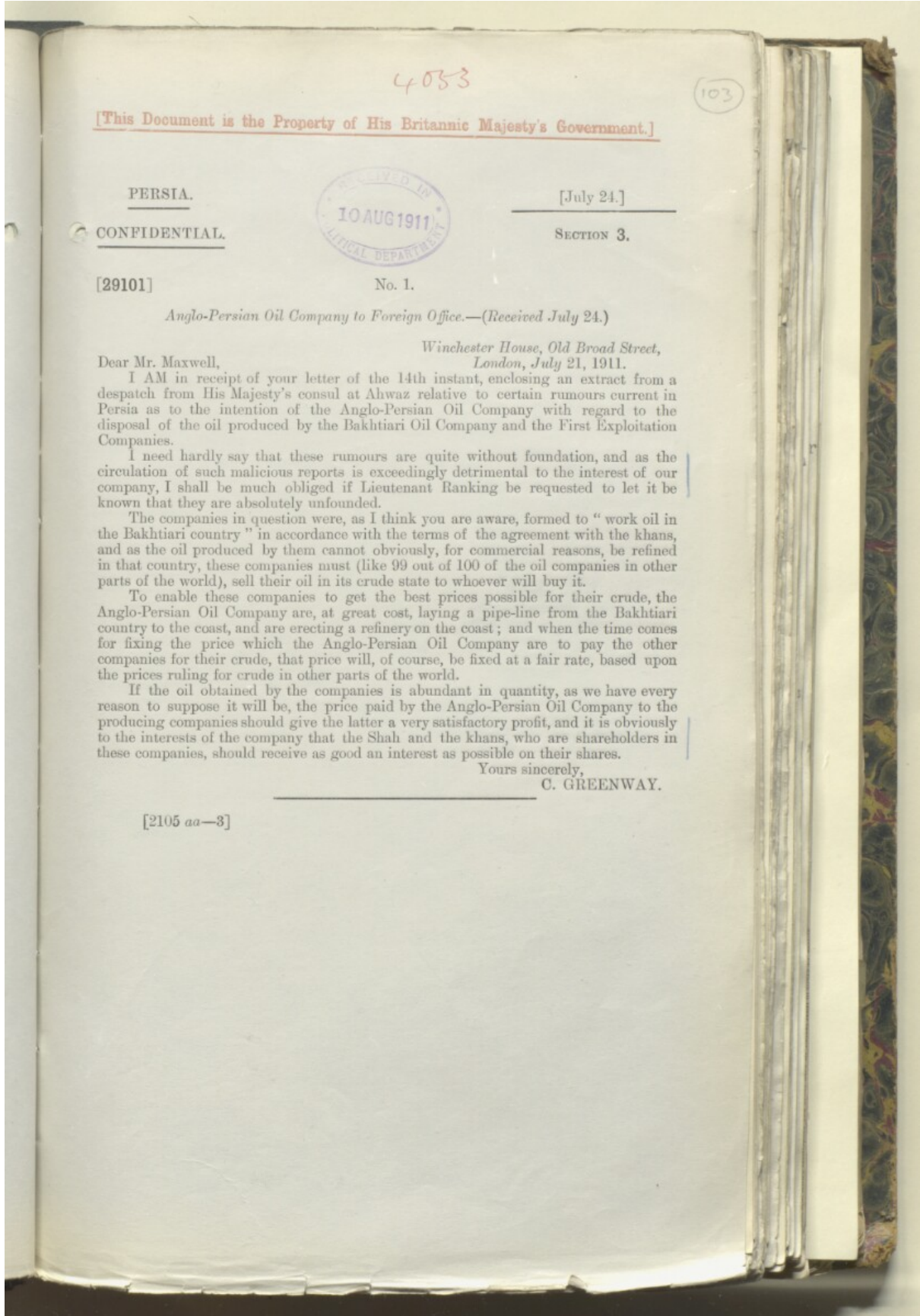


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠٢ ظ] (٢٩٢/٦٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٣] [٢٩٢/٦٣]



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PERSIA.

[July 24.]

CONFIDENTIAL.



SECTION 3.

[29101]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received July 24.)

Winchester House, Old Broad Street,
London, July 21, 1911.

Dear Mr. Maxwell,

I AM in receipt of your letter of the 14th instant, enclosing an extract from a despatch from His Majesty's consul at Ahwaz relative to certain rumours current in Persia as to the intention of the Anglo-Persian Oil Company with regard to the disposal of the oil produced by the Bakhtiari Oil Company and the First Exploitation Companies.

I need hardly say that these rumours are quite without foundation, and as the circulation of such malicious reports is exceedingly detrimental to the interest of our company, I shall be much obliged if Lieutenant Ranking be requested to let it be known that they are absolutely unfounded.

The companies in question were, as I think you are aware, formed to "work oil in the Bakhtiari country" in accordance with the terms of the agreement with the khans, and as the oil produced by them cannot obviously, for commercial reasons, be refined in that country, these companies must (like 99 out of 100 of the oil companies in other parts of the world), sell their oil in its crude state to whoever will buy it.

To enable these companies to get the best prices possible for their crude, the Anglo-Persian Oil Company are, at great cost, laying a pipe-line from the Bakhtiari country to the coast, and are erecting a refinery on the coast; and when the time comes for fixing the price which the Anglo-Persian Oil Company are to pay the other companies for their crude, that price will, of course, be fixed at a fair rate, based upon the prices ruling for crude in other parts of the world.

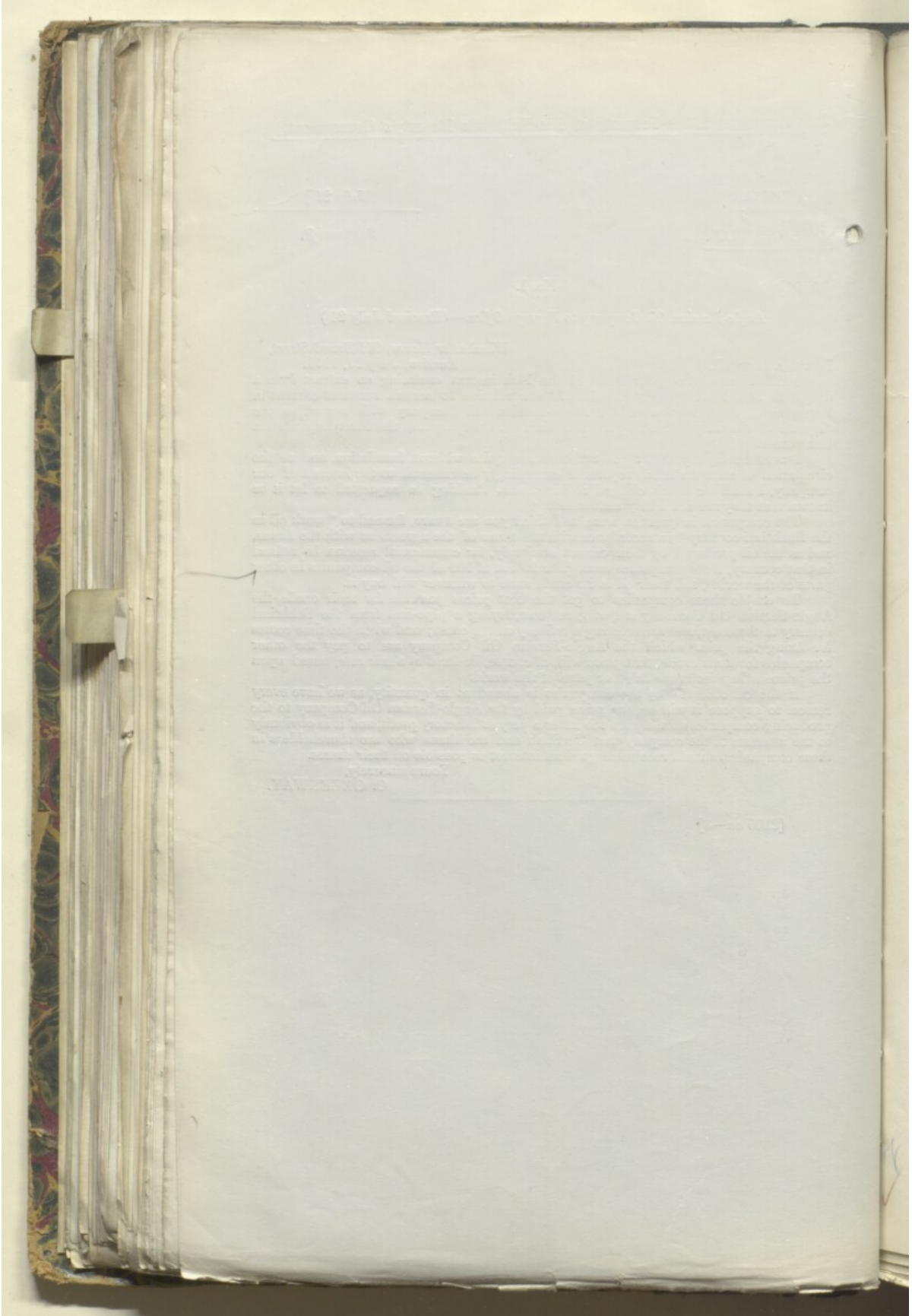
If the oil obtained by the companies is abundant in quantity, as we have every reason to suppose it will be, the price paid by the Anglo-Persian Oil Company to the producing companies should give the latter a very satisfactory profit, and it is obviously to the interests of the company that the Shah and the khans, who are shareholders in these companies, should receive as good an interest as possible on their shares.

Yours sincerely,
C. GREENWAY.

[2105 aa-3]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠٣ ظ] (٢٩٢/٦٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٠٤] [٢٩٢/٦٥]

Register No. 4025 (104)

Minute Paper. Secret Department.

Letter from FO Dated } 3 August } 1911.
Rec. } 29 Sept }

	Date.	Initials.	SUBJECT.
Under Secretary.....	9 Aug	Ad	Persia. Decision to appoint Mr. Swan as Vice-Counsel (unpaid) at Kasr-i-Shirin.
Secretary of State	10	Lt	
Committee			
Under Secretary.....			
Secretary of State			

Copy to India 4 Aug. 1911 + 29 Sept
Sept. 31 sent 39

FOR INFORMATION.

(The condition laid down in the F.O. L. is in accordance with the advice given in Sir G. Baring's Tel. No. 244, 12 July 11, a 3852/11).

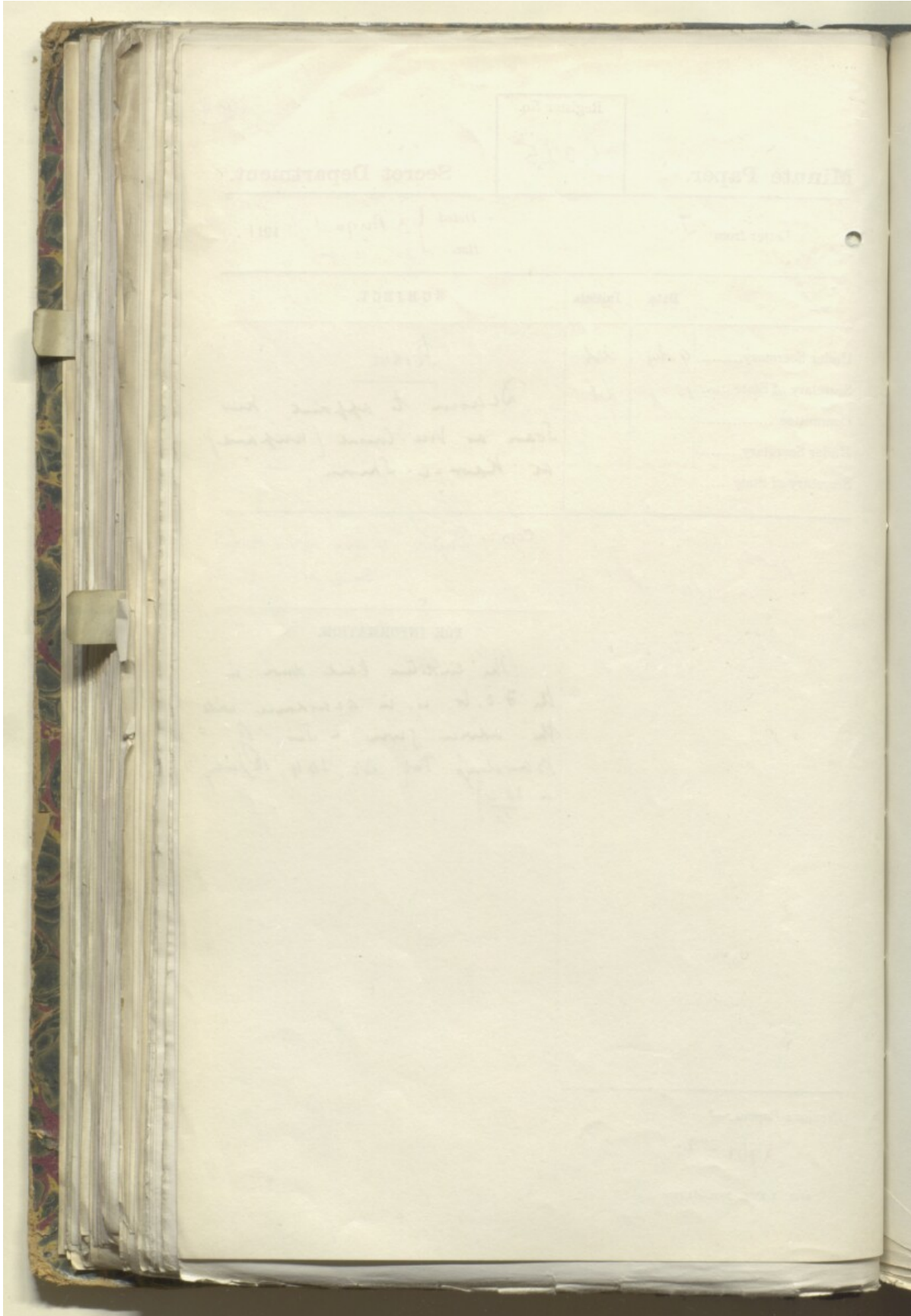
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Previous Papers:—
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9549. I. 2127. 2000.—11/1910.

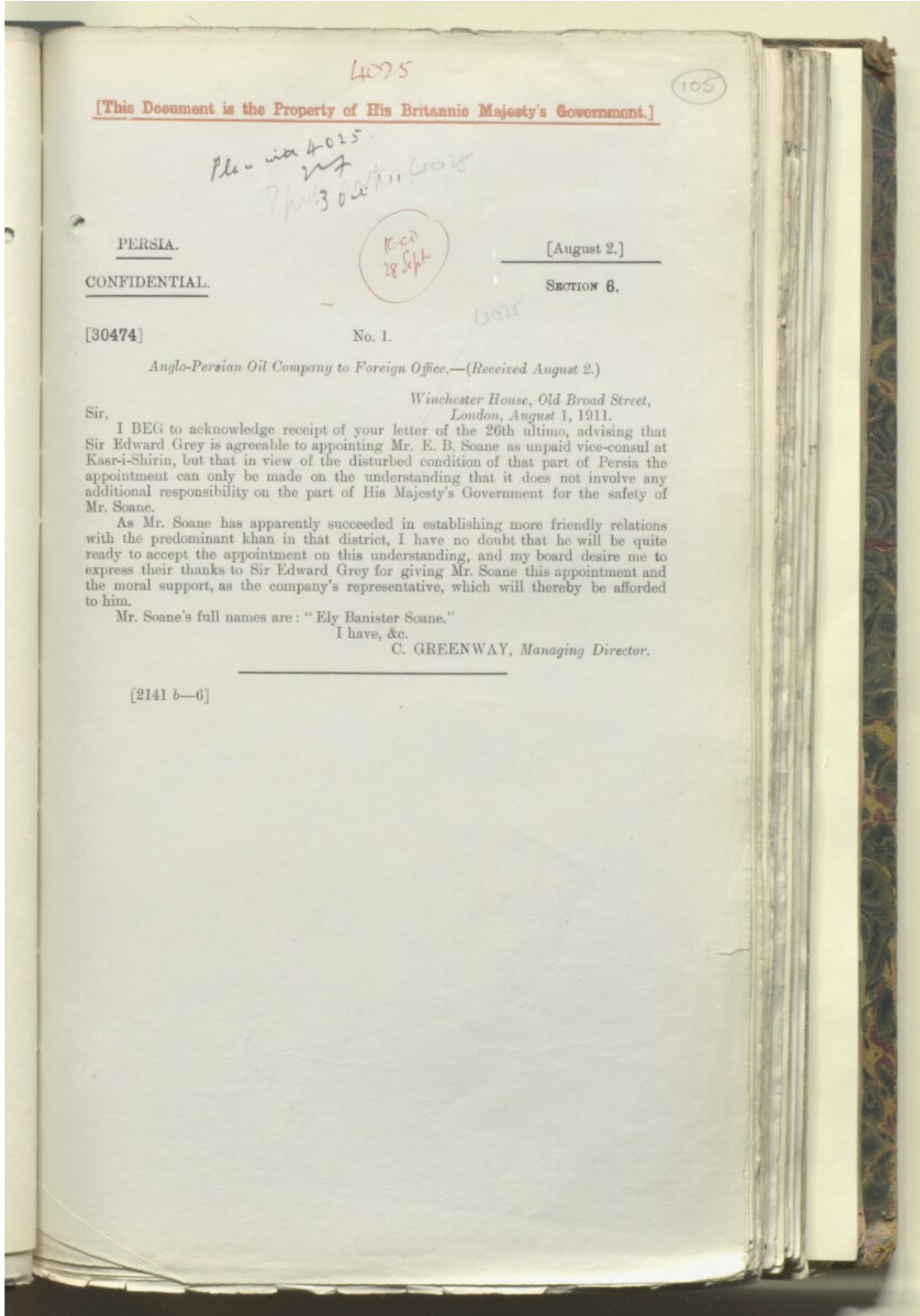


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠٤ ظ] (٢٩٢/٦٦)



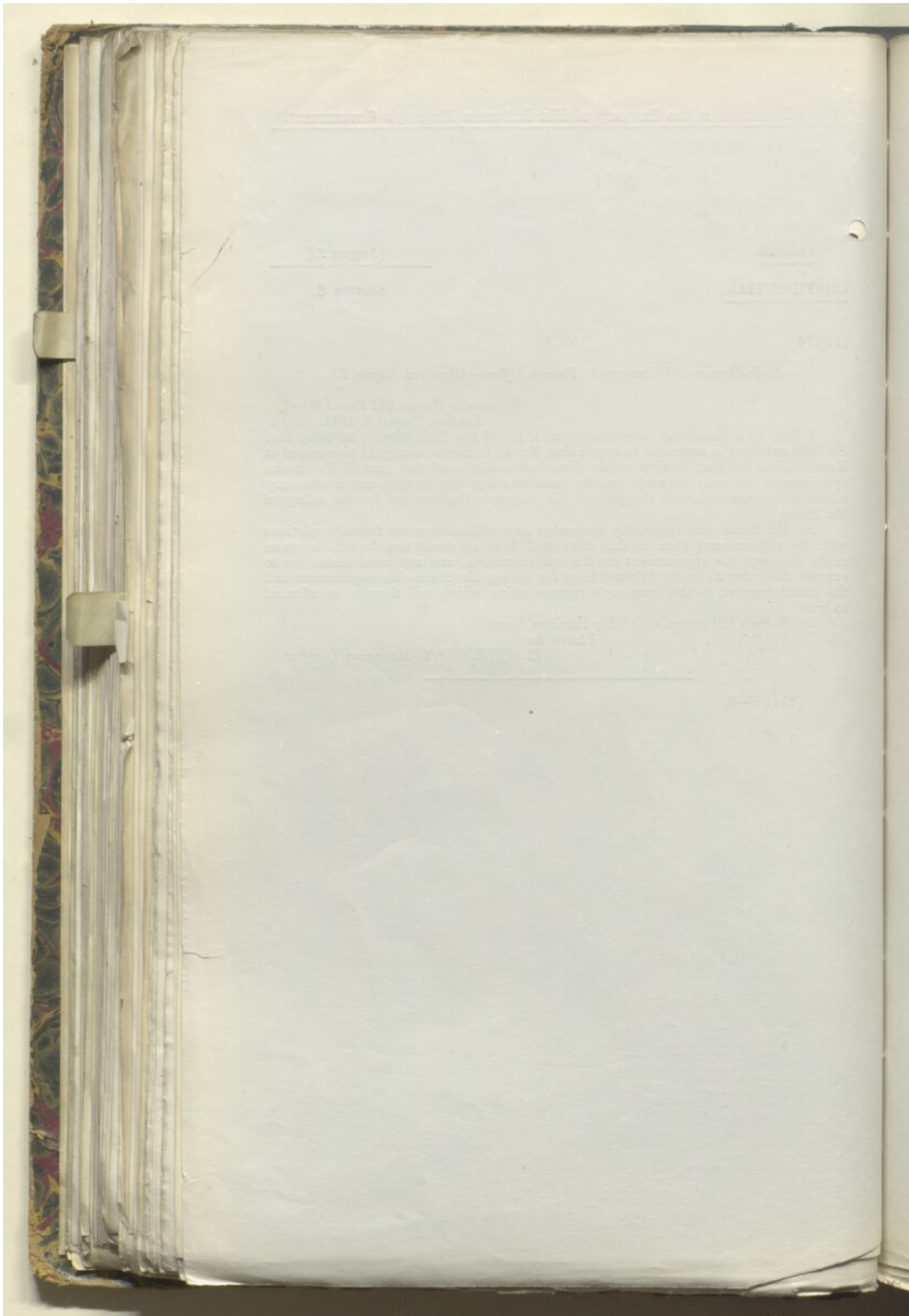


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٥] [٢٩٢/٦٧]



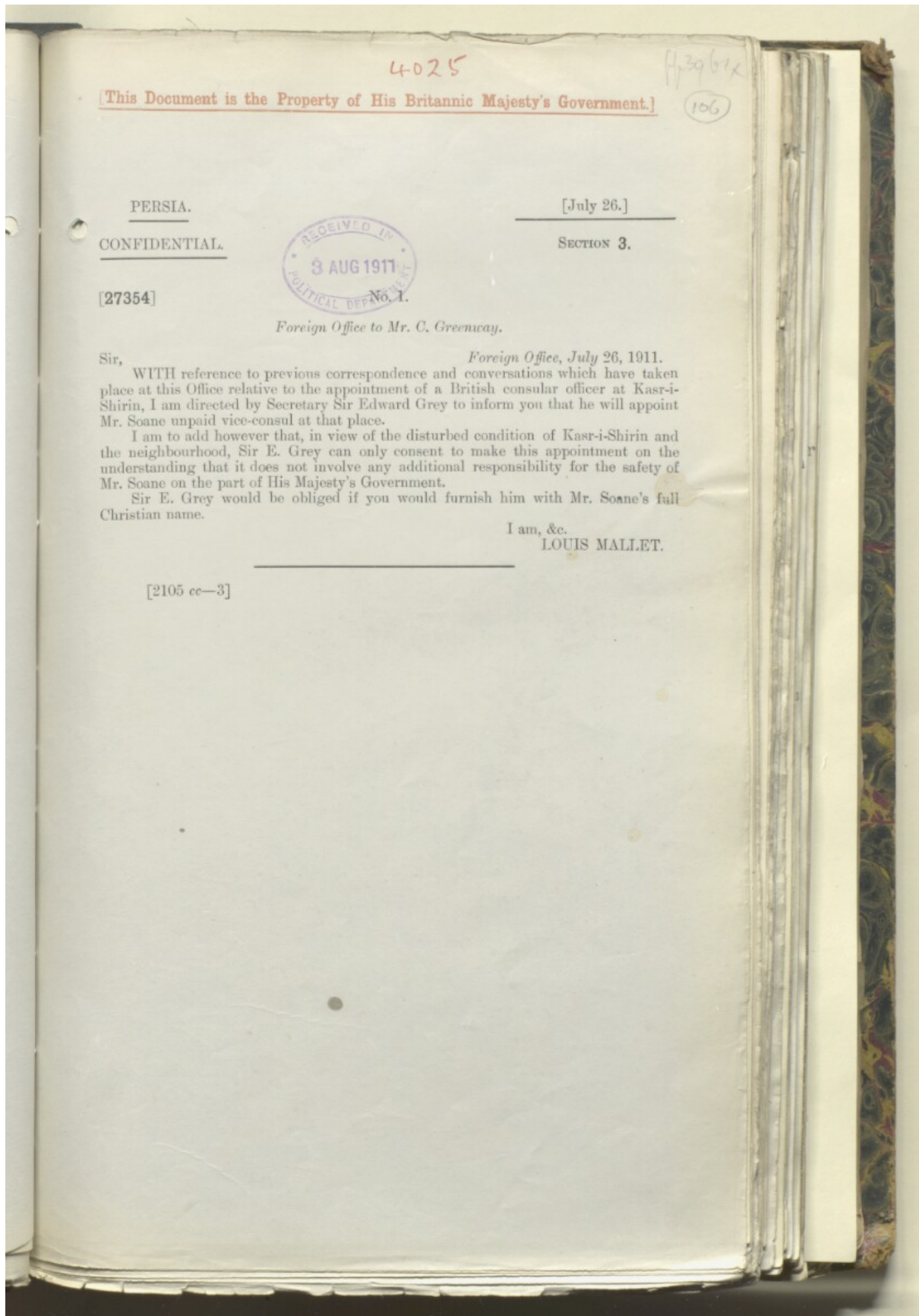


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٥ ظ] (٢٩٢/٦٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٦] [٢٩٢/٦٩]



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PERSIA.

[July 26.]

CONFIDENTIAL

SECTION 3.

[27354]

Foreign Office to Mr. C. Greenway.

Sir, *Foreign Office, July 26, 1911.*
WITH reference to previous correspondence and conversations which have taken place at this Office relative to the appointment of a British consular officer at Kasr-i-Shirin, I am directed by Secretary Sir Edward Grey to inform you that he will appoint Mr. Soane unpaid vice-consul at that place.

I am to add however that, in view of the disturbed condition of Kasr-i-Shirin and the neighbourhood, Sir E. Grey can only consent to make this appointment on the understanding that it does not involve any additional responsibility for the safety of Mr. Soane on the part of His Majesty's Government.

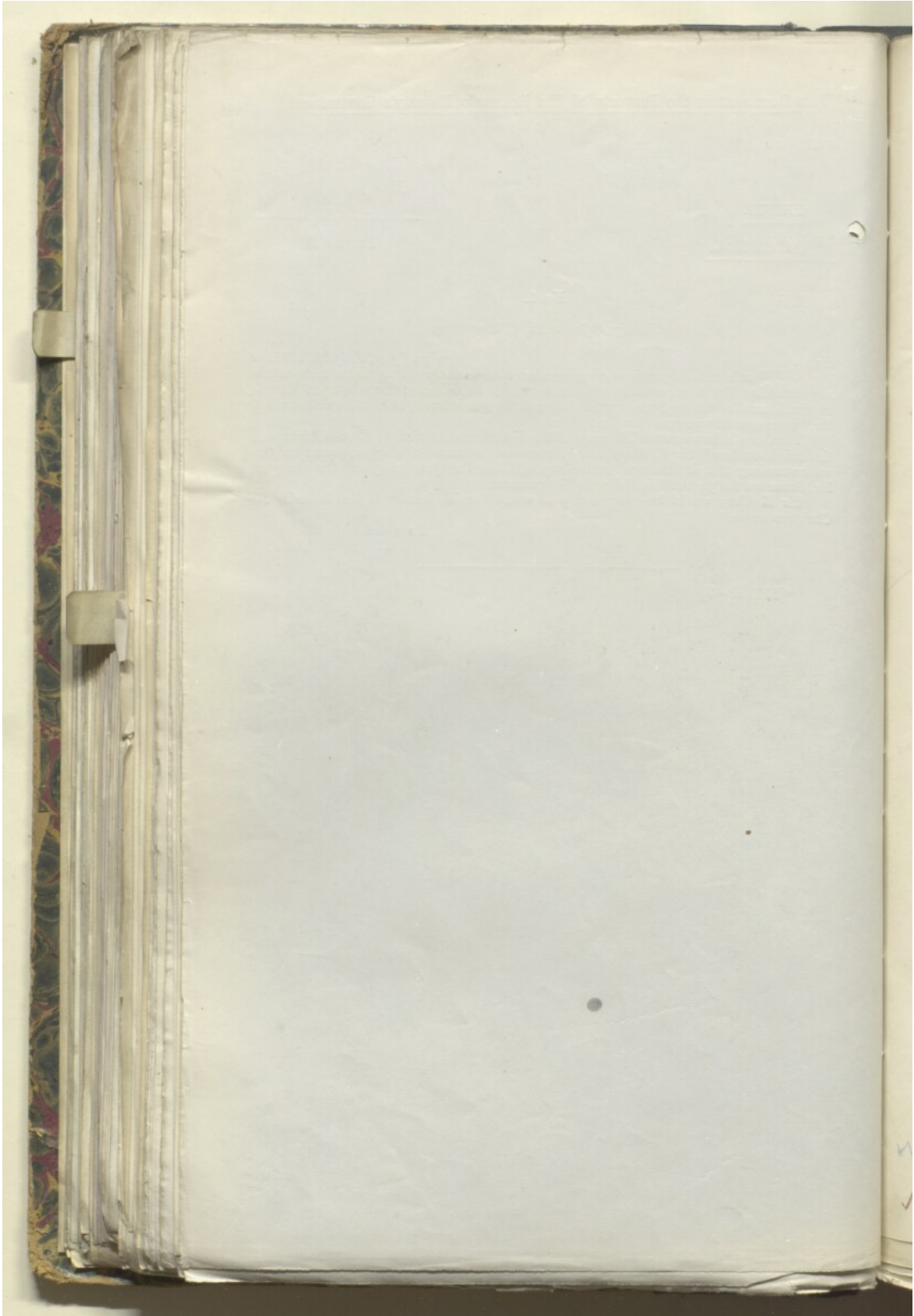
Sir E. Grey would be obliged if you would furnish him with Mr. Soane's full Christian name.

I am, &c.
LOUIS MALLET.

[2105 cc-3]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠٦ ظ] (٢٩٢/٧٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٧] [٢٩٢/٧١]

Register No. 3961-2 (107)

Minute Paper. Secret Department.

Letter from 30 Dated } 27 29 July 1911.
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	1 Aug.	Atk	Persia.
Secretary of State	1	LK	The Anglo-Persian Oil Co. & the Bakhtiari Khans.
Committee			
Under Secretary.....			Mr. Wilson unable to visit Kerim Khan.
Secretary of State			

Copy to India 28 Aug 1911 Aug 30
... 4 Aug. 1911 v 31

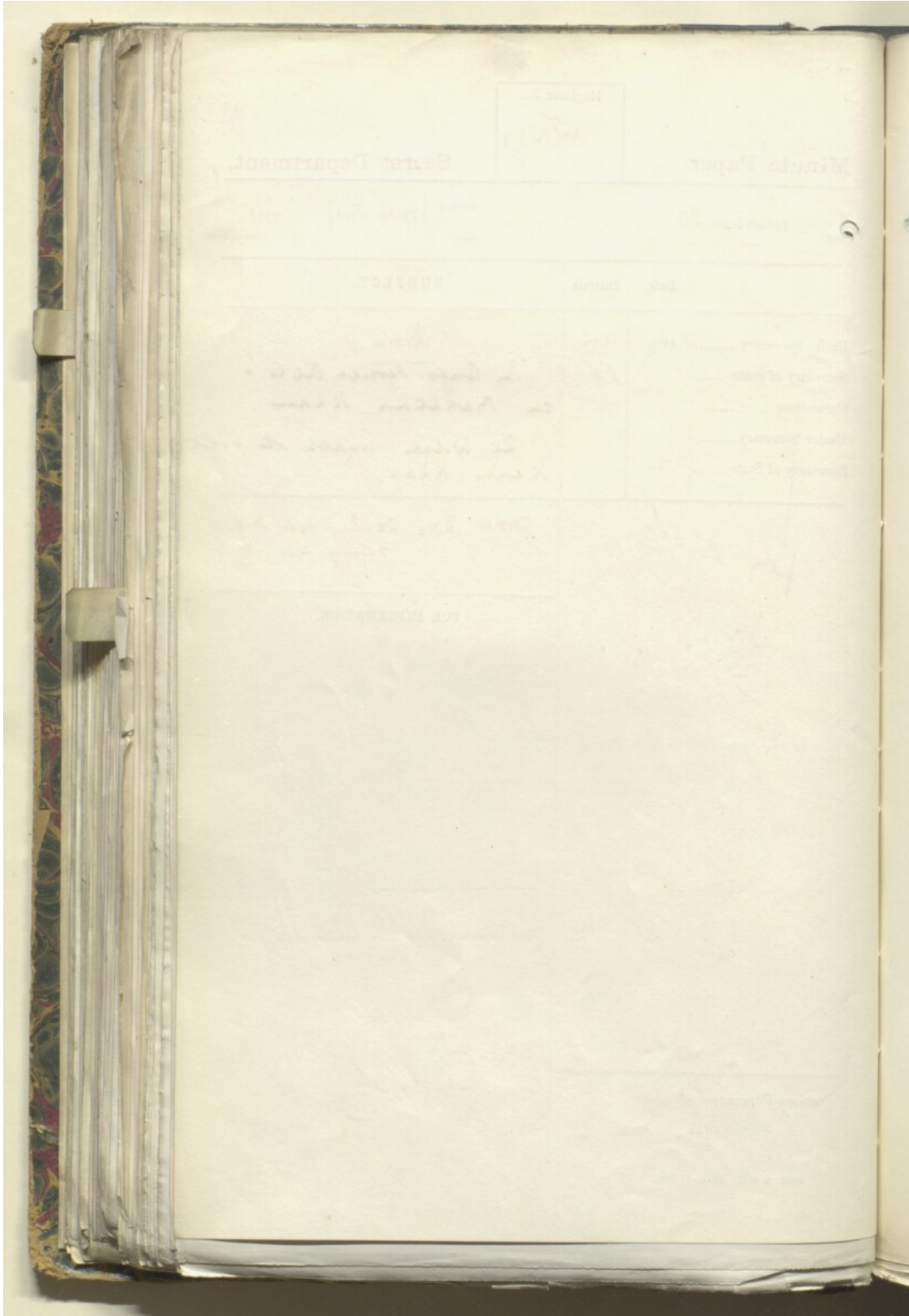
FOR INFORMATION.

Previous Papers:—
3933

9549. I. 2127. 2000.—11, 1910.

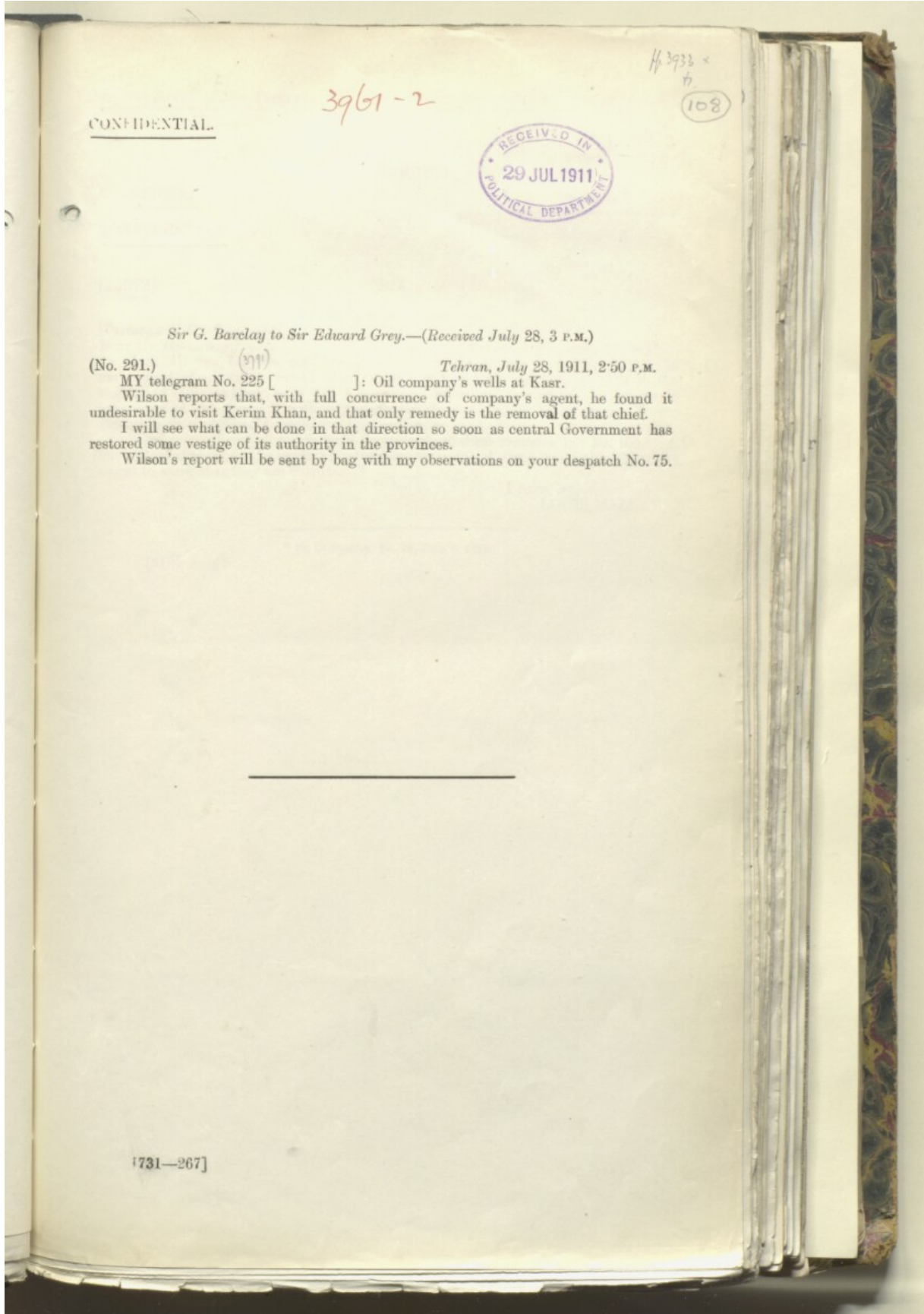


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٧ ظ] (٢٩٢/٧٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٨] (٢٩٢/٧٣)



CONFIDENTIAL.

3961-2

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Sir G. Barclay to Sir Edward Grey.—(Received July 28, 3 P.M.)

(No. 291.)

(٧١)

Tehran, July 28, 1911, 2:50 P.M.

MY telegram No. 225 []: Oil company's wells at Kasr.

Wilson reports that, with full concurrence of company's agent, he found it undesirable to visit Kerim Khan, and that only remedy is the removal of that chief.

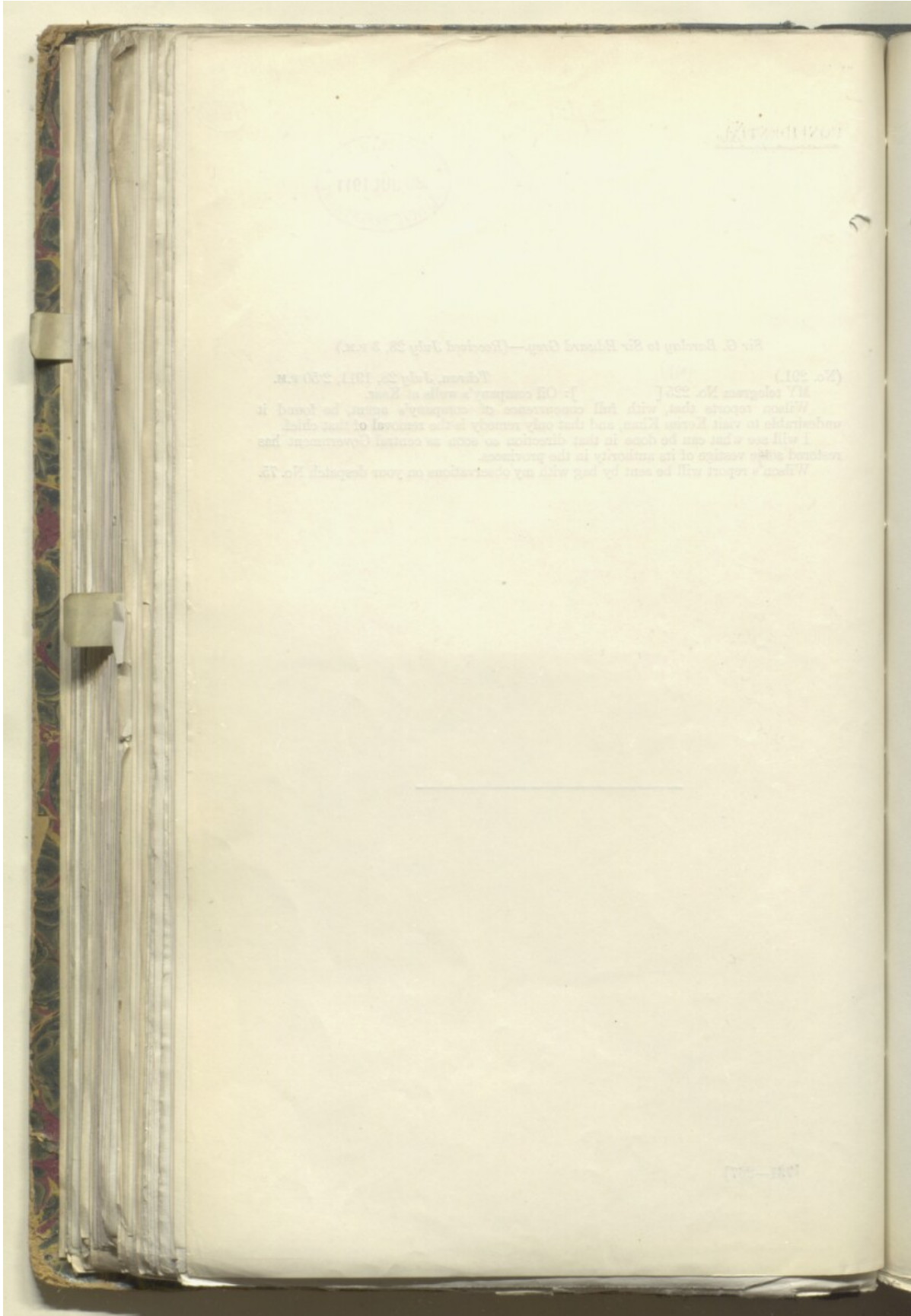
I will see what can be done in that direction so soon as central Government has restored some vestige of its authority in the provinces.

Wilson's report will be sent by bag with my observations on your despatch No. 75.

[731—267]

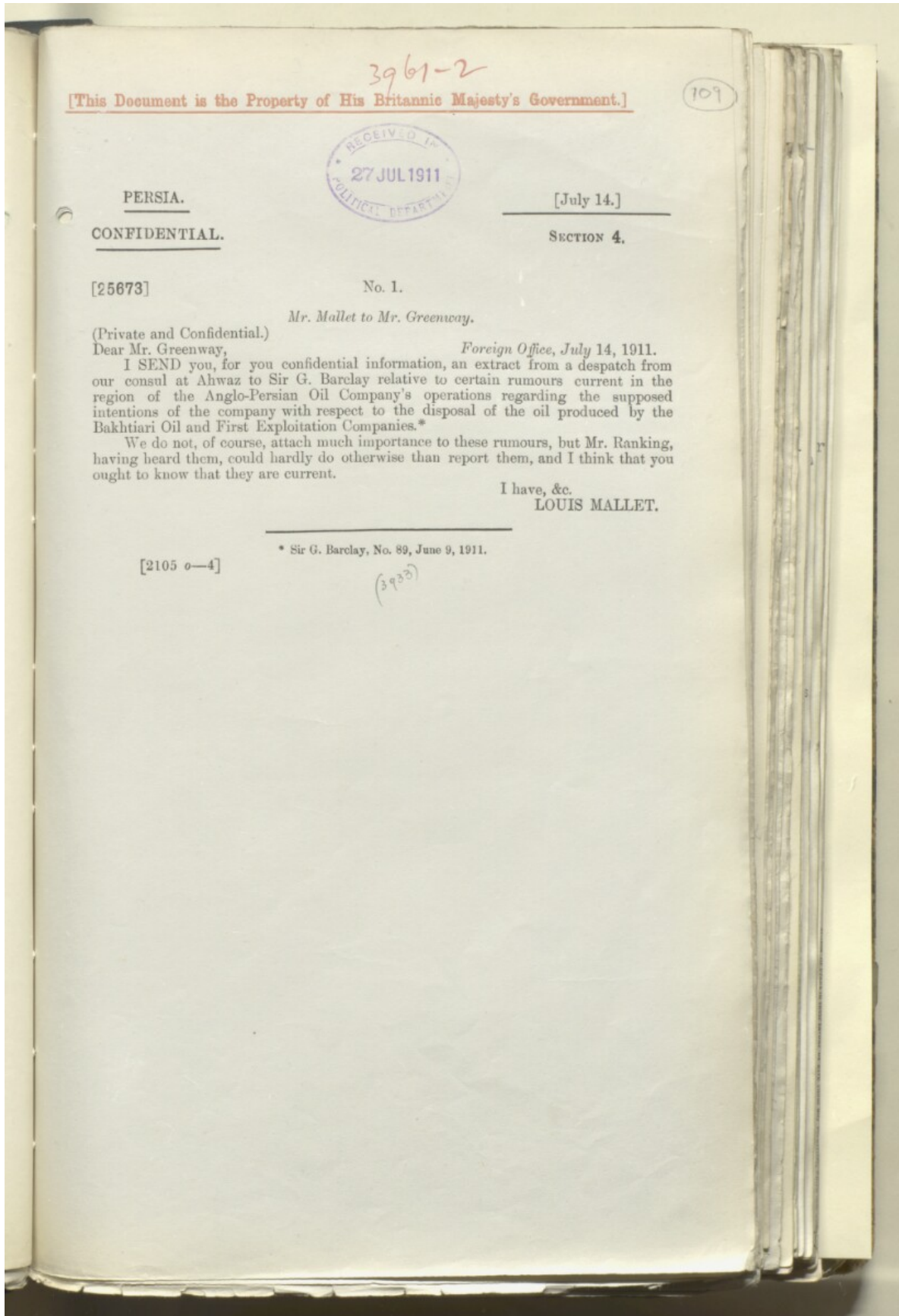


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٠٨ ظ] (٢٩٢/٧٤)



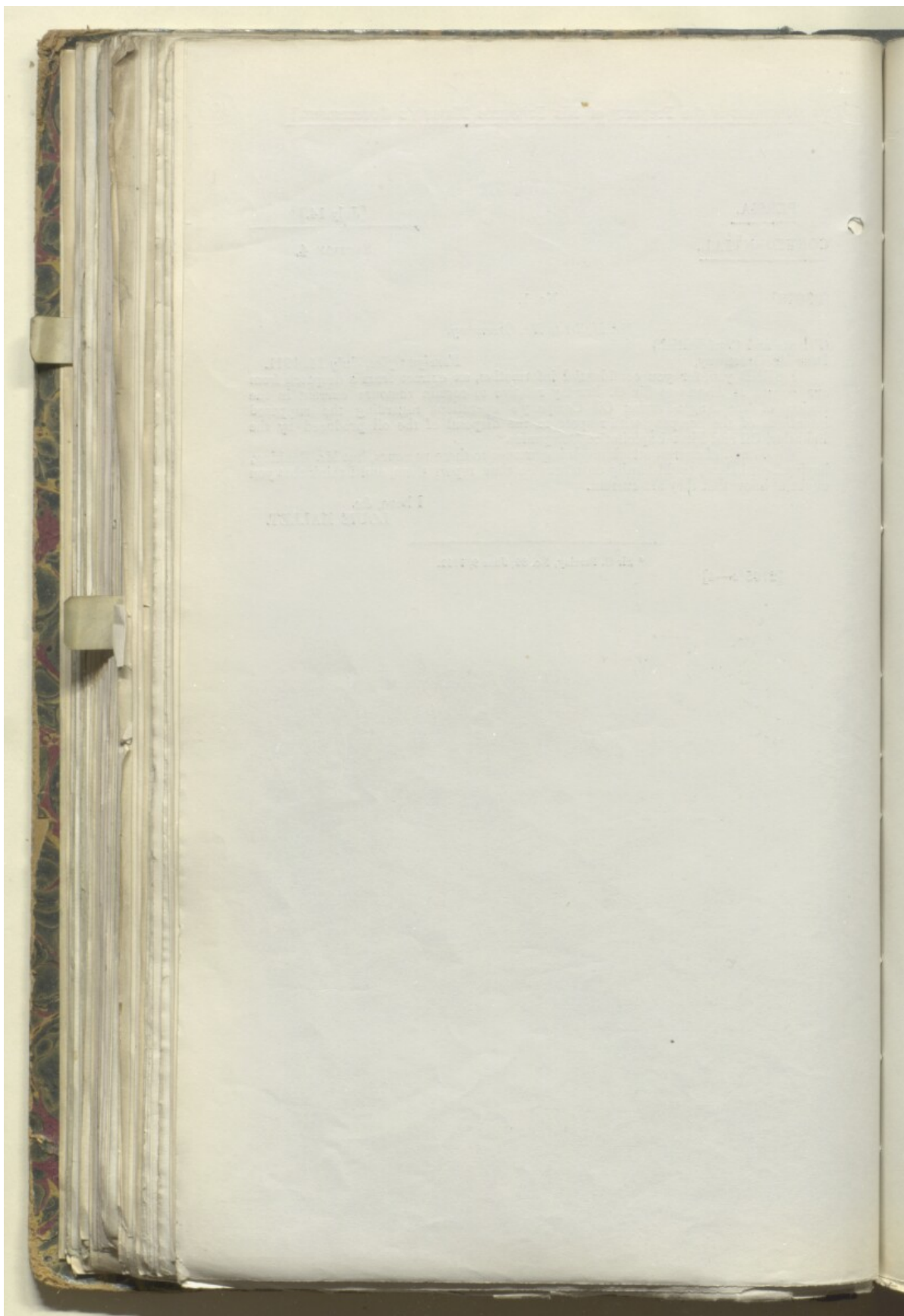


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠٩] [٢٩٢/٧٥]



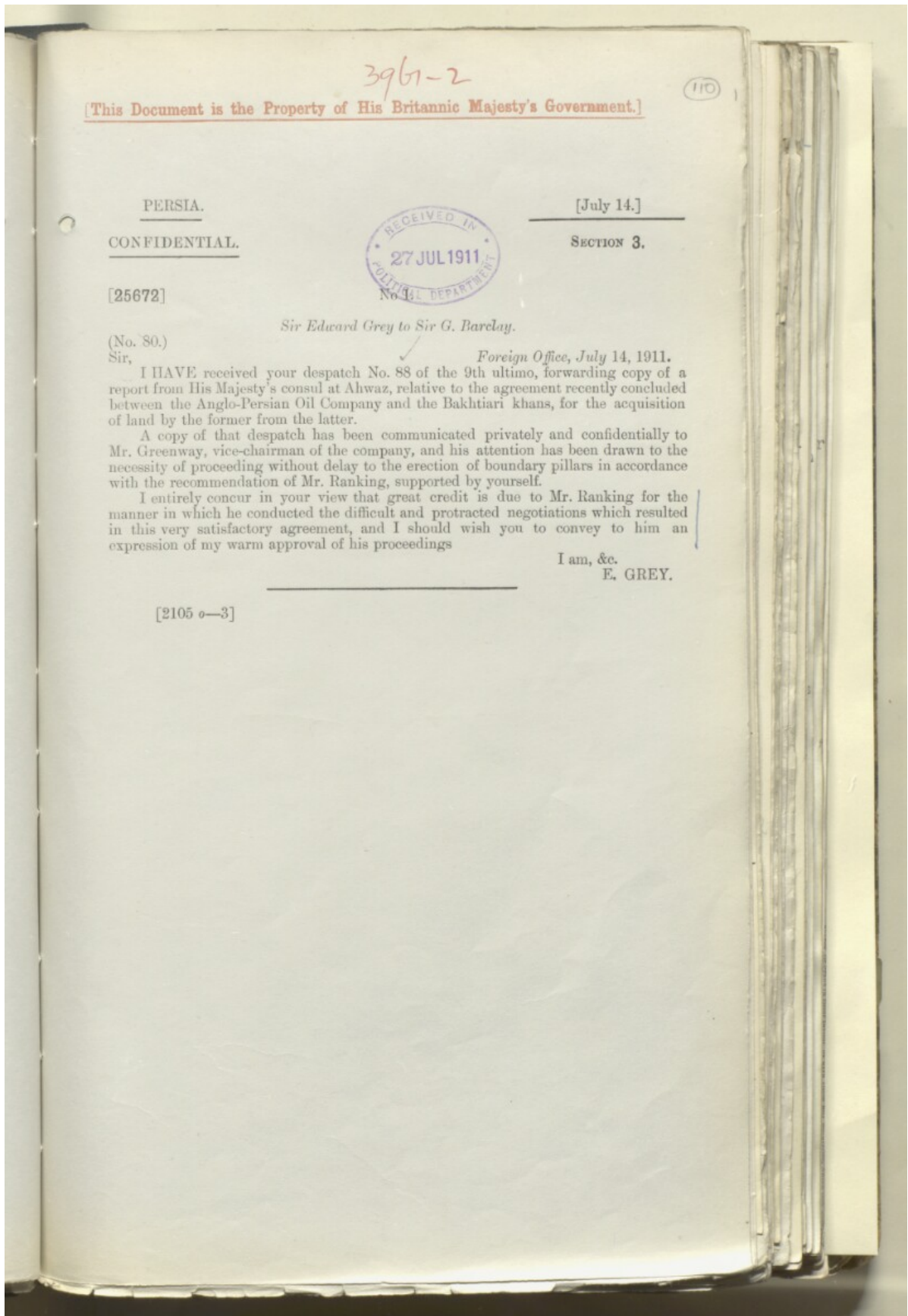


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٠٩ ظ] (٢٩٢/٧٦)



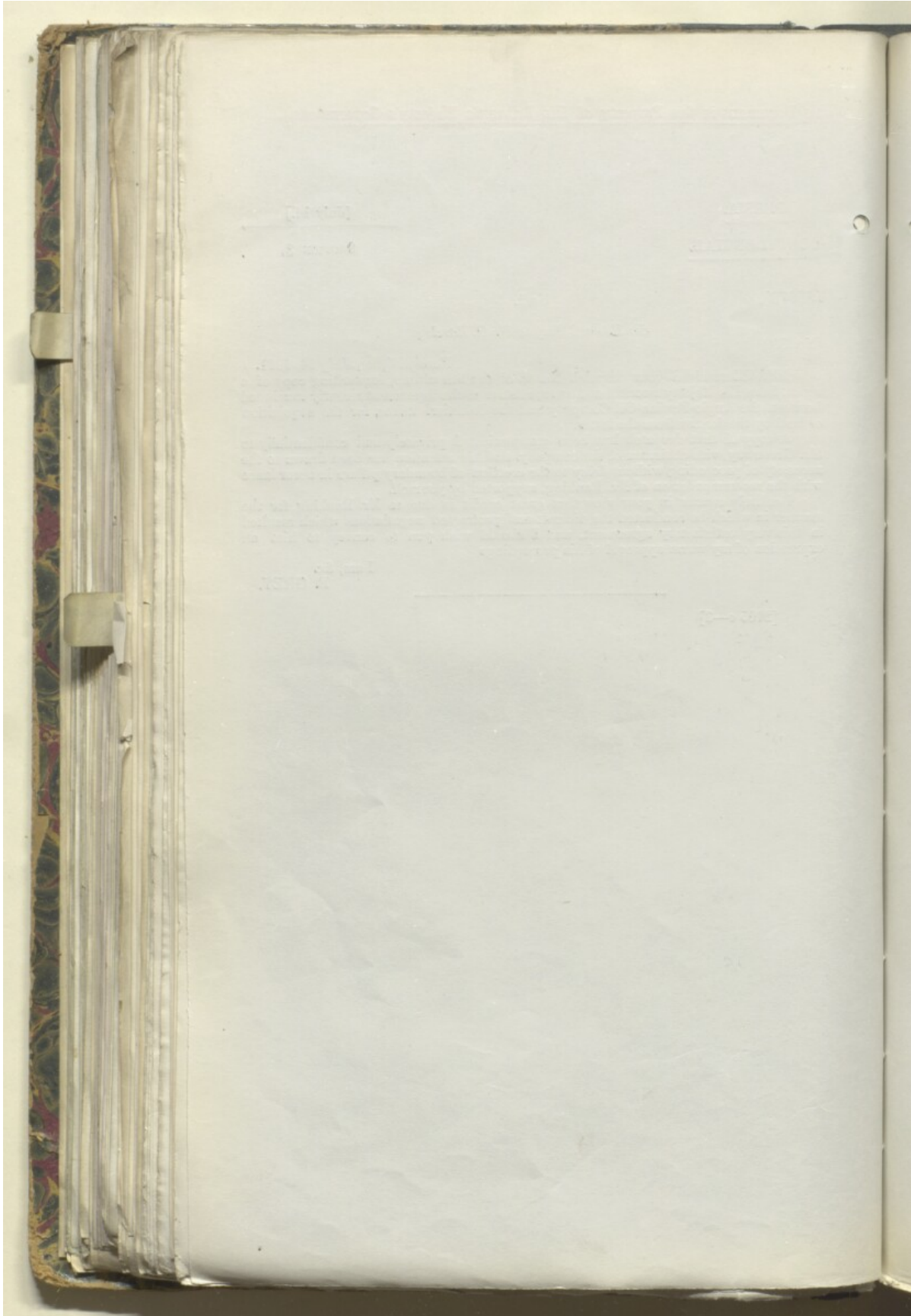


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٠ و] (٢٩٢/٧٧)



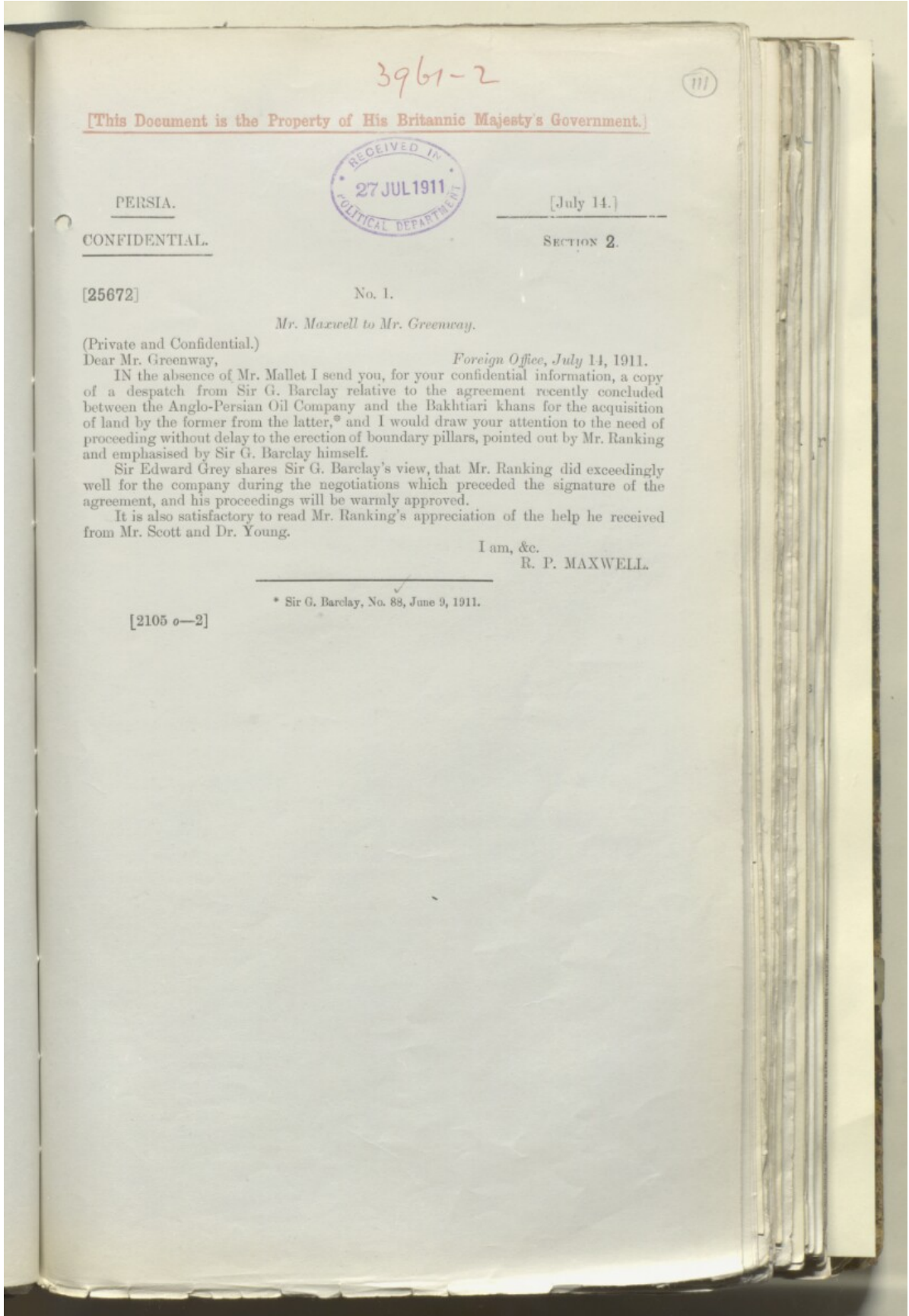


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١١٠ ظ] (٢٩٢/٧٨)



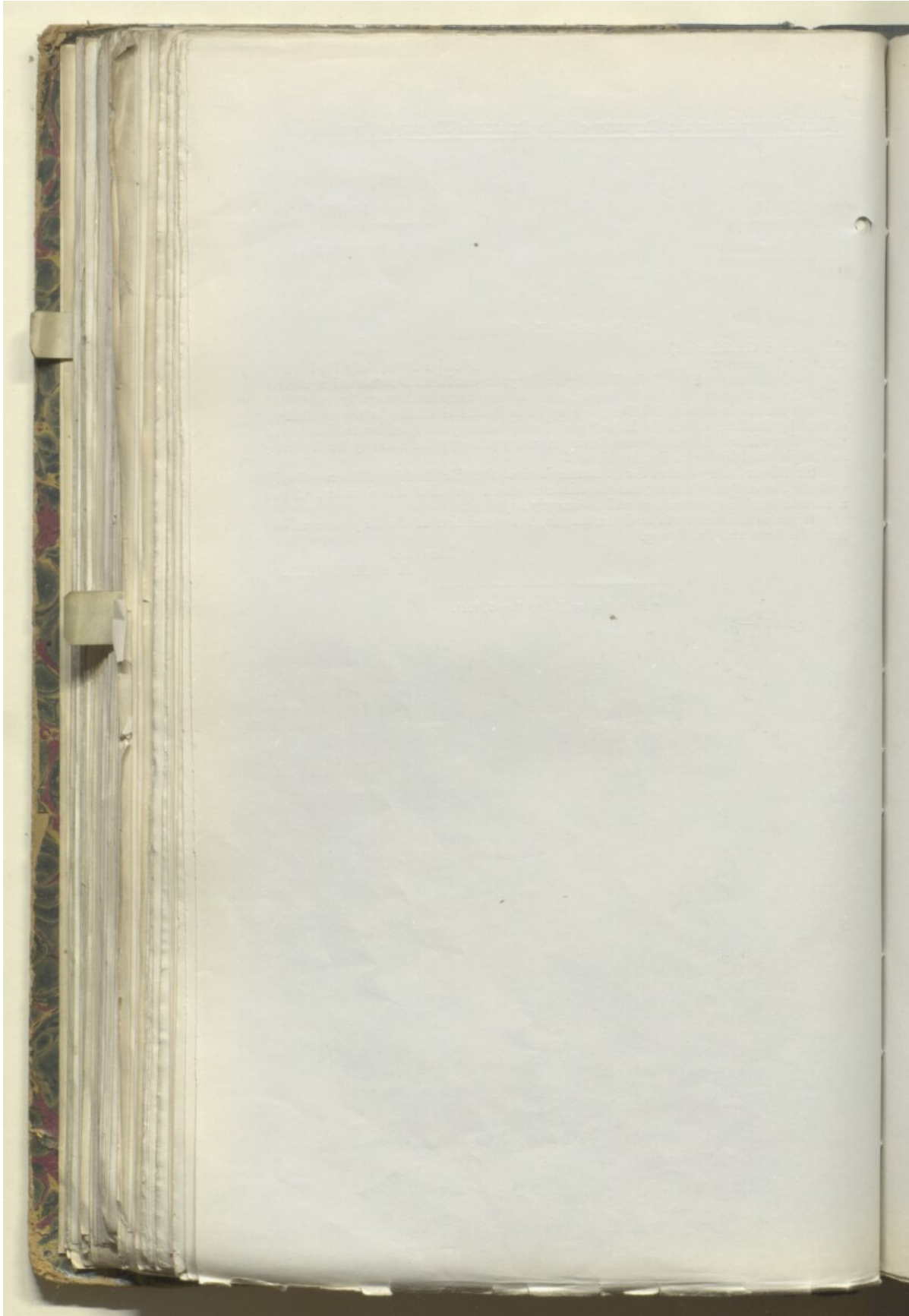


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١١و] [٢٩٢/٧٩]



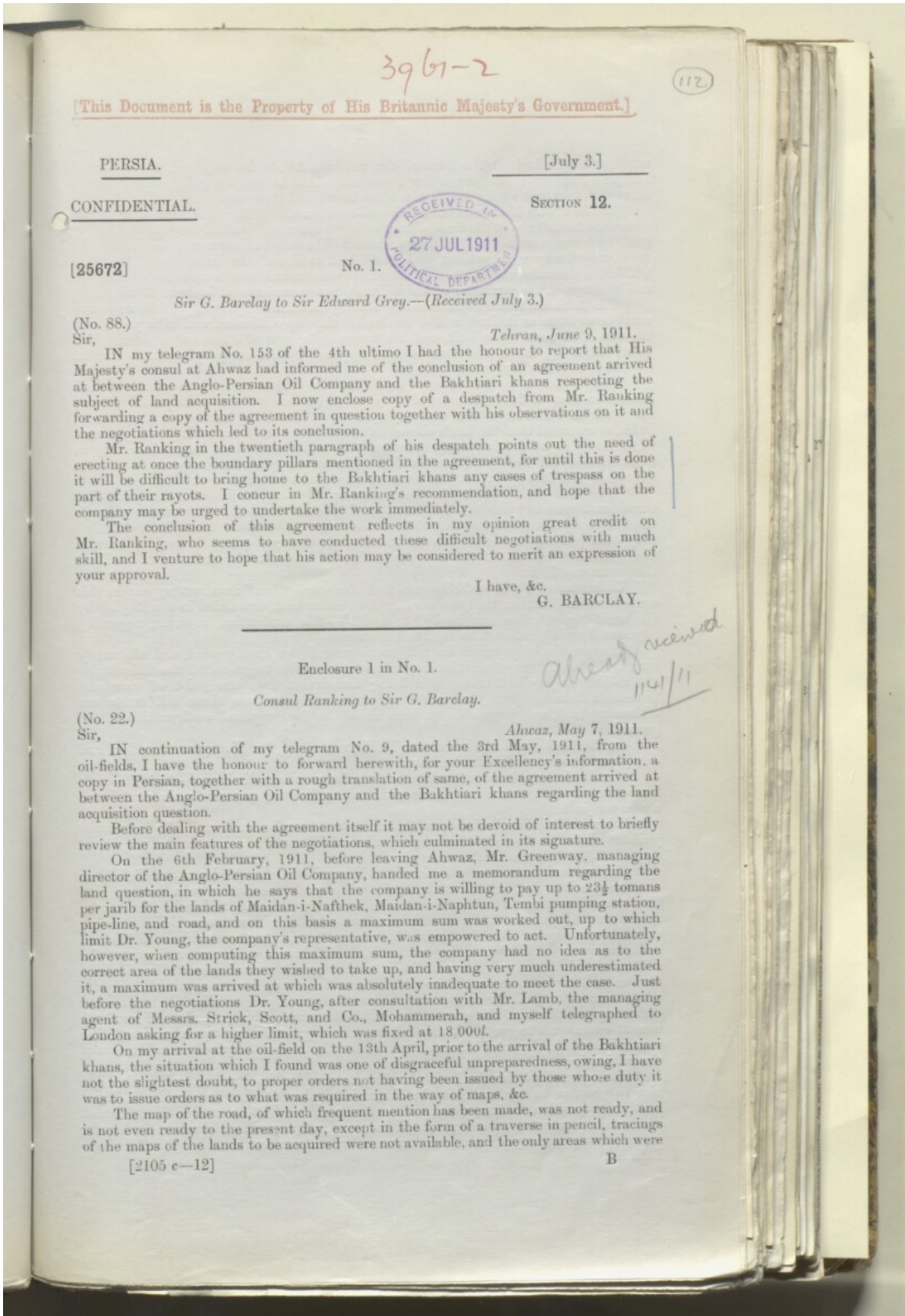


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١١١ظ] (٢٩٢/٨٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١١٢] [٢٩٢/٨١]



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PERSIA.

[July 3.]

CONFIDENTIAL.

SECTION 12.

[25672]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received July 3.)

(No. 88.)

Tehran, June 9, 1911.

Sir,

IN my telegram No. 153 of the 4th ultimo I had the honour to report that His Majesty's consul at Ahwaz had informed me of the conclusion of an agreement arrived at between the Anglo-Persian Oil Company and the Bakhtiari khans respecting the subject of land acquisition. I now enclose copy of a despatch from Mr. Ranking forwarding a copy of the agreement in question together with his observations on it and the negotiations which led to its conclusion.

Mr. Ranking in the twentieth paragraph of his despatch points out the need of erecting at once the boundary pillars mentioned in the agreement, for until this is done it will be difficult to bring home to the Bakhtiari khans any cases of trespass on the part of their rayots. I concur in Mr. Ranking's recommendation, and hope that the company may be urged to undertake the work immediately.

The conclusion of this agreement reflects in my opinion great credit on Mr. Ranking, who seems to have conducted these difficult negotiations with much skill, and I venture to hope that his action may be considered to merit an expression of your approval.

I have, &c.

G. BARCLAY.

Enclosure 1 in No. 1.

Consul Ranking to Sir G. Barclay.

(No. 22.)

Ahwaz, May 7, 1911.

Sir,

IN continuation of my telegram No. 9, dated the 3rd May, 1911, from the oil-fields, I have the honour to forward herewith, for your Excellency's information, a copy in Persian, together with a rough translation of same, of the agreement arrived at between the Anglo-Persian Oil Company and the Bakhtiari khans regarding the land acquisition question.

Before dealing with the agreement itself it may not be devoid of interest to briefly review the main features of the negotiations, which culminated in its signature.

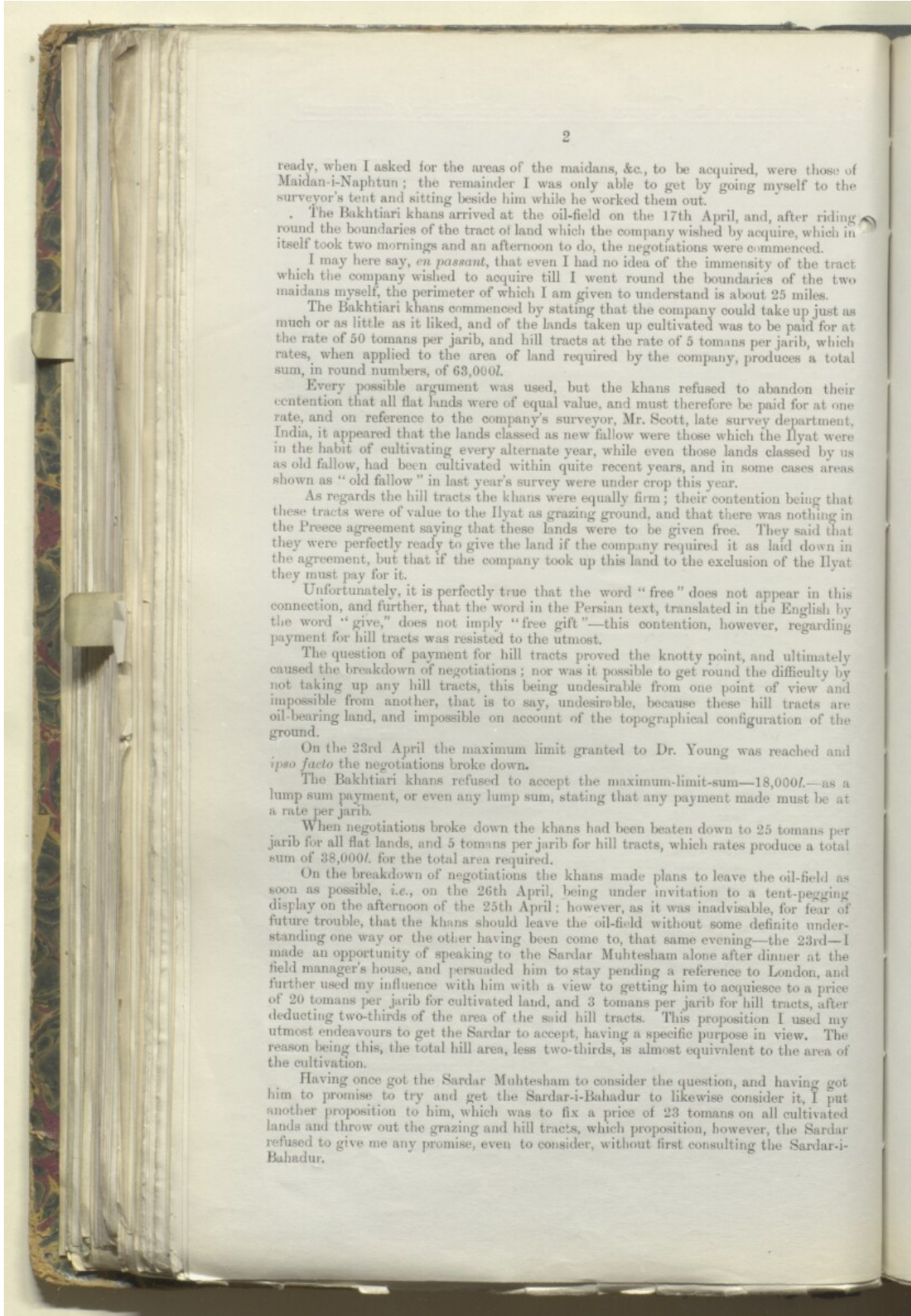
On the 6th February, 1911, before leaving Ahwaz, Mr. Greenway, managing director of the Anglo-Persian Oil Company, handed me a memorandum regarding the land question, in which he says that the company is willing to pay up to 23½ tomans per jarib for the lands of Maidan-i-Nafthek, Maidan-i-Naphtun, Tembi pumping station, pipe-line, and road, and on this basis a maximum sum was worked out, up to which limit Dr. Young, the company's representative, was empowered to act. Unfortunately, however, when computing this maximum sum, the company had no idea as to the correct area of the lands they wished to take up, and having very much underestimated it, a maximum was arrived at which was absolutely inadequate to meet the case. Just before the negotiations Dr. Young, after consultation with Mr. Lamb, the managing agent of Messrs. Strick, Scott, and Co., Mohammerah, and myself telegraphed to London asking for a higher limit, which was fixed at 18 000l.

On my arrival at the oil-field on the 13th April, prior to the arrival of the Bakhtiari khans, the situation which I found was one of disgraceful unpreparedness, owing, I have not the slightest doubt, to proper orders not having been issued by those whose duty it was to issue orders as to what was required in the way of maps, &c.

The map of the road, of which frequent mention has been made, was not ready, and is not even ready to the present day, except in the form of a traverse in pencil, tracings of the maps of the lands to be acquired were not available, and the only areas which were

[2105 c-12]

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ready, when I asked for the areas of the maidans, &c., to be acquired, were those of Maidan-i-Naphtun; the remainder I was only able to get by going myself to the surveyor's tent and sitting beside him while he worked them out.

The Bakhtiari khans arrived at the oil-field on the 17th April, and, after riding round the boundaries of the tract of land which the company wished to acquire, which in itself took two mornings and an afternoon to do, the negotiations were commenced.

I may here say, *en passant*, that even I had no idea of the immensity of the tract which the company wished to acquire till I went round the boundaries of the two maidans myself, the perimeter of which I am given to understand is about 25 miles.

The Bakhtiari khans commenced by stating that the company could take up just as much or as little as it liked, and of the lands taken up cultivated was to be paid for at the rate of 50 tomans per jarib, and hill tracts at the rate of 5 tomans per jarib, which rates, when applied to the area of land required by the company, produces a total sum, in round numbers, of 63,000*l*.

Every possible argument was used, but the khans refused to abandon their contention that all flat lands were of equal value, and must therefore be paid for at one rate, and on reference to the company's surveyor, Mr. Scott, late survey department, India, it appeared that the lands classed as new fallow were those which the Ilyat were in the habit of cultivating every alternate year, while even those lands classed by us as old fallow, had been cultivated within quite recent years, and in some cases areas shown as "old fallow" in last year's survey were under crop this year.

As regards the hill tracts the khans were equally firm; their contention being that these tracts were of value to the Ilyat as grazing ground, and that there was nothing in the Preece agreement saying that these lands were to be given free. They said that they were perfectly ready to give the land if the company required it as laid down in the agreement, but that if the company took up this land to the exclusion of the Ilyat they must pay for it.

Unfortunately, it is perfectly true that the word "free" does not appear in this connection, and further, that the word in the Persian text, translated in the English by the word "give," does not imply "free gift"—this contention, however, regarding payment for hill tracts was resisted to the utmost.

The question of payment for hill tracts proved the knotty point, and ultimately caused the breakdown of negotiations; nor was it possible to get round the difficulty by not taking up any hill tracts, this being undesirable from one point of view and impossible from another, that is to say, undesirable, because these hill tracts are oil-bearing land, and impossible on account of the topographical configuration of the ground.

On the 23rd April the maximum limit granted to Dr. Young was reached and *ipso facto* the negotiations broke down.

The Bakhtiari khans refused to accept the maximum-limit-sum—18,000*l*.—as a lump sum payment, or even any lump sum, stating that any payment made must be at a rate per jarib.

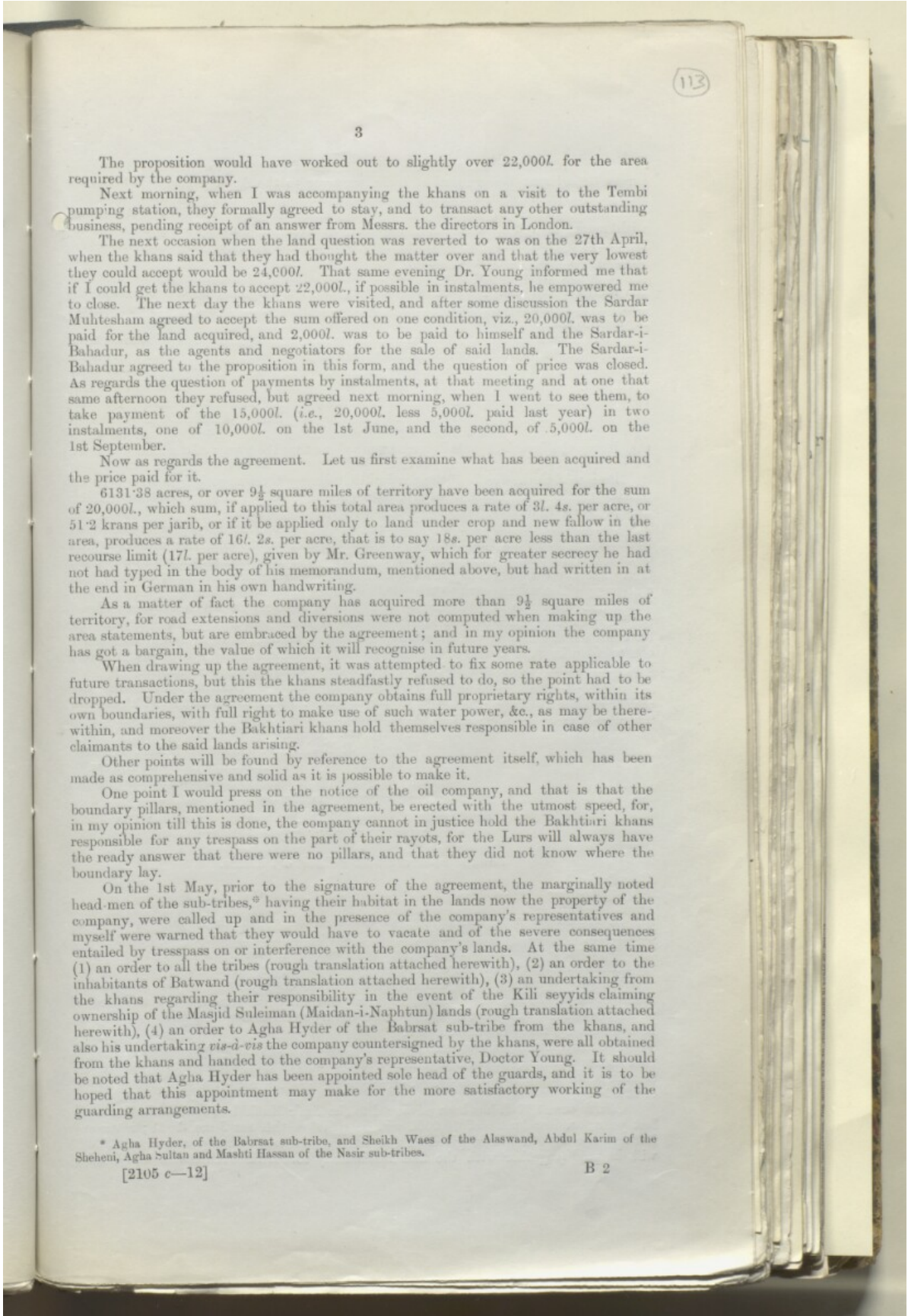
When negotiations broke down the khans had been beaten down to 25 tomans per jarib for all flat lands, and 5 tomans per jarib for hill tracts, which rates produce a total sum of 38,000*l*. for the total area required.

On the breakdown of negotiations the khans made plans to leave the oil-field as soon as possible, *i.e.*, on the 26th April, being under invitation to a tent-pegging display on the afternoon of the 25th April; however, as it was inadvisable, for fear of future trouble, that the khans should leave the oil-field without some definite understanding one way or the other having been come to, that same evening—the 23rd—I made an opportunity of speaking to the Sardar Muhtesham alone after dinner at the field manager's house, and persuaded him to stay pending a reference to London, and further used my influence with him with a view to getting him to acquiesce to a price of 20 tomans per jarib for cultivated land, and 3 tomans per jarib for hill tracts, after deducting two-thirds of the area of the said hill tracts. This proposition I used my utmost endeavours to get the Sardar to accept, having a specific purpose in view. The reason being this, the total hill area, less two-thirds, is almost equivalent to the area of the cultivation.

Having once got the Sardar Muhtesham to consider the question, and having got him to promise to try and get the Sardar-i-Bahadur to likewise consider it, I put another proposition to him, which was to fix a price of 23 tomans on all cultivated lands and throw out the grazing and hill tracts, which proposition, however, the Sardar refused to give me any promise, even to consider, without first consulting the Sardar-i-Bahadur.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٣ و] (٢٩٢/٨٣)



The proposition would have worked out to slightly over 22,000*l.* for the area required by the company.

Next morning, when I was accompanying the khans on a visit to the Tembi pumping station, they formally agreed to stay, and to transact any other outstanding business, pending receipt of an answer from Messrs. the directors in London.

The next occasion when the land question was reverted to was on the 27th April, when the khans said that they had thought the matter over and that the very lowest they could accept would be 24,000*l.* That same evening Dr. Young informed me that if I could get the khans to accept 22,000*l.*, if possible in instalments, he empowered me to close. The next day the khans were visited, and after some discussion the Sardar Muhtesham agreed to accept the sum offered on one condition, viz., 20,000*l.* was to be paid for the land acquired, and 2,000*l.* was to be paid to himself and the Sardar-i-Bahadur, as the agents and negotiators for the sale of said lands. The Sardar-i-Bahadur agreed to the proposition in this form, and the question of price was closed. As regards the question of payments by instalments, at that meeting and at one that same afternoon they refused, but agreed next morning, when I went to see them, to take payment of the 15,000*l.* (i.e., 20,000*l.* less 5,000*l.* paid last year) in two instalments, one of 10,000*l.* on the 1st June, and the second, of 5,000*l.* on the 1st September.

Now as regards the agreement. Let us first examine what has been acquired and the price paid for it.

6131.38 acres, or over 9½ square miles of territory have been acquired for the sum of 20,000*l.*, which sum, if applied to this total area produces a rate of 3*l.* 4*s.* per acre, or 51.2 krans per jarib, or if it be applied only to land under crop and new fallow in the area, produces a rate of 16*l.* 2*s.* per acre, that is to say 18*s.* per acre less than the last recourse limit (17*l.* per acre), given by Mr. Greenway, which for greater secrecy he had not had typed in the body of his memorandum, mentioned above, but had written in at the end in German in his own handwriting.

As a matter of fact the company has acquired more than 9½ square miles of territory, for road extensions and diversions were not computed when making up the area statements, but are embraced by the agreement; and in my opinion the company has got a bargain, the value of which it will recognise in future years.

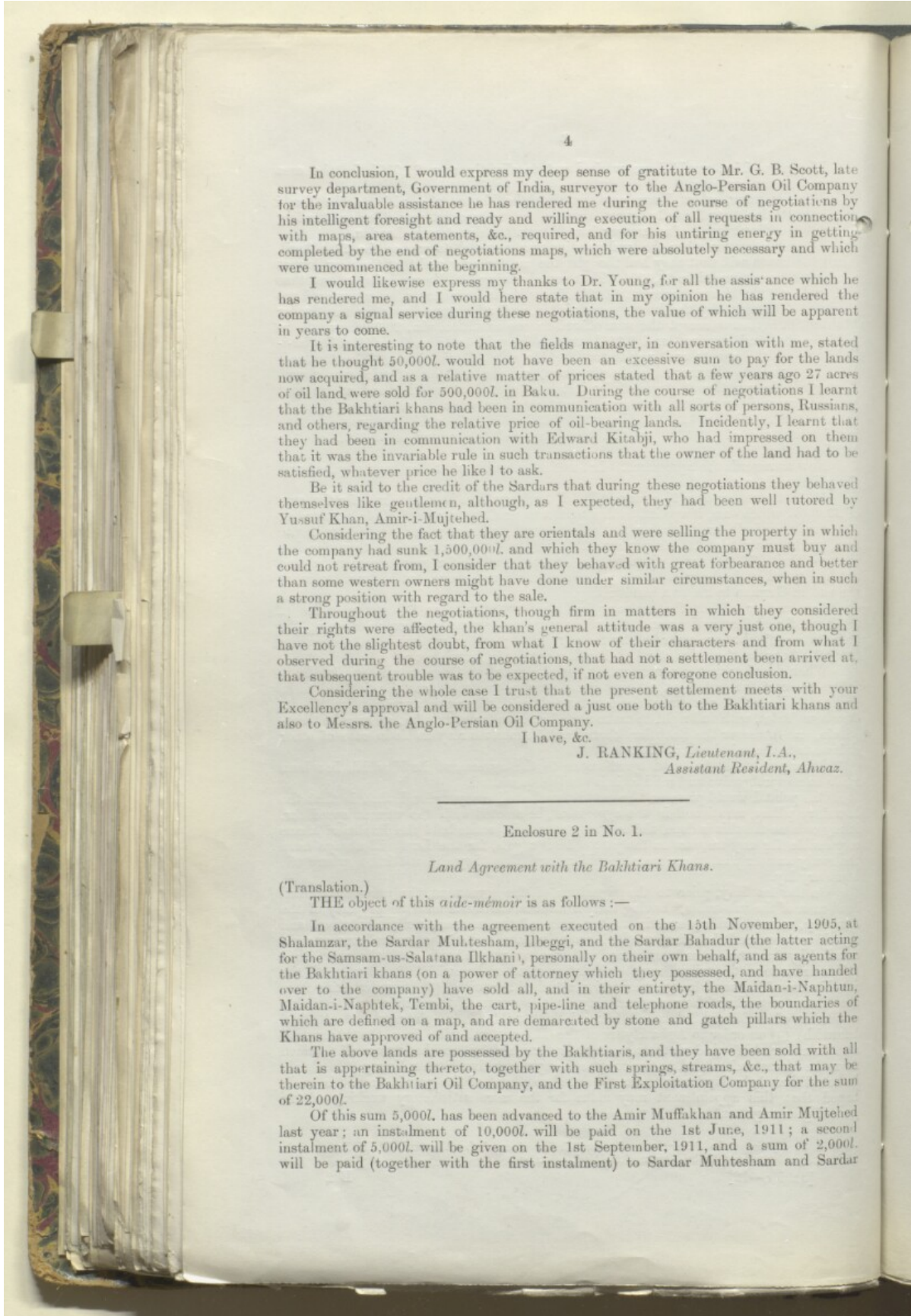
When drawing up the agreement, it was attempted to fix some rate applicable to future transactions, but this the khans steadfastly refused to do, so the point had to be dropped. Under the agreement the company obtains full proprietary rights, within its own boundaries, with full right to make use of such water power, &c., as may be there-within, and moreover the Bakhtiari khans hold themselves responsible in case of other claimants to the said lands arising.

Other points will be found by reference to the agreement itself, which has been made as comprehensive and solid as it is possible to make it.

One point I would press on the notice of the oil company, and that is that the boundary pillars, mentioned in the agreement, be erected with the utmost speed, for, in my opinion till this is done, the company cannot in justice hold the Bakhtiari khans responsible for any trespass on the part of their rayots, for the Lurs will always have the ready answer that there were no pillars, and that they did not know where the boundary lay.

On the 1st May, prior to the signature of the agreement, the marginally noted head-men of the sub-tribes,* having their habitat in the lands now the property of the company, were called up and in the presence of the company's representatives and myself were warned that they would have to vacate and of the severe consequences entailed by trespass on or interference with the company's lands. At the same time (1) an order to all the tribes (rough translation attached herewith), (2) an order to the inhabitants of Batwand (rough translation attached herewith), (3) an undertaking from the khans regarding their responsibility in the event of the Kili seyyids claiming ownership of the Masjid Suleiman (Maidan-i-Naphtun) lands (rough translation attached herewith), (4) an order to Agha Hyder of the Babrsat sub-tribe from the khans, and also his undertaking *vis-à-vis* the company countersigned by the khans, were all obtained from the khans and handed to the company's representative, Doctor Young. It should be noted that Agha Hyder has been appointed sole head of the guards, and it is to be hoped that this appointment may make for the more satisfactory working of the guarding arrangements.

* Agha Hyder, of the Babrsat sub-tribe, and Sheikh Waes of the Alaswand, Abdul Karim of the Sheheni, Agha Sultan and Mashti Hassan of the Nasir sub-tribes.



In conclusion, I would express my deep sense of gratitude to Mr. G. B. Scott, late survey department, Government of India, surveyor to the Anglo-Persian Oil Company for the invaluable assistance he has rendered me during the course of negotiations by his intelligent foresight and ready and willing execution of all requests in connection with maps, area statements, &c., required, and for his untiring energy in getting completed by the end of negotiations maps, which were absolutely necessary and which were uncommenced at the beginning.

I would likewise express my thanks to Dr. Young, for all the assistance which he has rendered me, and I would here state that in my opinion he has rendered the company a signal service during these negotiations, the value of which will be apparent in years to come.

It is interesting to note that the fields manager, in conversation with me, stated that he thought 50,000*l.* would not have been an excessive sum to pay for the lands now acquired, and as a relative matter of prices stated that a few years ago 27 acres of oil land were sold for 500,000*l.* in Baku. During the course of negotiations I learnt that the Bakhtiari khans had been in communication with all sorts of persons, Russians, and others, regarding the relative price of oil-bearing lands. Incidentally, I learnt that they had been in communication with Edward Kitabji, who had impressed on them that it was the invariable rule in such transactions that the owner of the land had to be satisfied, whatever price he liked to ask.

Be it said to the credit of the Sardars that during these negotiations they behaved themselves like gentlemen, although, as I expected, they had been well tutored by Yussuf Khan, Amir-i-Mujtehed.

Considering the fact that they are orientals and were selling the property in which the company had sunk 1,500,000*l.* and which they know the company must buy and could not retreat from, I consider that they behaved with great forbearance and better than some western owners might have done under similar circumstances, when in such a strong position with regard to the sale.

Throughout the negotiations, though firm in matters in which they considered their rights were affected, the khan's general attitude was a very just one, though I have not the slightest doubt, from what I know of their characters and from what I observed during the course of negotiations, that had not a settlement been arrived at, that subsequent trouble was to be expected, if not even a foregone conclusion.

Considering the whole case I trust that the present settlement meets with your Excellency's approval and will be considered a just one both to the Bakhtiari khans and also to Messrs. the Anglo-Persian Oil Company.

I have, &c.

J. RANKING, Lieutenant, I.A.,
Assistant Resident, Ahwaz.

Enclosure 2 in No. 1.

Land Agreement with the Bakhtiari Khans.

(Translation.)

THE object of this *aide-memoir* is as follows:—

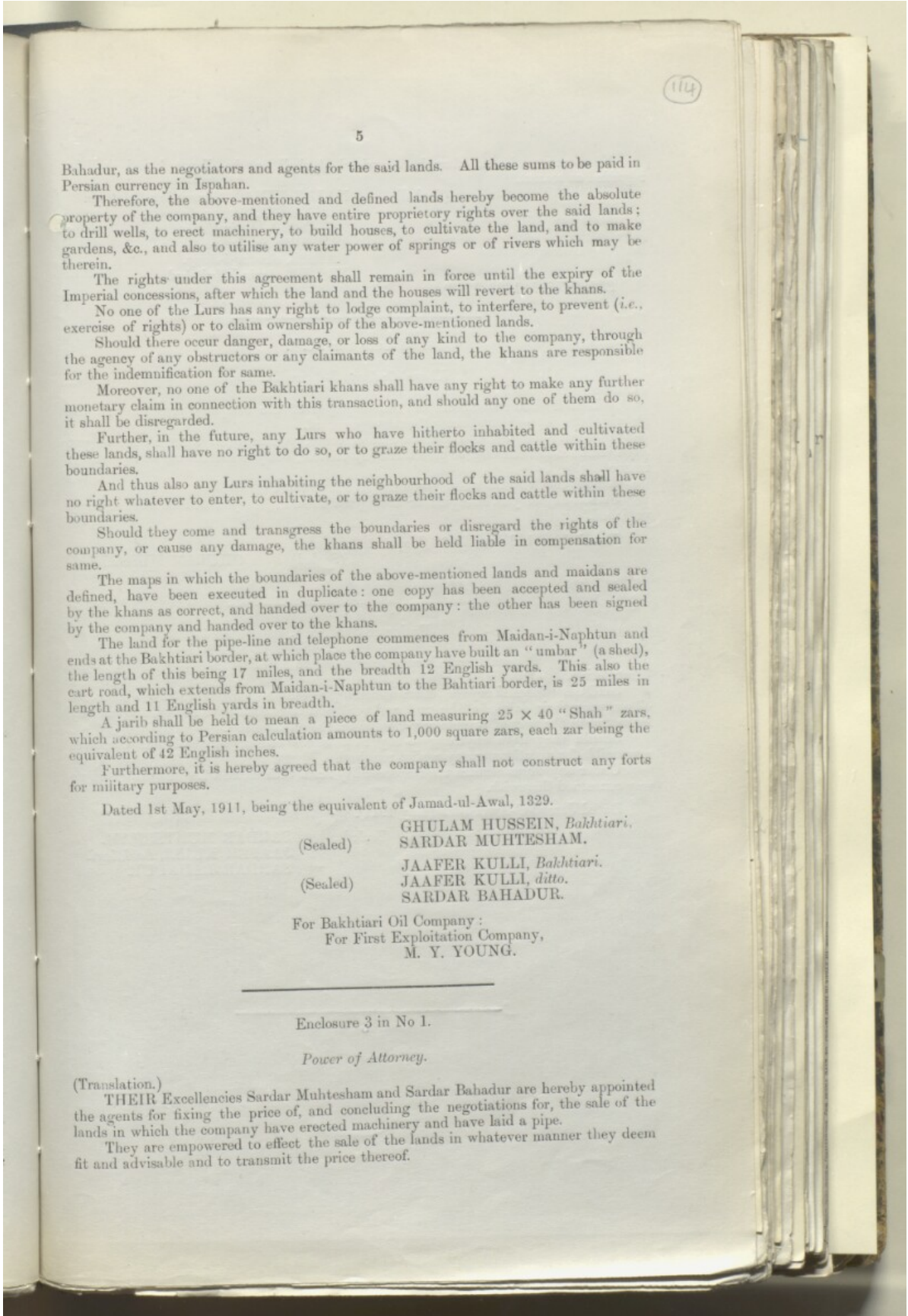
In accordance with the agreement executed on the 15th November, 1905, at Shalamzar, the Sardar Muhtesham, Ilbeggi, and the Sardar Bahadur (the latter acting for the Samsam-us-Salatana Ilkhani), personally on their own behalf, and as agents for the Bakhtiari khans (on a power of attorney which they possessed, and have handed over to the company) have sold all, and in their entirety, the Maidan-i-Naphtun, Maidan-i-Naphtek, Tembi, the cart, pipe-line and telephone roads, the boundaries of which are defined on a map, and are demarcated by stone and gatch pillars which the Khans have approved of and accepted.

The above lands are possessed by the Bakhtiaris, and they have been sold with all that is appertaining thereto, together with such springs, streams, &c., that may be therein to the Bakhtiari Oil Company, and the First Exploitation Company for the sum of 22,000*l.*

Of this sum 5,000*l.* has been advanced to the Amir Muffakhan and Amir Mujtehed last year; an instalment of 10,000*l.* will be paid on the 1st June, 1911; a second instalment of 5,000*l.* will be given on the 1st September, 1911, and a sum of 2,000*l.* will be paid (together with the first instalment) to Sardar Muhtesham and Sardar



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٤ و] (٢٩٢/٨٥)



5

Bahadur, as the negotiators and agents for the said lands. All these sums to be paid in Persian currency in Ispahan.

Therefore, the above-mentioned and defined lands hereby become the absolute property of the company, and they have entire proprietary rights over the said lands: to drill wells, to erect machinery, to build houses, to cultivate the land, and to make gardens, &c., and also to utilise any water power of springs or of rivers which may be therein.

The rights under this agreement shall remain in force until the expiry of the Imperial concessions, after which the land and the houses will revert to the khans.

No one of the Lurs has any right to lodge complaint, to interfere, to prevent (i.e. exercise of rights) or to claim ownership of the above-mentioned lands.

Should there occur danger, damage, or loss of any kind to the company, through the agency of any obstructors or any claimants of the land, the khans are responsible for the indemnification for same.

Moreover, no one of the Bakhtiari khans shall have any right to make any further monetary claim in connection with this transaction, and should any one of them do so, it shall be disregarded.

Further, in the future, any Lurs who have hitherto inhabited and cultivated these lands, shall have no right to do so, or to graze their flocks and cattle within these boundaries.

And thus also any Lurs inhabiting the neighbourhood of the said lands shall have no right whatever to enter, to cultivate, or to graze their flocks and cattle within these boundaries.

Should they come and transgress the boundaries or disregard the rights of the company, or cause any damage, the khans shall be held liable in compensation for same.

The maps in which the boundaries of the above-mentioned lands and maidans are defined, have been executed in duplicate: one copy has been accepted and sealed by the khans as correct, and handed over to the company: the other has been signed by the company and handed over to the khans.

The land for the pipe-line and telephone commences from Maidan-i-Naphtun and ends at the Bakhtiari border, at which place the company have built an "umbar" (a shed), the length of this being 17 miles, and the breadth 12 English yards. This also the cart road, which extends from Maidan-i-Naphtun to the Bakhtiari border, is 25 miles in length and 11 English yards in breadth.

A jarib shall be held to mean a piece of land measuring 25 x 40 "Shah" zars, which according to Persian calculation amounts to 1,000 square zars, each zar being the equivalent of 42 English inches.

Furthermore, it is hereby agreed that the company shall not construct any forts for military purposes.

Dated 1st May, 1911, being the equivalent of Jamad-ul-Awal, 1329.

(Sealed) GHULAM HUSSEIN, *Bakhtiari*,
SARDAR MUHTESHAM.

(Sealed) JAAFER KULLI, *Bakhtiari*,
JAAFER KULLI, *ditto*,
SARDAR BAHADUR.

For Bakhtiari Oil Company:
For First Exploitation Company,
M. Y. YOUNG.

Enclosure 3 in No I.

Power of Attorney.

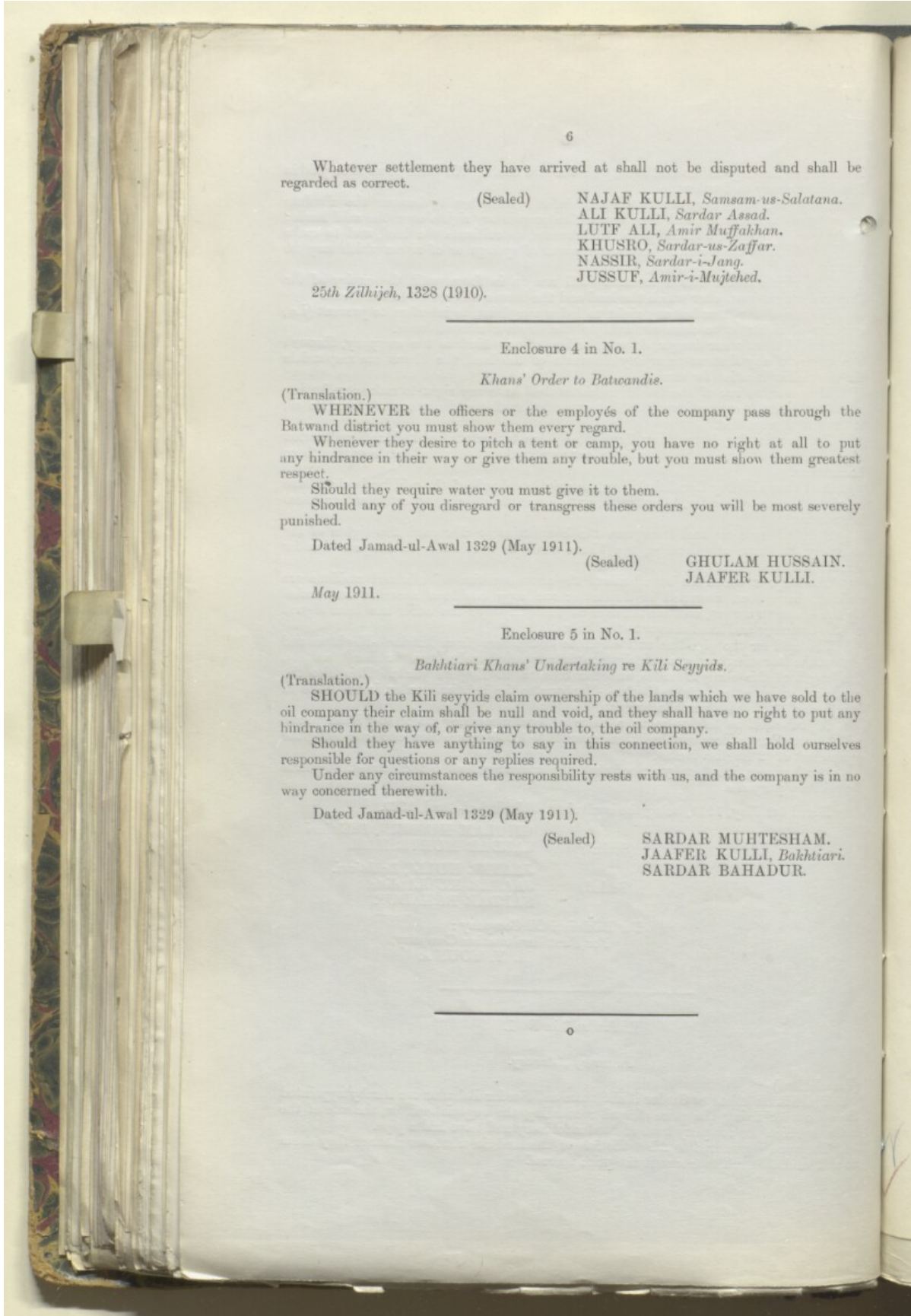
(Translation.)

THEIR Excellencies Sardar Muhtesham and Sardar Bahadur are hereby appointed the agents for fixing the price of, and concluding the negotiations for, the sale of the lands in which the company have erected machinery and have laid a pipe.

They are empowered to effect the sale of the lands in whatever manner they deem fit and advisable and to transmit the price thereof.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤ ظ] (٢٩٢/٨٦)



6

Whatever settlement they have arrived at shall not be disputed and shall be regarded as correct.

(Sealed) NAJAF KULLI, *Samsam-us-Salatana.*
ALI KULLI, *Sardar Assad.*
LUTF ALI, *Amir Muffakhan.*
KHUSRO, *Sardar-us-Zaffar.*
NASSIR, *Sardar-i-Jang.*
JUSSUF, *Amir-i-Mujtehd.*

25th Zilhiyeh, 1328 (1910).

Enclosure 4 in No. 1.

Khans' Order to Batwandis.

(Translation.)

WHENEVER the officers or the employés of the company pass through the Batwand district you must show them every regard.

Whenever they desire to pitch a tent or camp, you have no right at all to put any hindrance in their way or give them any trouble, but you must show them greatest respect.

Should they require water you must give it to them.

Should any of you disregard or transgress these orders you will be most severely punished.

Dated Jamad-ul-Awal 1329 (May 1911).

(Sealed) GHULAM HUSSAIN.
JAAFER KULLI.

May 1911.

Enclosure 5 in No. 1.

Bakhtiari Khans' Undertaking re Kili Seyyids.

(Translation.)

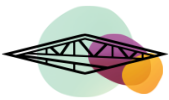
SHOULD the Kili seyids claim ownership of the lands which we have sold to the oil company their claim shall be null and void, and they shall have no right to put any hindrance in the way of, or give any trouble to, the oil company.

Should they have anything to say in this connection, we shall hold ourselves responsible for questions or any replies required.

Under any circumstances the responsibility rests with us, and the company is in no way concerned therewith.

Dated Jamad-ul-Awal 1329 (May 1911).

(Sealed) SARDAR MUHTESHAM.
JAAFER KULLI, *Bakhtiari.*
SARDAR BAHADUR.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٥] [٢٩٢/٨٧]

Register No. 3933 (115)

Minute Paper. Secret Department.

Letter from FO. Dated 19 July 1911. Rec.

Date.	Initials.	SUBJECT.
Under Secretary..... 26 July	act	Persia
Secretary of State 26	KK	The Anglo-Persian Oil Co. & the Bakhtiari Khans.
Under Secretary.....		Mr. Joane's appl. as Vice-Consul at Kasr-i-Shirin.
Secretary of State		Copy to India 21 Sep 1911 Sep. 29

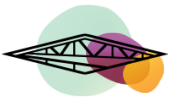
29 July 11

FOR INFORMATION.

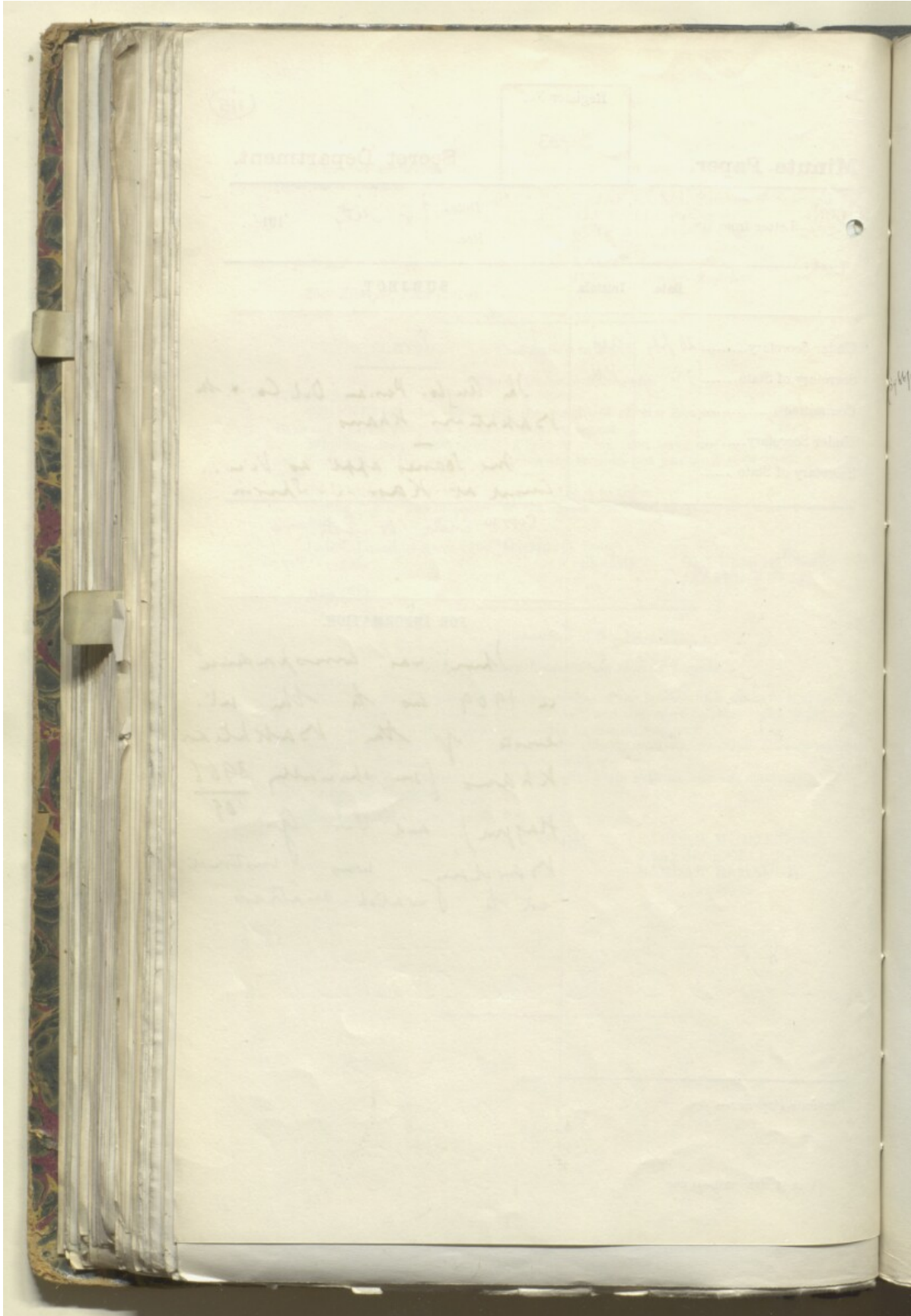
There was correspondence in 1909 as to the interests of the Bakhtiari Khans (see especially 3966, Haggard), and Sir G. W. Murray was instructed to watch matters.

Previous Papers:—

9540. I. 2127. 2000.—11/1910.

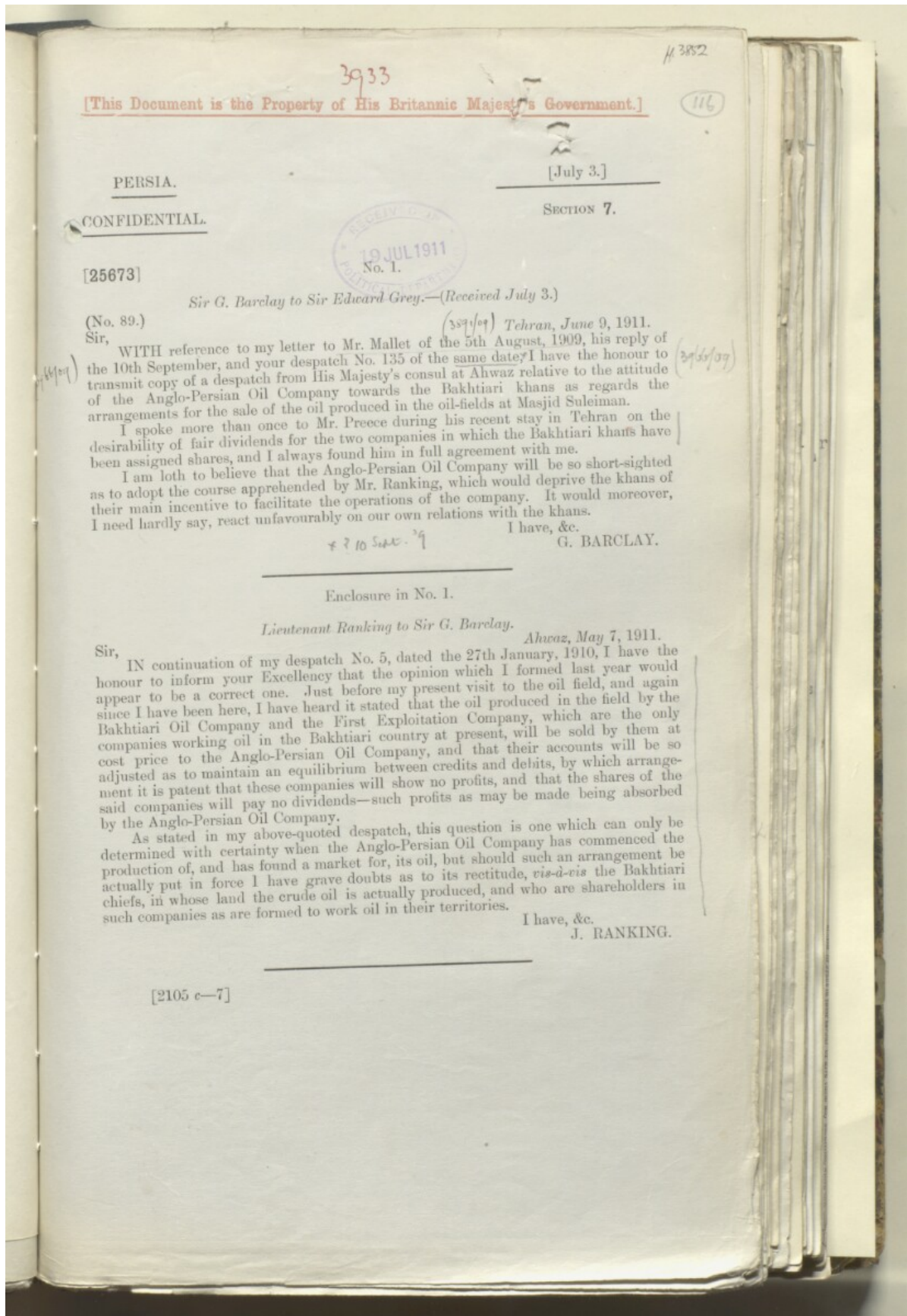


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٥ ظ] (٢٩٢/٨٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٦ و] [٢٩٢/٨٩]



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PERSIA.

[July 3.]

CONFIDENTIAL.

SECTION 7.

[25673]

Sir G. Barclay to Sir Edward Grey.—(Received July 3.)

(No. 89.)

(٣٥٩/٥٩) Tehran, June 9, 1911.

Sir,

WITH reference to my letter to Mr. Mallet of the 5th August, 1909, his reply of the 10th September, and your despatch No. 135 of the same date, I have the honour to transmit copy of a despatch from His Majesty's consul at Ahwaz relative to the attitude of the Anglo-Persian Oil Company towards the Bakhtiari khans as regards the arrangements for the sale of the oil produced in the oil-fields at Masjid Suleiman.

I spoke more than once to Mr. Preece during his recent stay in Tehran on the desirability of fair dividends for the two companies in which the Bakhtiari khans have been assigned shares, and I always found him in full agreement with me.

I am loth to believe that the Anglo-Persian Oil Company will be so short-sighted as to adopt the course apprehended by Mr. Ranking, which would deprive the khans of their main incentive to facilitate the operations of the company. It would moreover, I need hardly say, react unfavourably on our own relations with the khans.

I have, &c.

G. BARCLAY.

Enclosure in No. 1.

Lieutenant Ranking to Sir G. Barclay.

Ahwaz, May 7, 1911.

Sir,

IN continuation of my despatch No. 5, dated the 27th January, 1910, I have the honour to inform your Excellency that the opinion which I formed last year would appear to be a correct one. Just before my present visit to the oil field, and again since I have been here, I have heard it stated that the oil produced in the field by the Bakhtiari Oil Company and the First Exploitation Company, which are the only companies working oil in the Bakhtiari country at present, will be sold by them at cost price to the Anglo-Persian Oil Company, and that their accounts will be so adjusted as to maintain an equilibrium between credits and debits, by which arrangement it is patent that these companies will show no profits, and that the shares of the said companies will pay no dividends—such profits as may be made being absorbed by the Anglo-Persian Oil Company.

As stated in my above-quoted despatch, this question is one which can only be determined with certainty when the Anglo-Persian Oil Company has commenced the production of, and has found a market for, its oil, but should such an arrangement be actually put in force I have grave doubts as to its rectitude, *vis-à-vis* the Bakhtiari chiefs, in whose land the crude oil is actually produced, and who are shareholders in such companies as are formed to work oil in their territories.

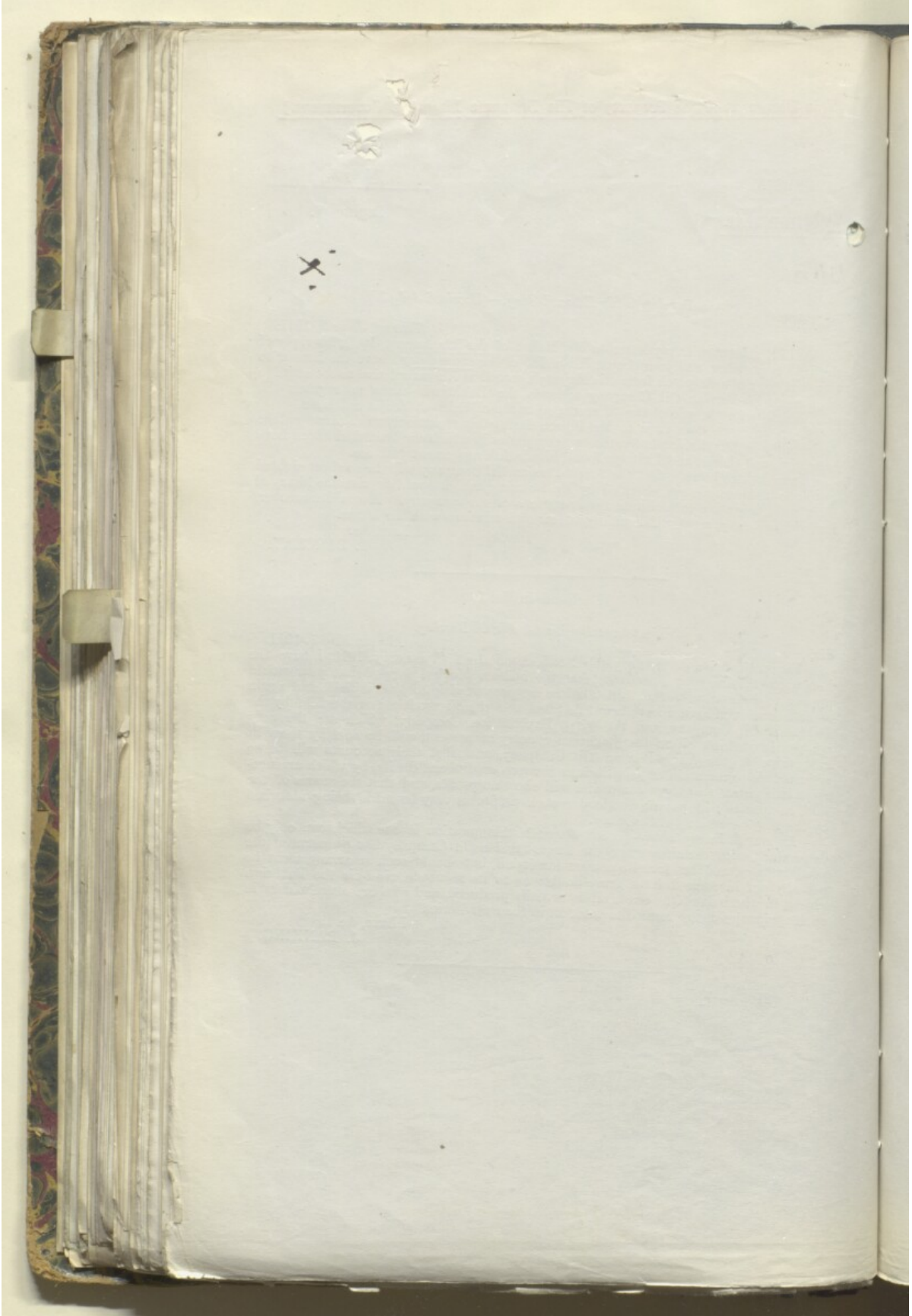
I have, &c.

J. RANKING.

[2105 c-7]

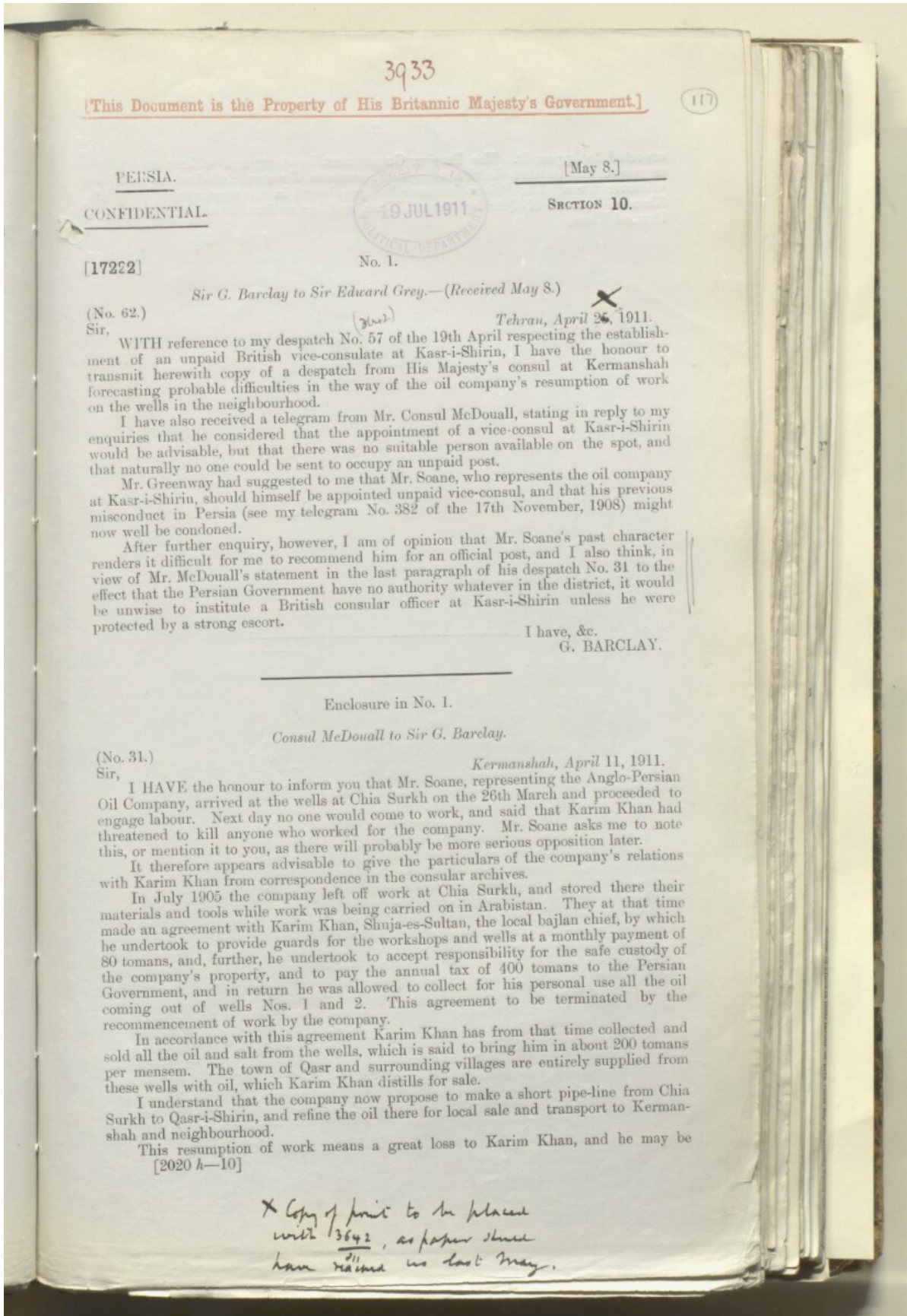


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١١٦ ظ] (٢٩٢/٩٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧/١] [٢٩٢/٩١]



3933

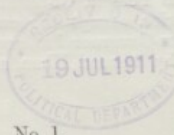
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(117)

PERSIA.

[May 8.]

CONFIDENTIAL



SECTION 10.

[17222]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received May 8.)

(No. 62.)
Sir,

(تبراز)

Tehran, April 26, 1911.

WITH reference to my despatch No. 57 of the 19th April respecting the establishment of an unpaid British vice-consulate at Kasr-i-Shirin, I have the honour to transmit herewith copy of a despatch from His Majesty's consul at Kermanshah forecasting probable difficulties in the way of the oil company's resumption of work on the wells in the neighbourhood.

I have also received a telegram from Mr. Consul McDouall, stating in reply to my enquiries that he considered that the appointment of a vice-consul at Kasr-i-Shirin would be advisable, but that there was no suitable person available on the spot, and that naturally no one could be sent to occupy an unpaid post.

Mr. Greenway had suggested to me that Mr. Soane, who represents the oil company at Kasr-i-Shirin, should himself be appointed unpaid vice-consul, and that his previous misconduct in Persia (see my telegram No. 382 of the 17th November, 1908) might now well be condoned.

After further enquiry, however, I am of opinion that Mr. Soane's past character renders it difficult for me to recommend him for an official post, and I also think, in view of Mr. McDouall's statement in the last paragraph of his despatch No. 31 to the effect that the Persian Government have no authority whatever in the district, it would be unwise to institute a British consular officer at Kasr-i-Shirin unless he were protected by a strong escort.

I have, &c.
G. BARCLAY.

Enclosure in No. 1.

Consul McDouall to Sir G. Barclay.

(No. 31.)
Sir,

Kermanshah, April 11, 1911.

I HAVE the honour to inform you that Mr. Soane, representing the Anglo-Persian Oil Company, arrived at the wells at Chia Surkh on the 26th March and proceeded to engage labour. Next day no one would come to work, and said that Karim Khan had threatened to kill anyone who worked for the company. Mr. Soane asks me to note this, or mention it to you, as there will probably be more serious opposition later.

It therefore appears advisable to give the particulars of the company's relations with Karim Khan from correspondence in the consular archives.

In July 1905 the company left off work at Chia Surkh, and stored there their materials and tools while work was being carried on in Arabistan. They at that time made an agreement with Karim Khan, Shuja-es-Sultan, the local bajlan chief, by which he undertook to provide guards for the workshops and wells at a monthly payment of 80 tomans, and, further, he undertook to accept responsibility for the safe custody of the company's property, and to pay the annual tax of 400 tomans to the Persian Government, and in return he was allowed to collect for his personal use all the oil coming out of wells Nos. 1 and 2. This agreement to be terminated by the recommencement of work by the company.

In accordance with this agreement Karim Khan has from that time collected and sold all the oil and salt from the wells, which is said to bring him in about 200 tomans per mensem. The town of Qasr and surrounding villages are entirely supplied from these wells with oil, which Karim Khan distills for sale.

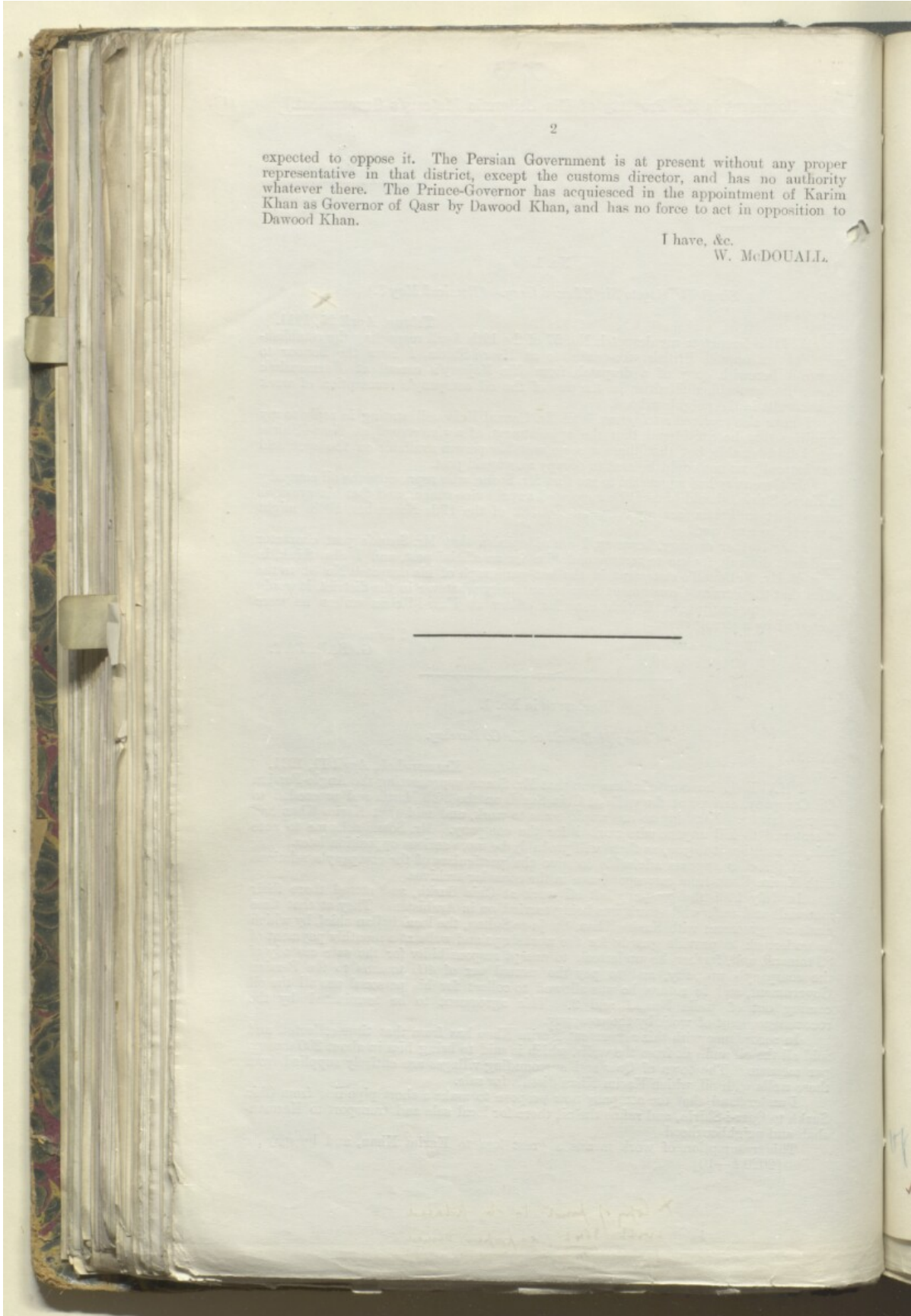
I understand that the company now propose to make a short pipe-line from Chia Surkh to Qasr-i-Shirin, and refine the oil there for local sale and transport to Kermanshah and neighbourhood.

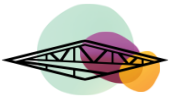
This resumption of work means a great loss to Karim Khan, and he may be
[2020 h—10]

X Copy of joint to be placed
with 3642, as paper should
have raised us last May.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٧ ظ] (٢٩٢/٩٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٨ و] (٢٩٢/٩٣)

Register No. 3852 (118)

Minute Paper. Secret Department.

Letter from J.O. Dated } 13 July 1911.
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	18 July	act	Persia.
Secretary of State	19	W	Anglo-Persian Oil Co.'s operations at Kahr-i-Shirin.
Committee			Mr. Soane's app't as Vice Consul.
Under Secretary.....			
Secretary of State			

Copy to India 14 July 1911
Sey. 28
(tel. to Sir (Barclay) 4 Aug 1911)

FOR INFORMATION.

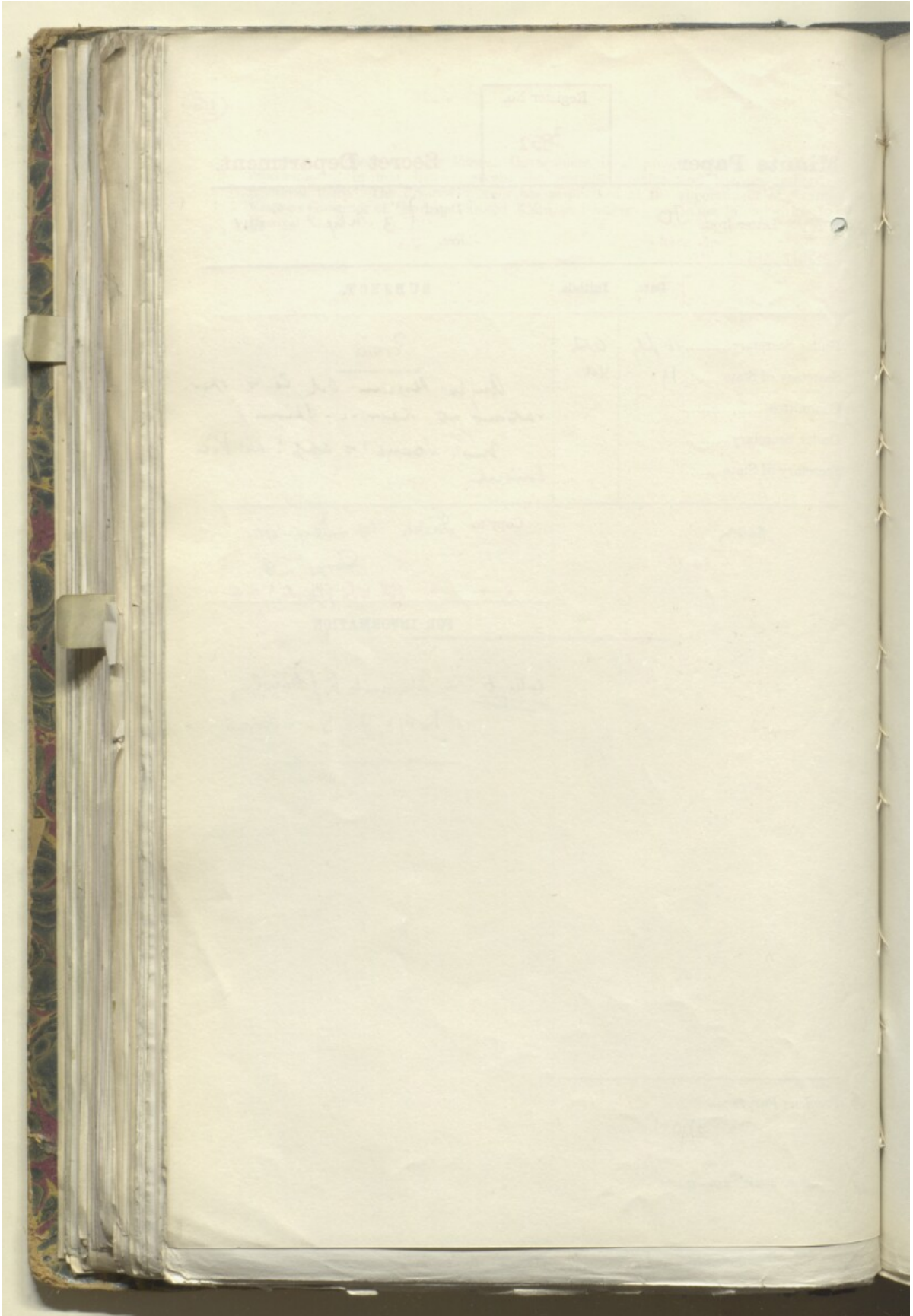
4 Aug. - Telegram to Sir S. Barclay, no. 193, July 8 - added.

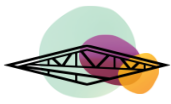
Previous Papers:—
3790-1

9549. I. 2127. 2000.—11, 1910.

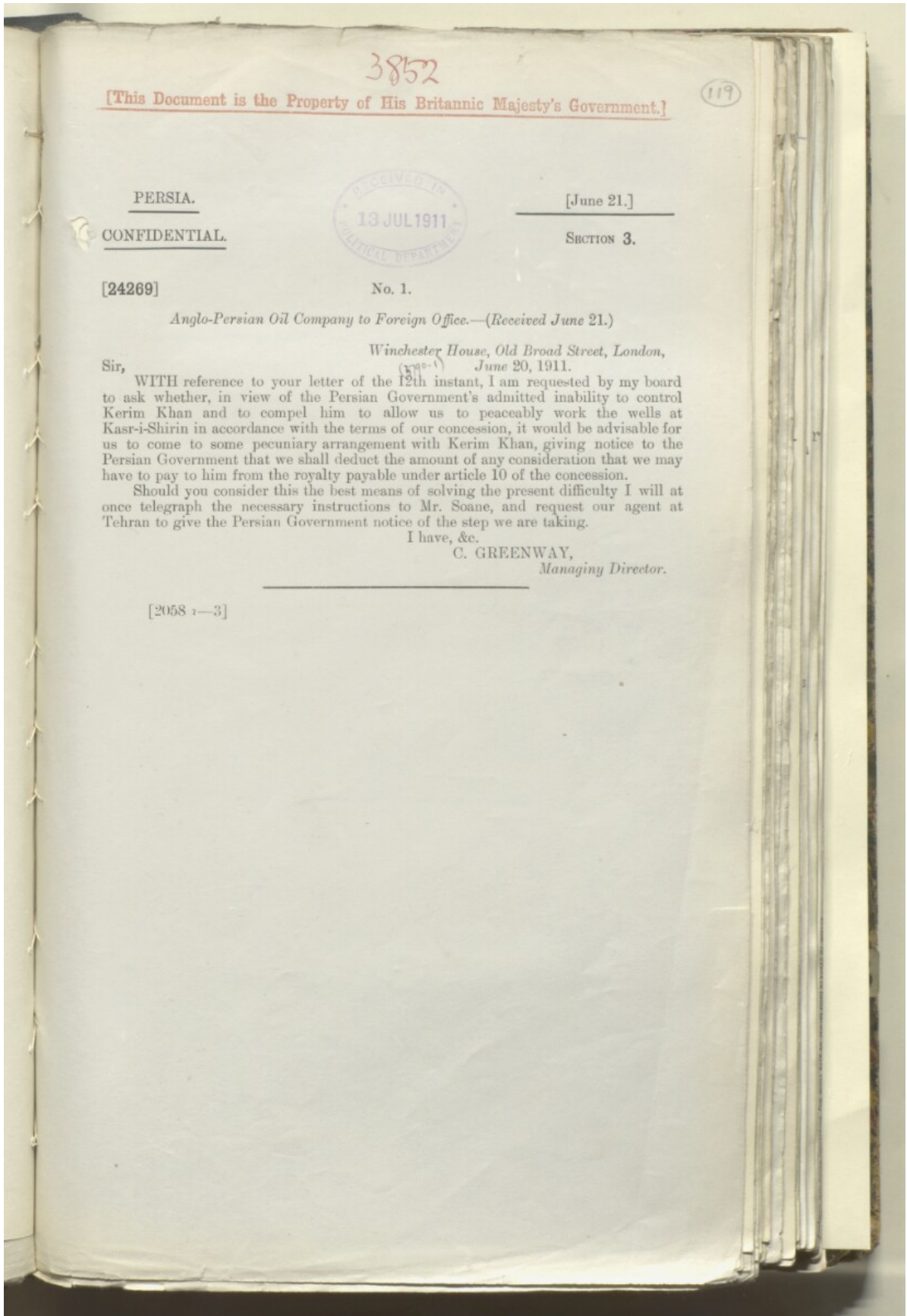


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٨ ظ] (٢٩٢/٩٤)



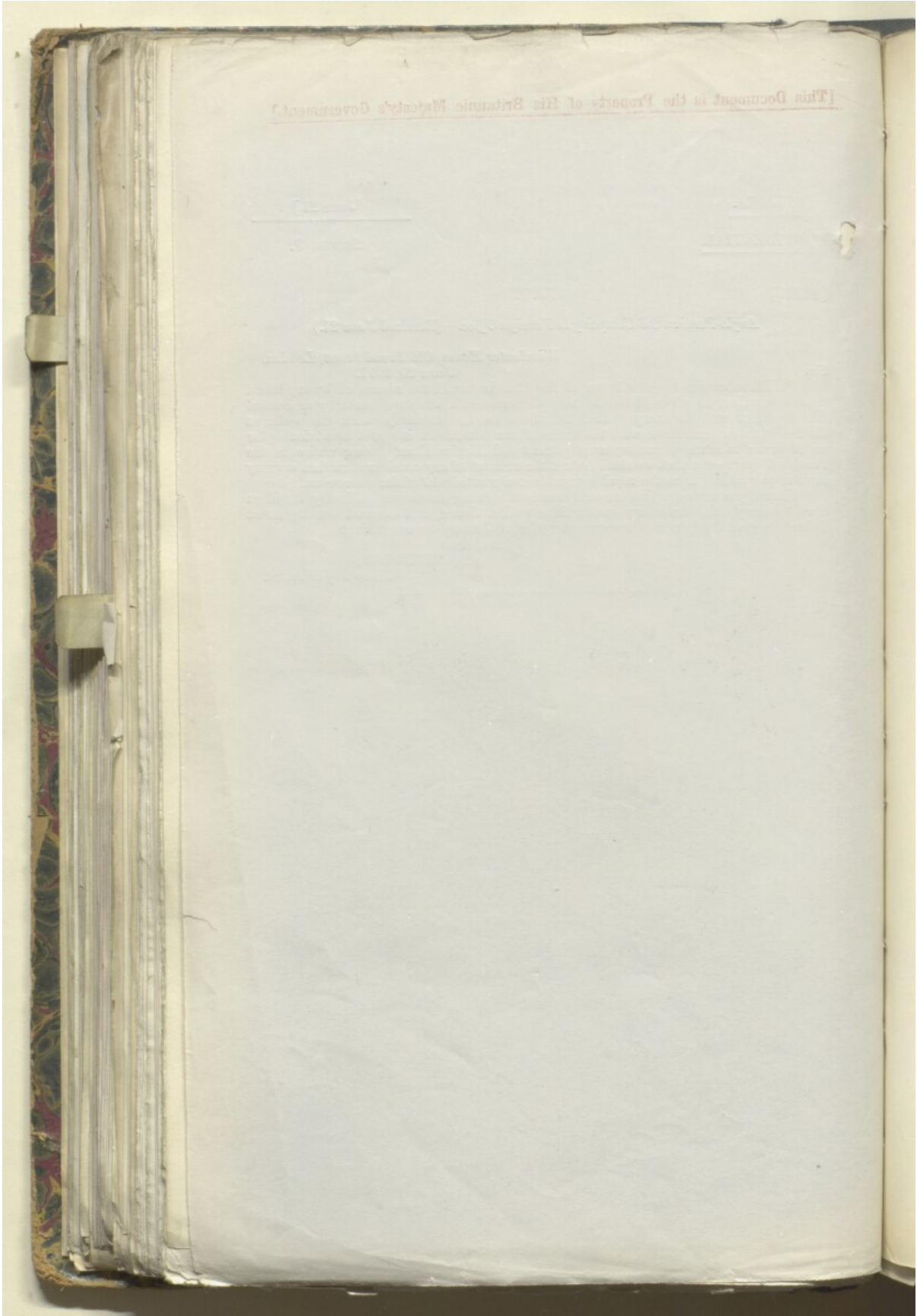


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١١٩ و] (٢٩٢/٩٥)



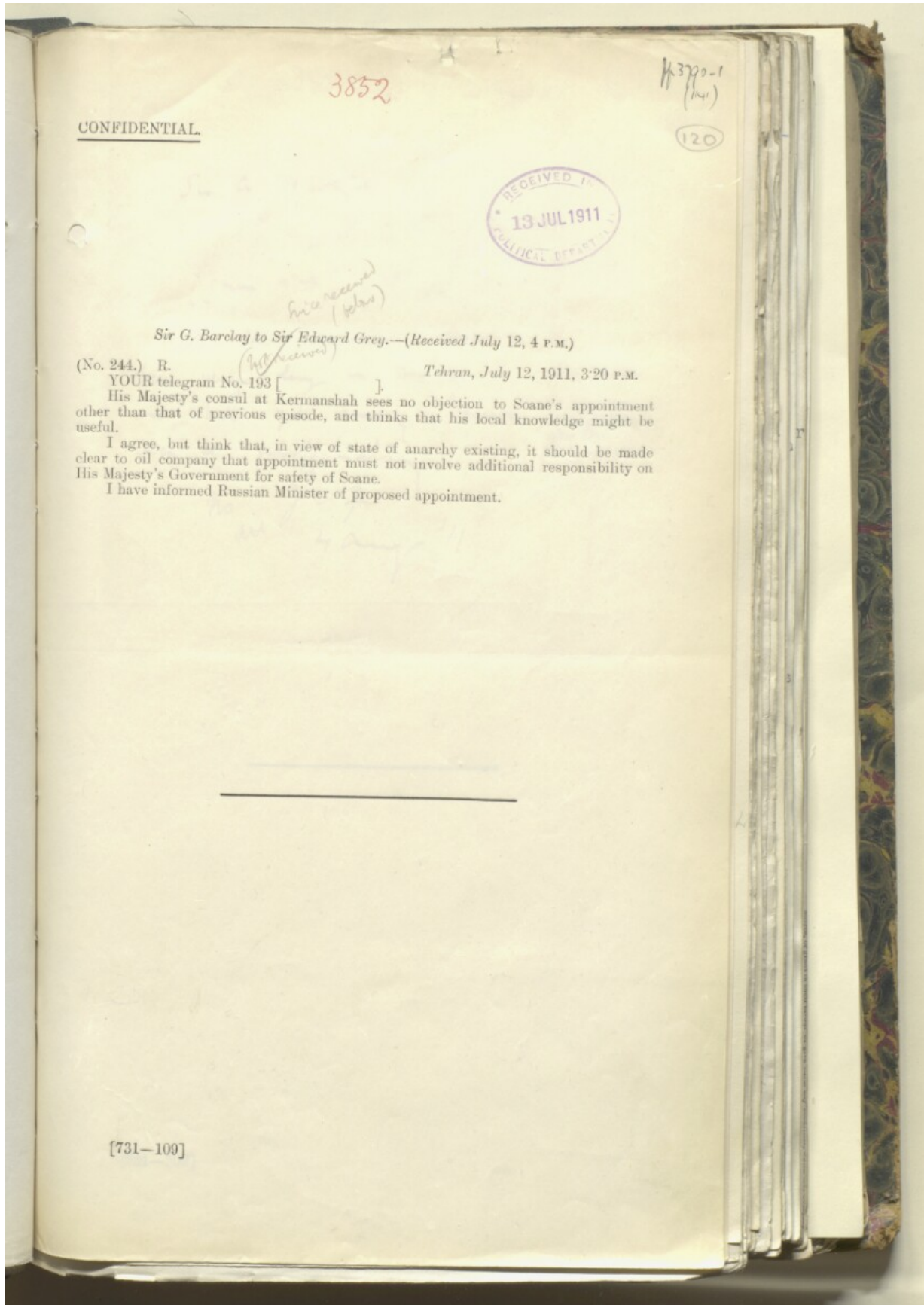


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٩١ ظ] (٢٩٢/٩٦)



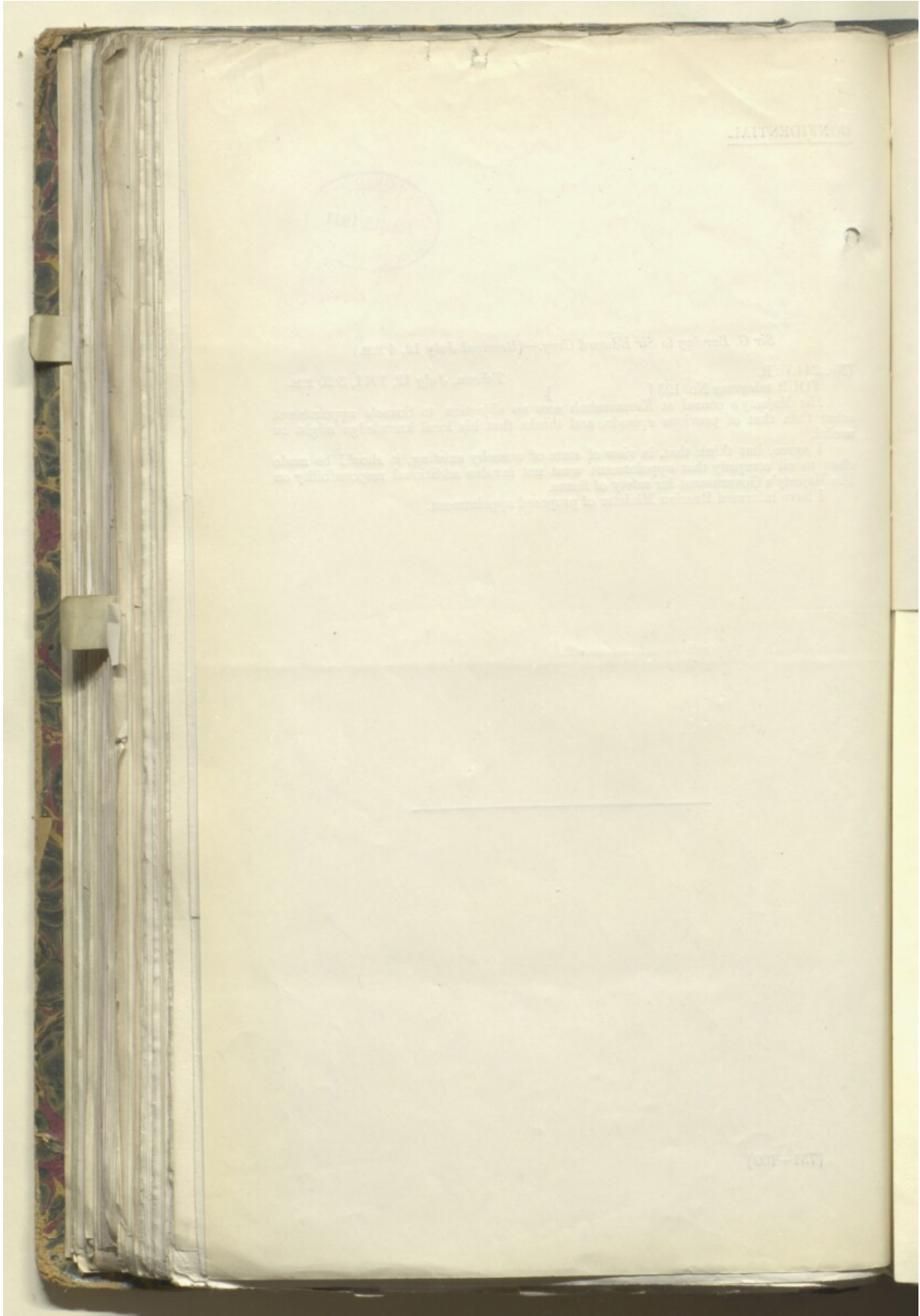


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٠] (٢٩٢/٩٧)



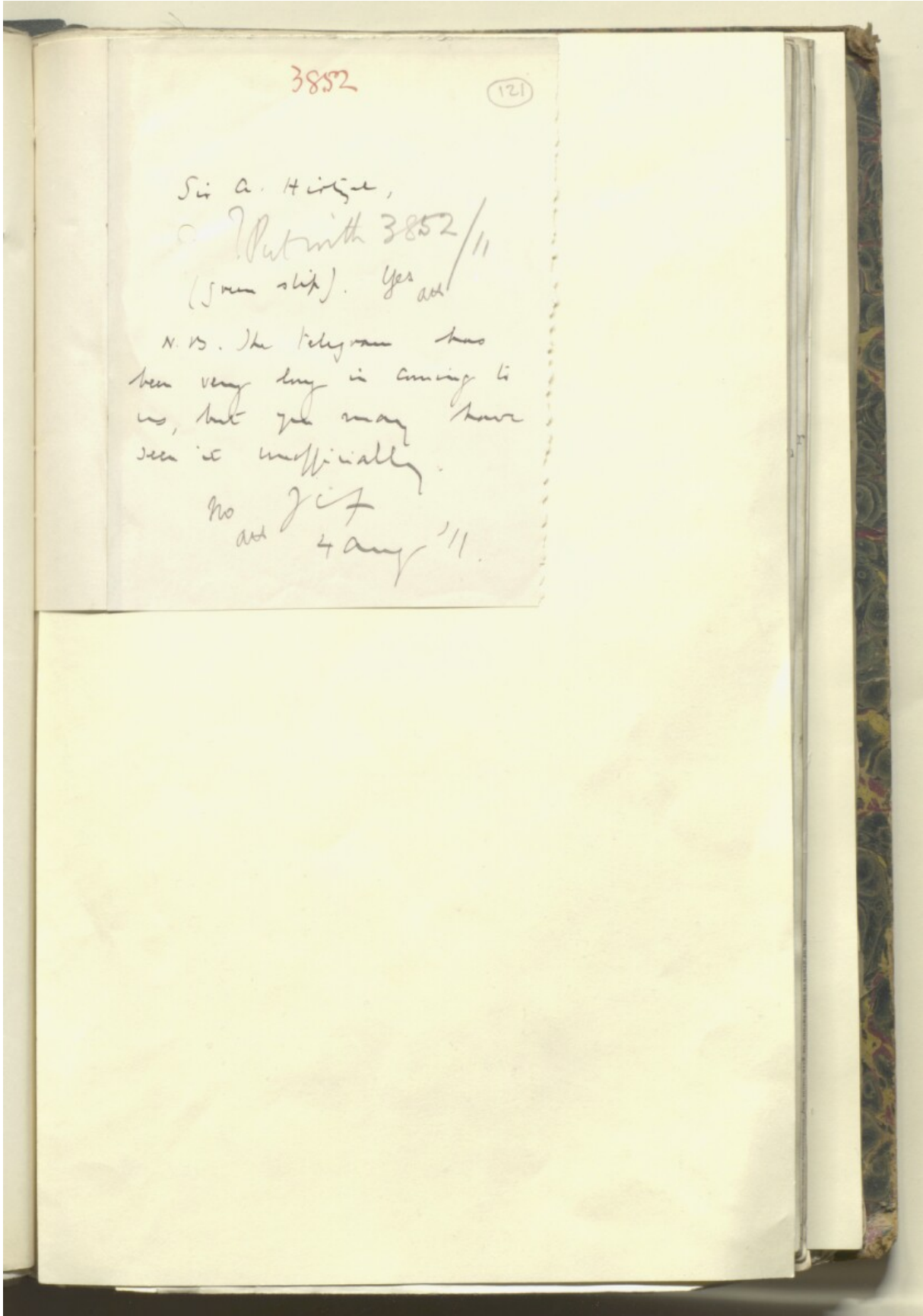


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٢٠ ظ] (٢٩٢/٩٨)



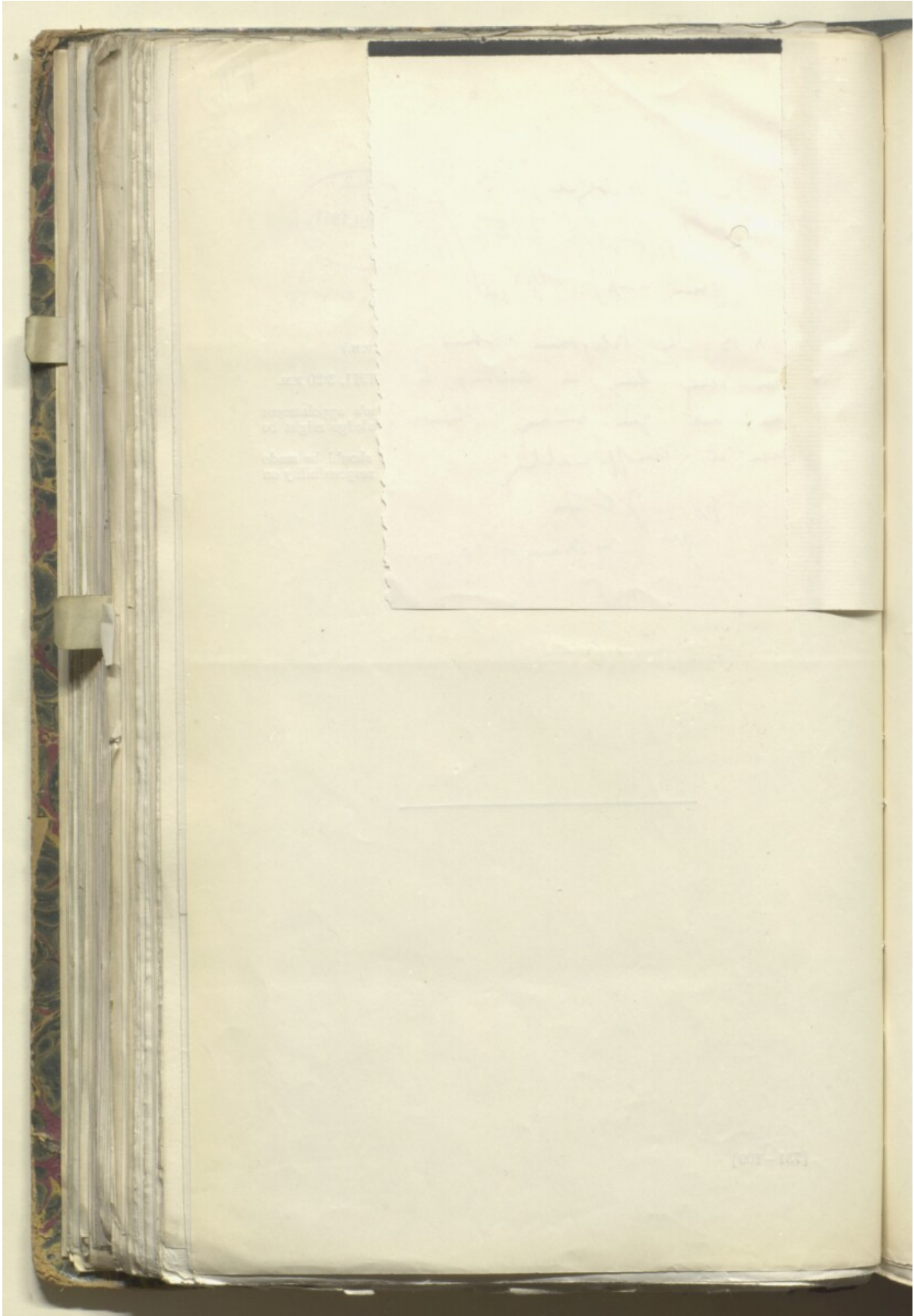


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٢١ و] (٢٩٢/٩٩)



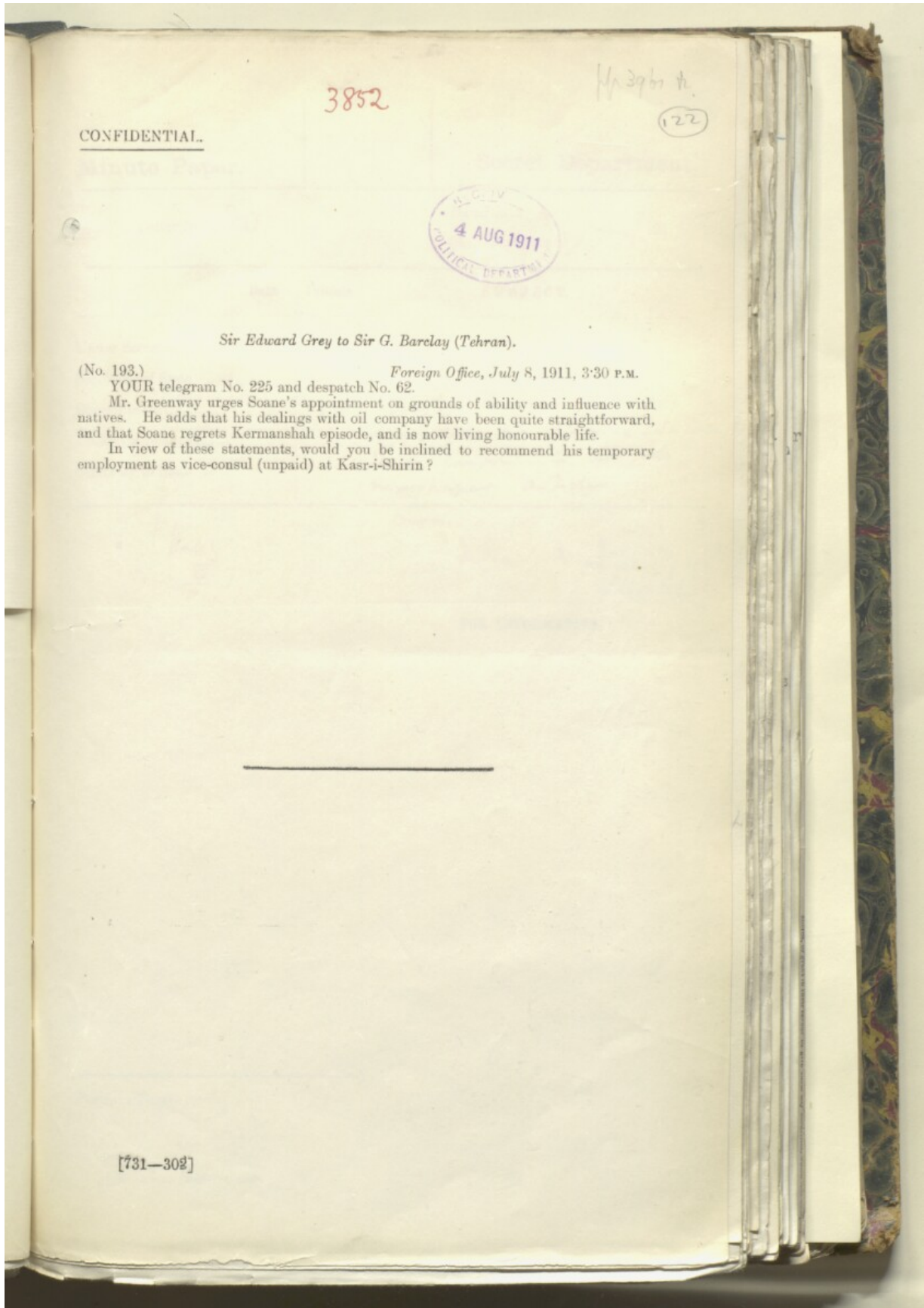


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٢١ظ] (٢٩٢/١٠٠)



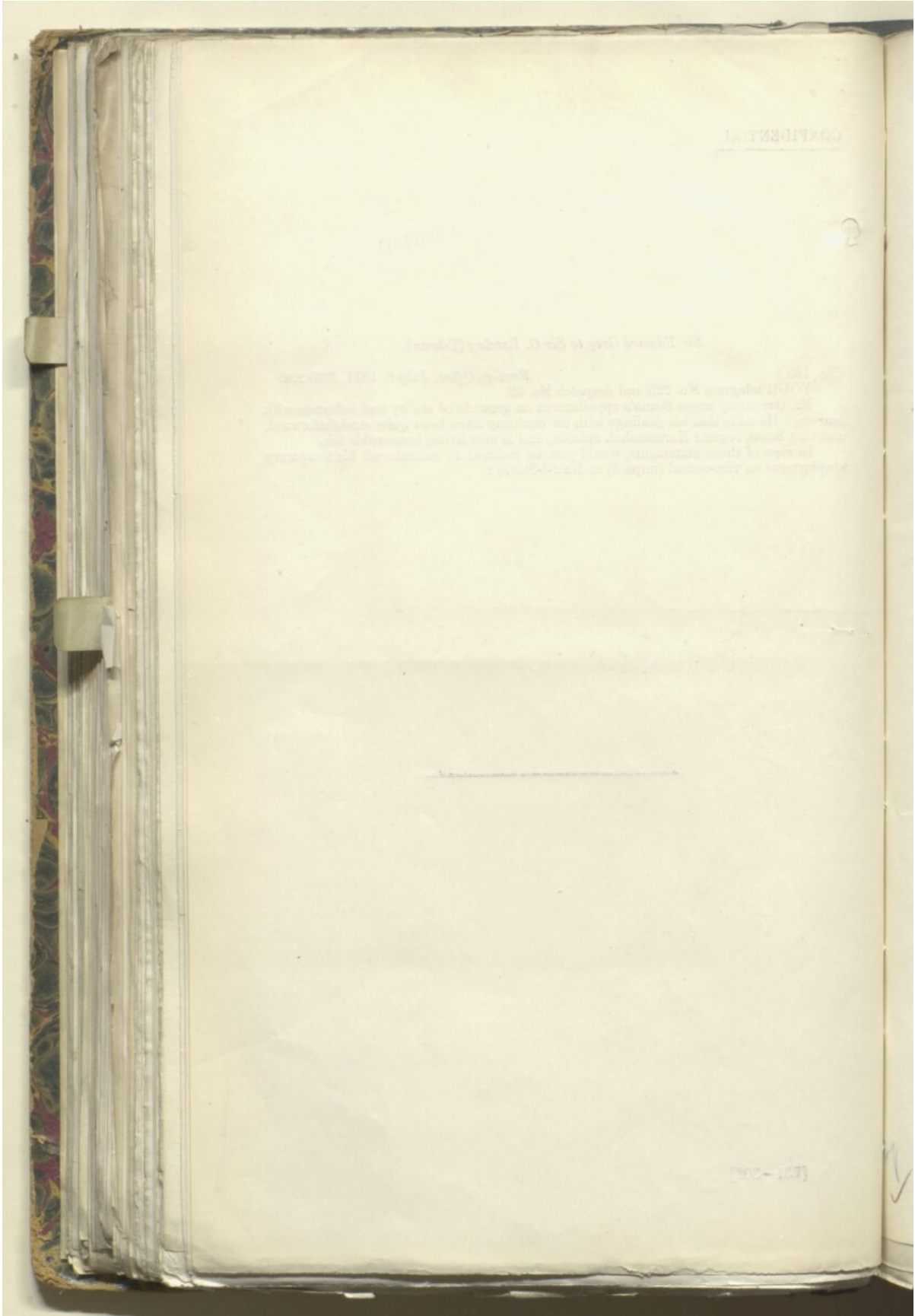


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٢و] (٢٩٢/١٠١)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٢ظ] (٢٩٢/١٠٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٢٣ و] [٢٩٢/١٠٣]

(123)

Register No. 3790-1

Minute Paper. **Secret Department.**

Letters from 70, Dated 21, 27, 28 } June 1911.
Rec. 26, 27, 29 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	5 July	AK	Persia. Anglo-Persian Oil Co.'s difficulties at Kasr-i-Shirin. Their complaints as to newspaper articles.
Secretary of State	6	AK	
Committee			
Under Secretary.....			
Secretary of State			

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Copy to India. 30 June 1911
Sep. 26

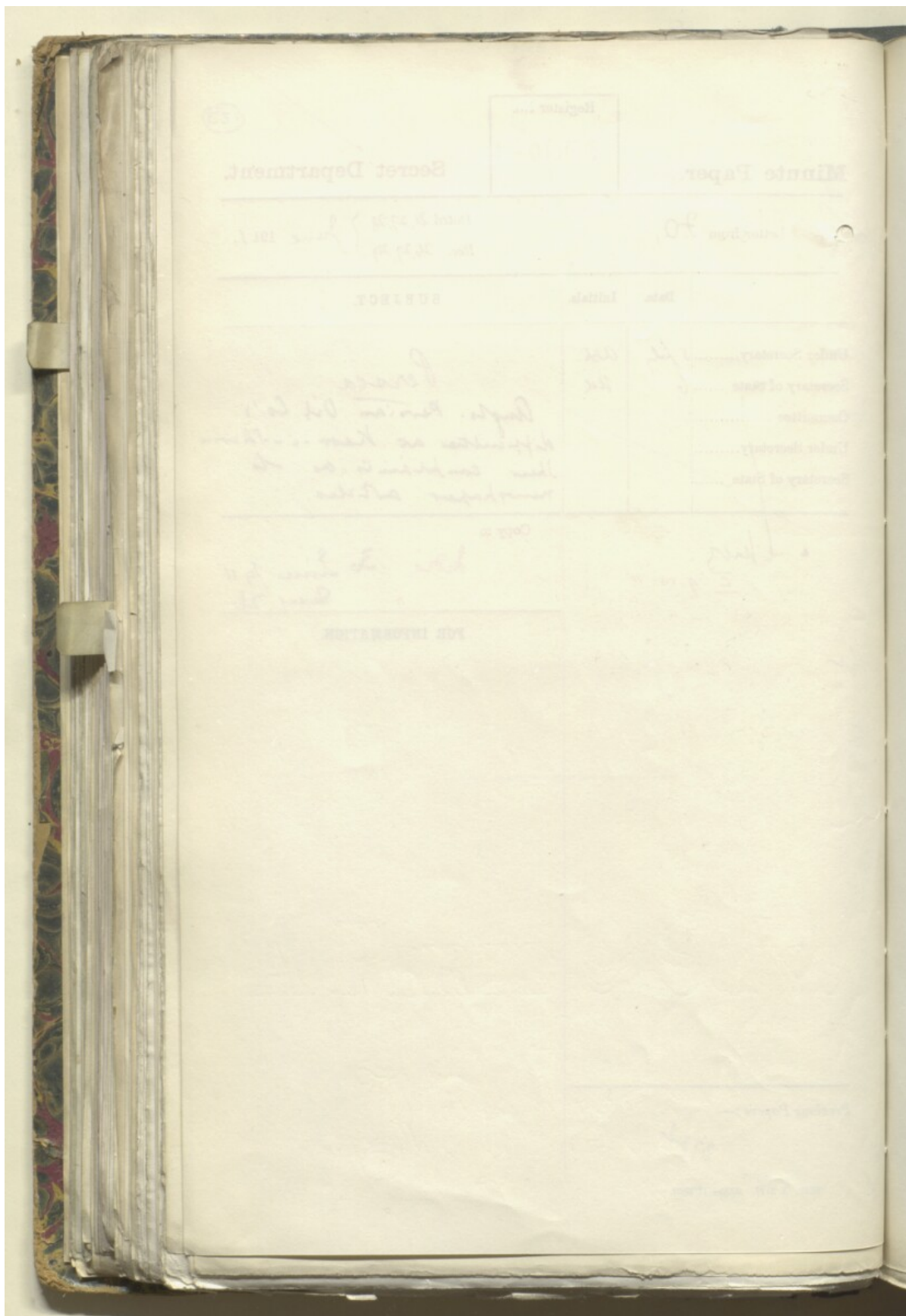
FOR INFORMATION.

Previous Papers:—
3722

9549. I. 2127. 2000.—11/1910.

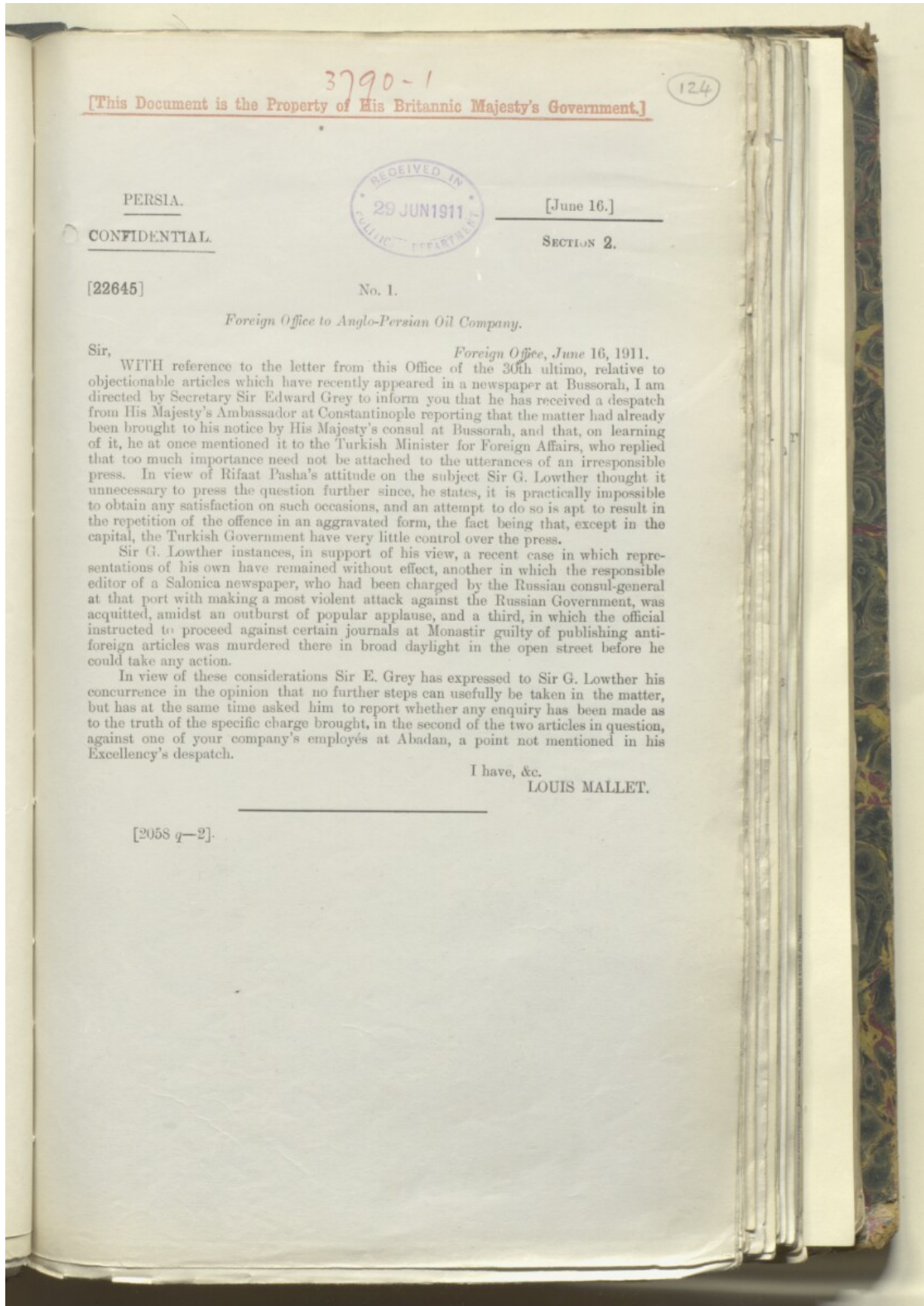


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٣ظ] (٢٩٢/١٠٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٤و] (٢٩٢/١٠٥)



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3790-1

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PERSIA.

CONFIDENTIAL



[June 16.]

SECTION 2.

[22645]

No. 1.

Foreign Office to Anglo-Persian Oil Company.

Sir,

Foreign Office, June 16, 1911.

WITH reference to the letter from this Office of the 30th ultimo, relative to objectionable articles which have recently appeared in a newspaper at Bussorah, I am directed by Secretary Sir Edward Grey to inform you that he has received a despatch from His Majesty's Ambassador at Constantinople reporting that the matter had already been brought to his notice by His Majesty's consul at Bussorah, and that, on learning of it, he at once mentioned it to the Turkish Minister for Foreign Affairs, who replied that too much importance need not be attached to the utterances of an irresponsible press. In view of Rifaat Pasha's attitude on the subject Sir G. Lowther thought it unnecessary to press the question further since, he states, it is practically impossible to obtain any satisfaction on such occasions, and an attempt to do so is apt to result in the repetition of the offence in an aggravated form, the fact being that, except in the capital, the Turkish Government have very little control over the press.

Sir G. Lowther instances, in support of his view, a recent case in which representations of his own have remained without effect, another in which the responsible editor of a Salonica newspaper, who had been charged by the Russian consul-general at that port with making a most violent attack against the Russian Government, was acquitted, amidst an outburst of popular applause, and a third, in which the official instructed to proceed against certain journals at Monastir guilty of publishing anti-foreign articles was murdered there in broad daylight in the open street before he could take any action.

In view of these considerations Sir E. Grey has expressed to Sir G. Lowther his concurrence in the opinion that no further steps can usefully be taken in the matter, but has at the same time asked him to report whether any enquiry has been made as to the truth of the specific charge brought, in the second of the two articles in question, against one of your company's employes at Abadan, a point not mentioned in his Excellency's despatch.

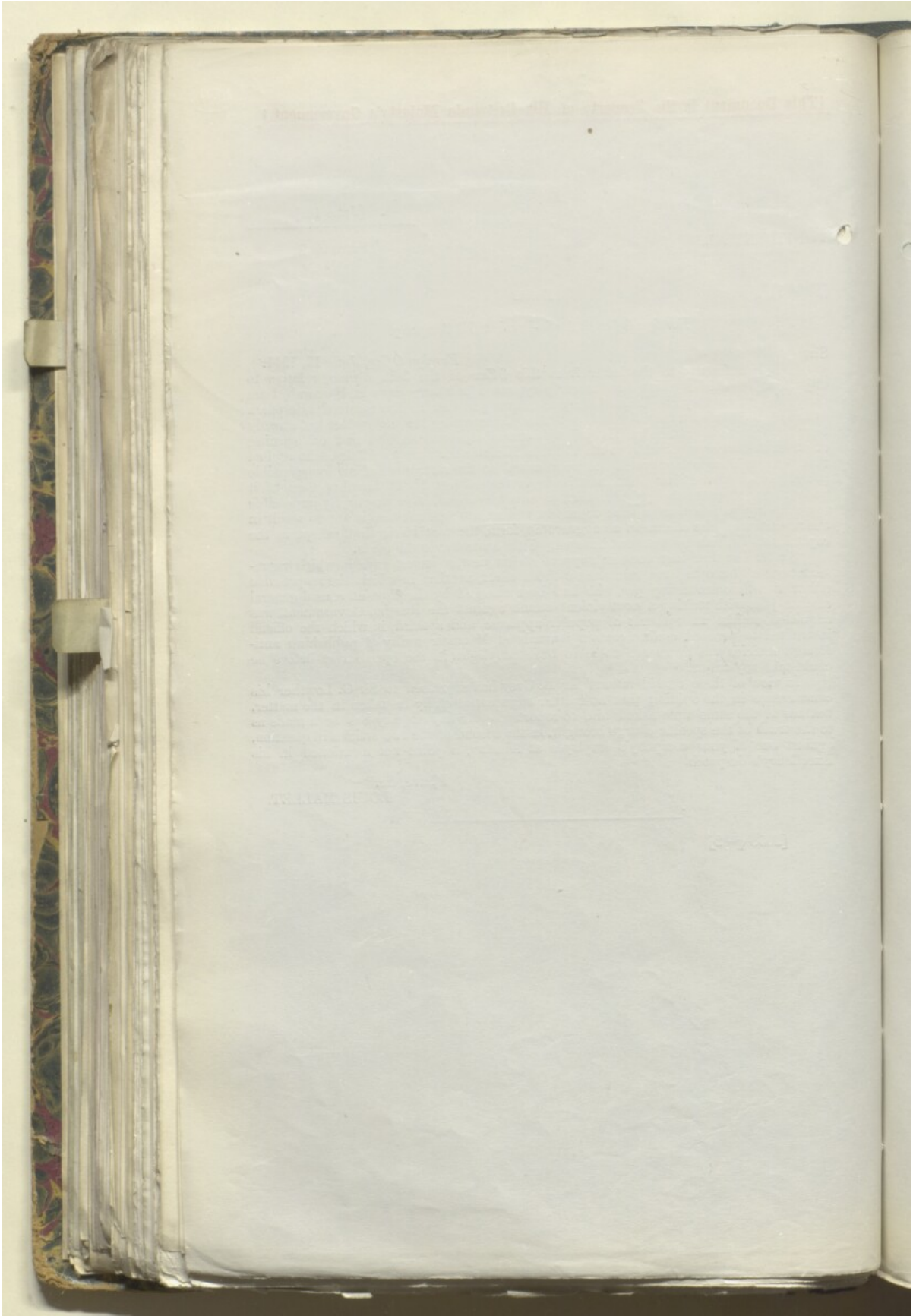
I have, &c.

LOUIS MALLET.

[2058 q-2].

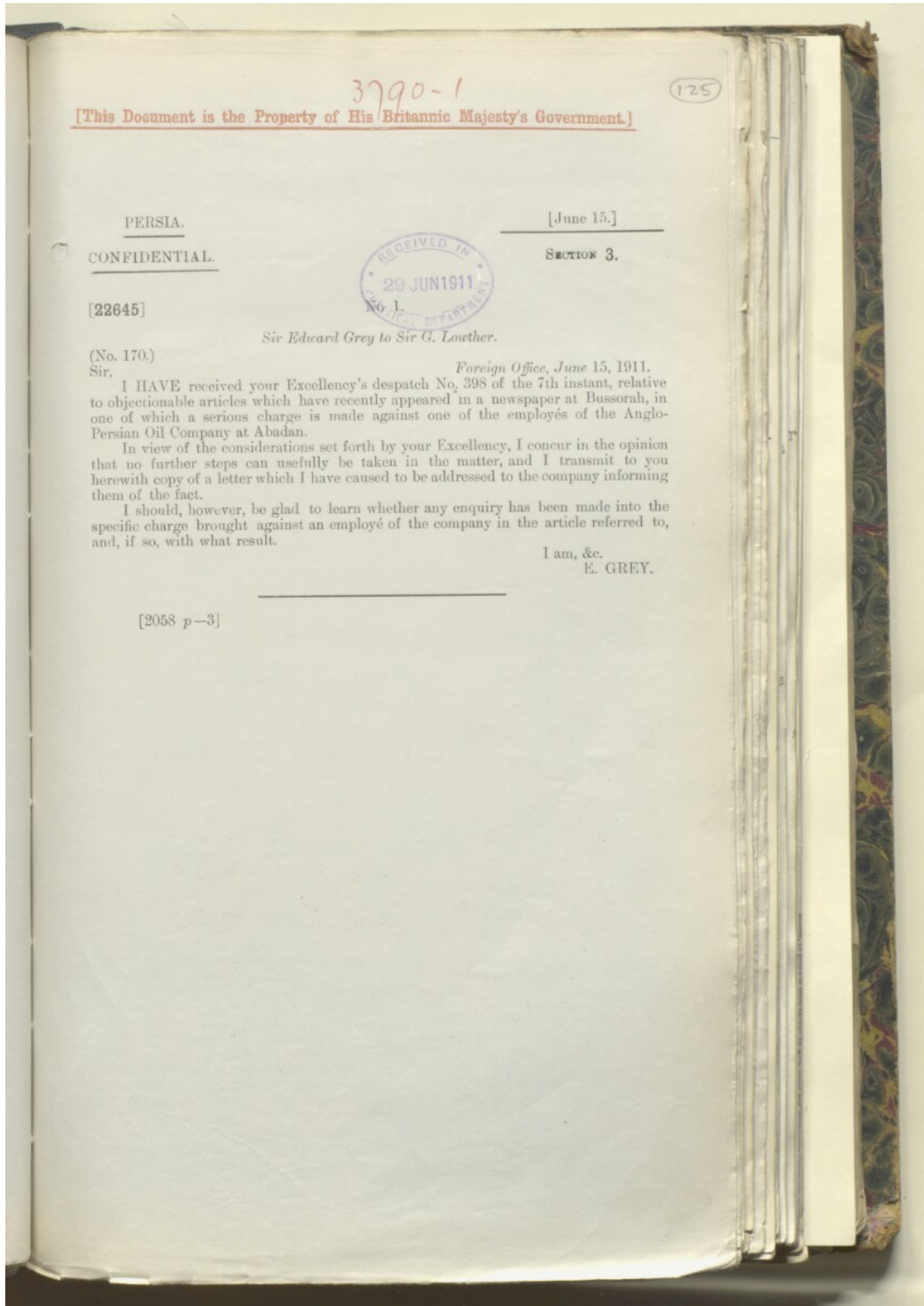


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٢٤ظ] (٢٩٢/١٠٦)



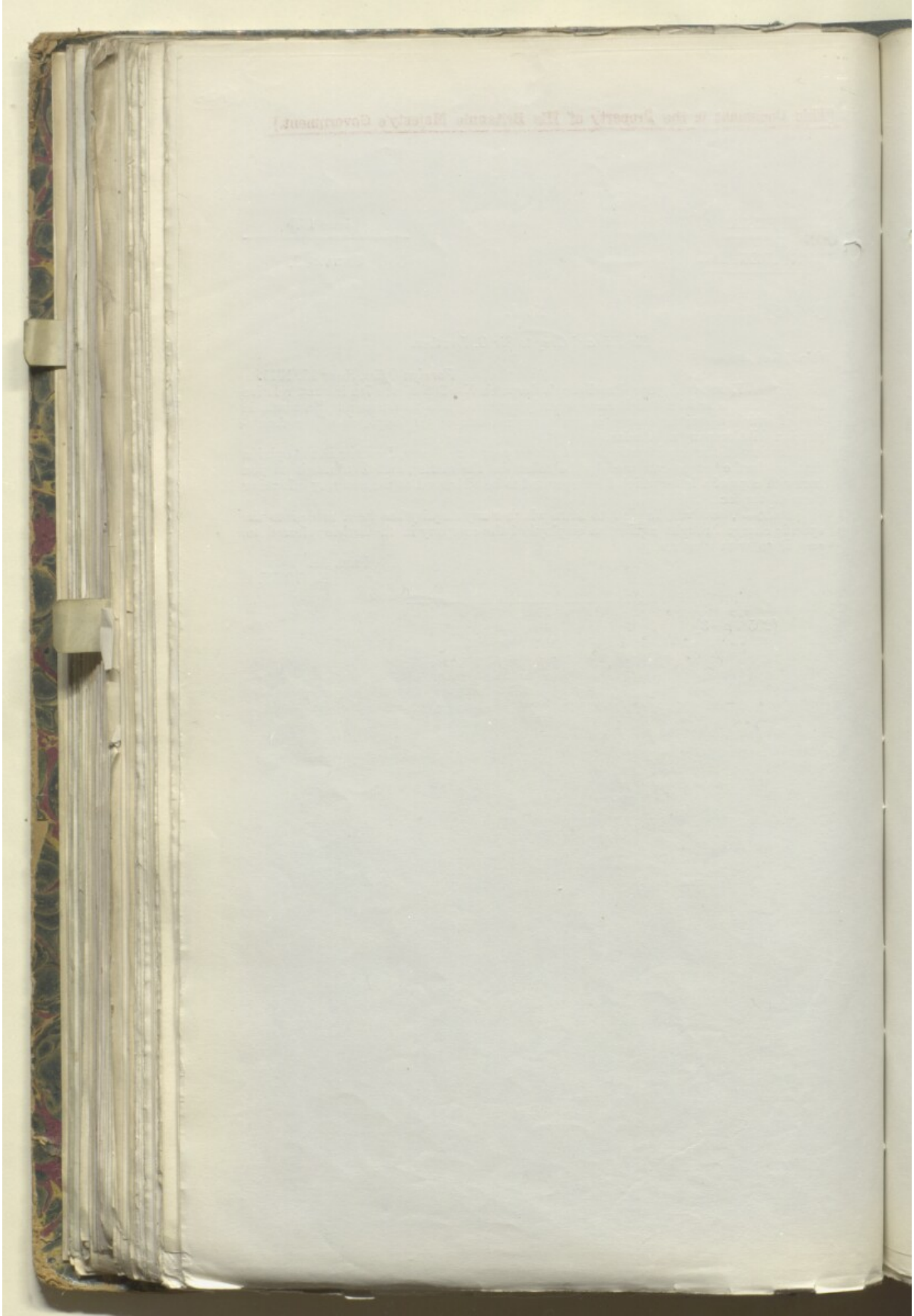


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٥] [٢٩٢/١٠٧]



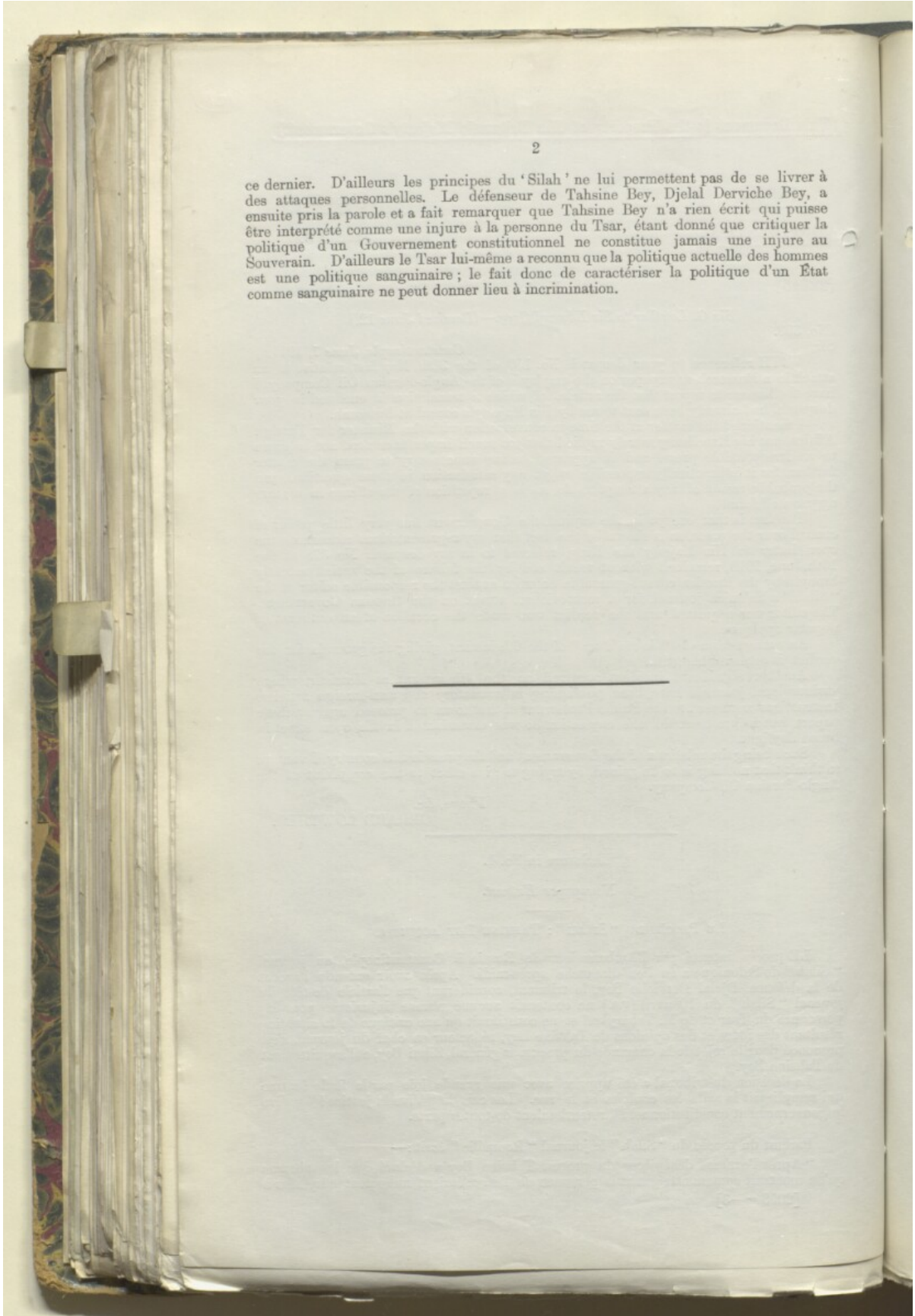


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٢٥ظ] (٢٩٢/١٠٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٦ظ] (٢٩٢/١١٠)

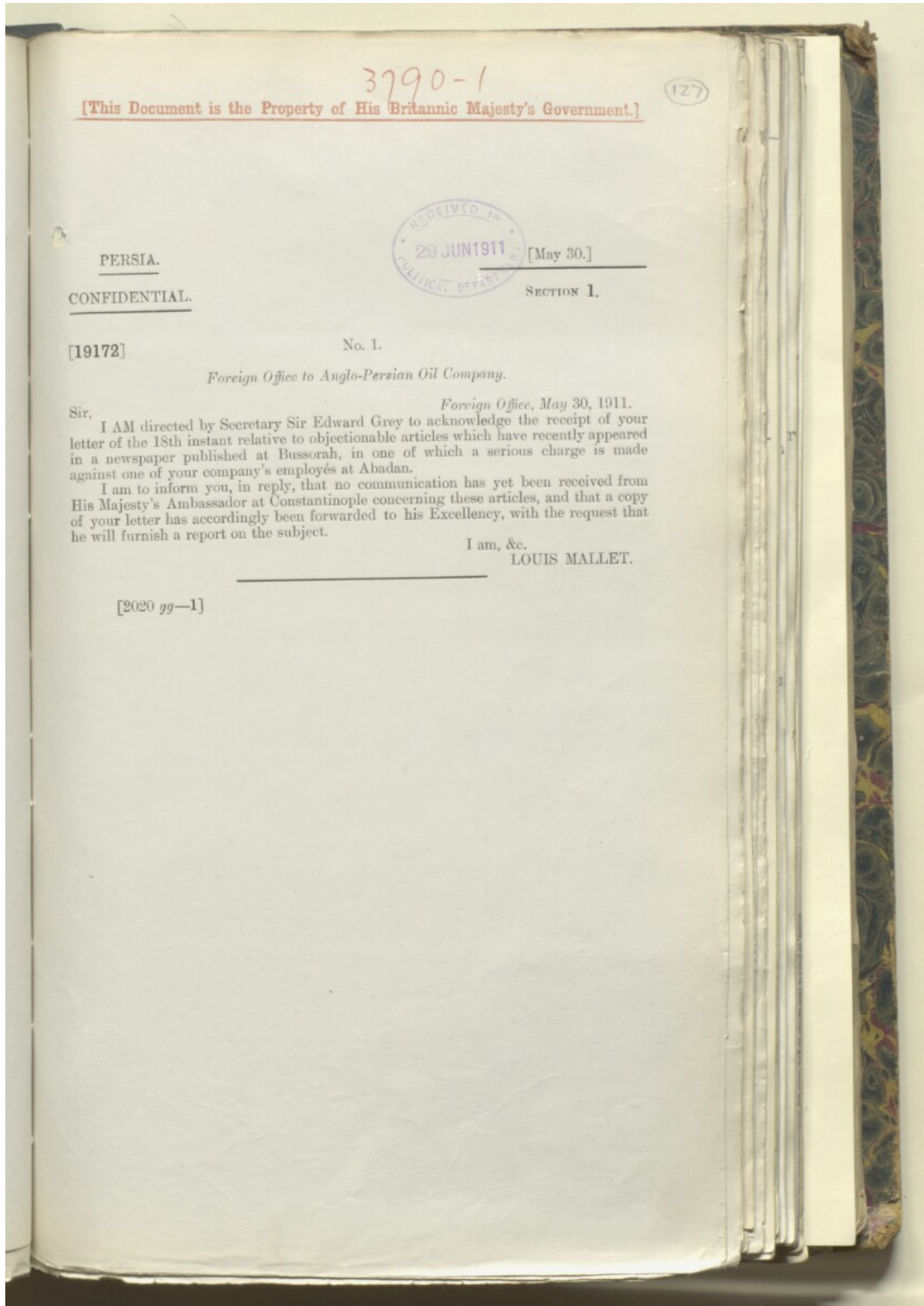


2

ce dernier. D'ailleurs les principes du 'Silah' ne lui permettent pas de se livrer à des attaques personnelles. Le défenseur de Tahsine Bey, Djelal Derviche Bey, a ensuite pris la parole et a fait remarquer que Tahsine Bey n'a rien écrit qui puisse être interprété comme une injure à la personne du Tsar, étant donné que critiquer la politique d'un Gouvernement constitutionnel ne constitue jamais une injure au Souverain. D'ailleurs le Tsar lui-même a reconnu que la politique actuelle des hommes est une politique sanguinaire; le fait donc de caractériser la politique d'un État comme sanguinaire ne peut donner lieu à incrimination.

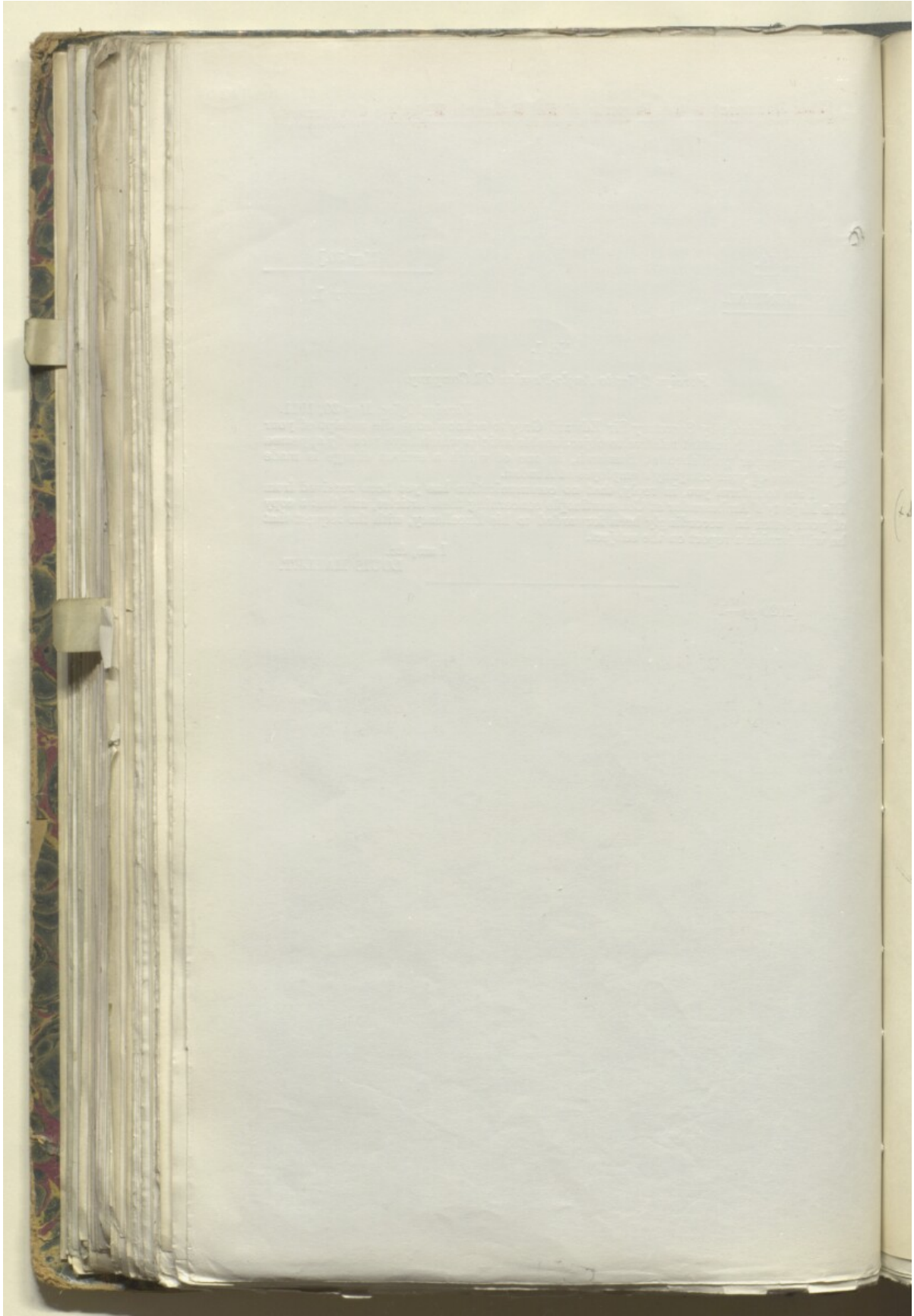


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٧و] (٢٩٢/١١١)



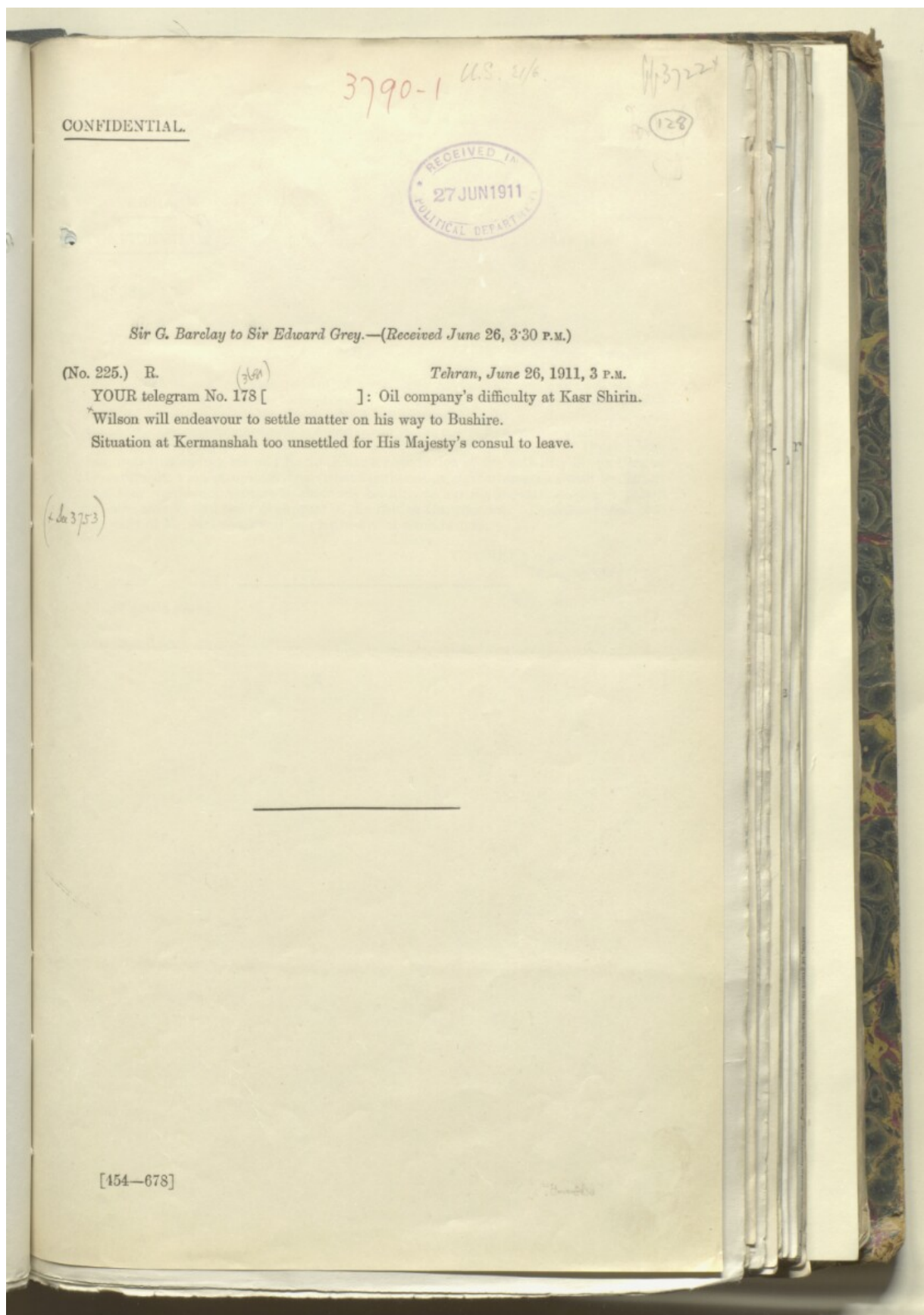


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٢٧ظ] (٢٩٢/١١٢)



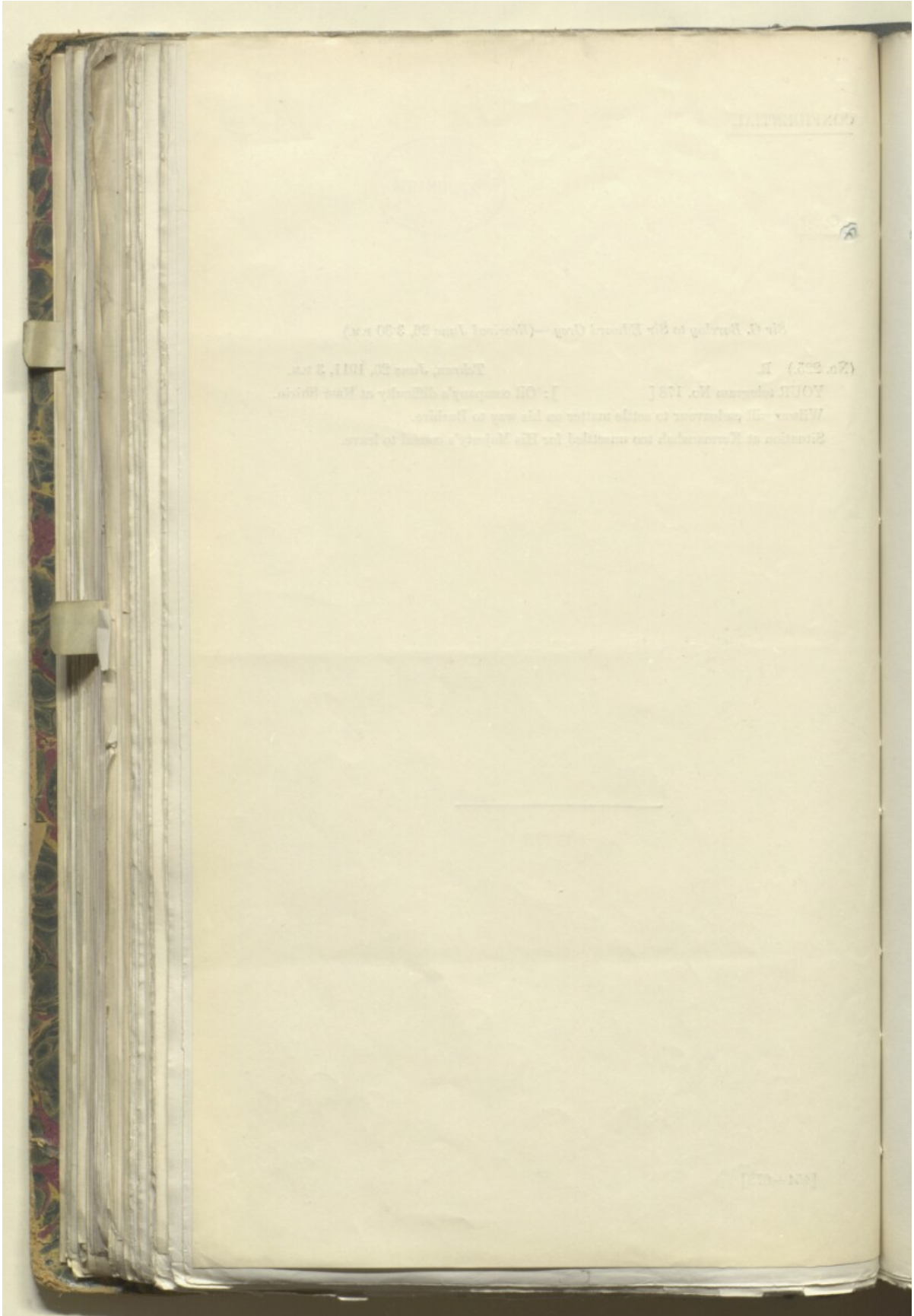


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٨ و] (٢٩٢/١١٣)



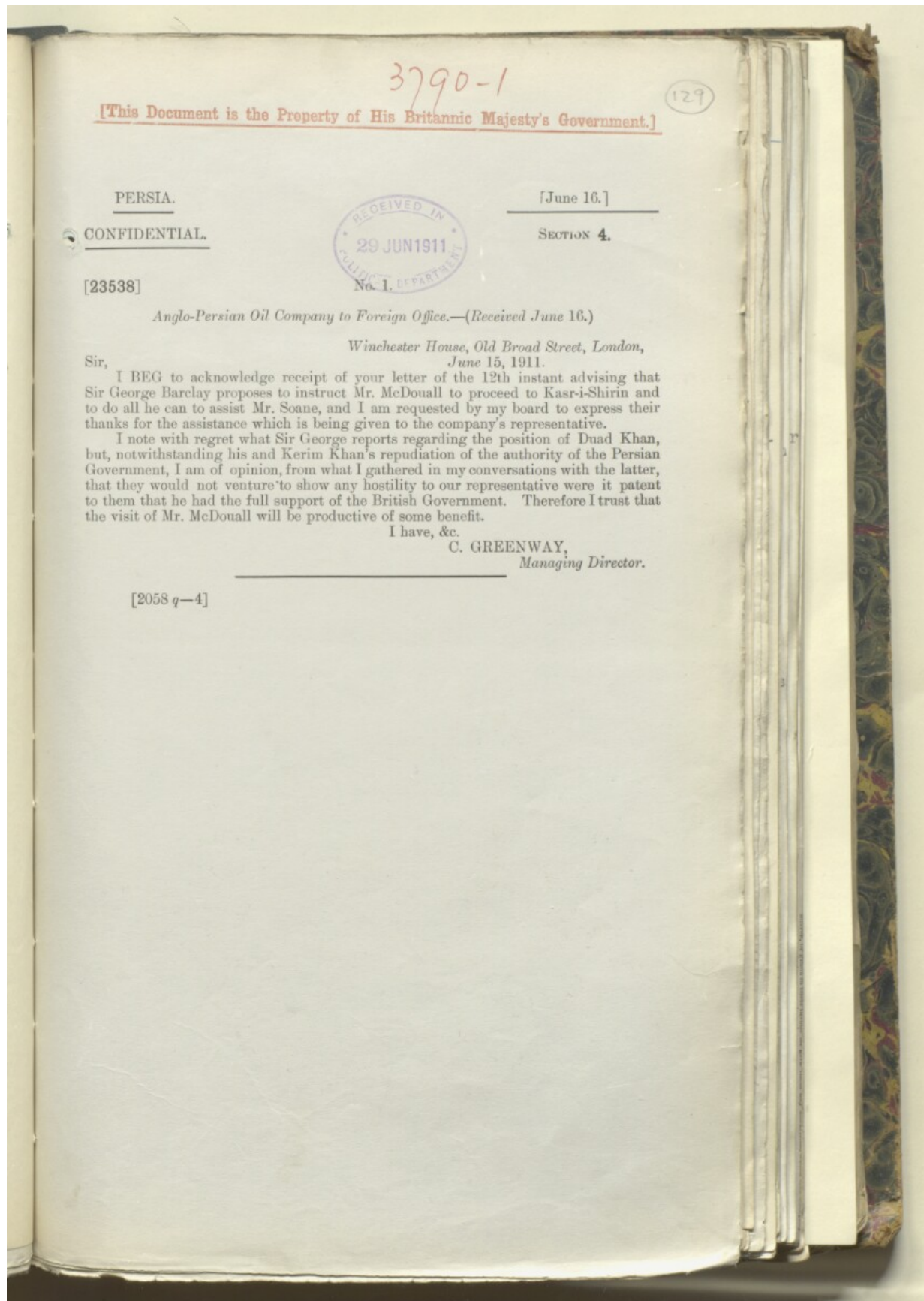


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٢٨ظ] (٢٩٢/١١٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٢٩و] (٢٩٢/١١٥)

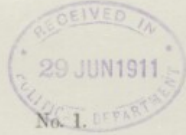


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PERSIA.

[June 16.]

CONFIDENTIAL.



SECTION 4.

[23538]

Anglo-Persian Oil Company to Foreign Office.—(Received June 16.)

*Winchester House, Old Broad Street, London,
June 15, 1911.*

Sir,

I BEG to acknowledge receipt of your letter of the 12th instant advising that Sir George Barclay proposes to instruct Mr. McDonall to proceed to Kasr-i-Shirin and to do all he can to assist Mr. Soane, and I am requested by my board to express their thanks for the assistance which is being given to the company's representative.

I note with regret what Sir George reports regarding the position of Duad Khan, but, notwithstanding his and Kerim Khan's repudiation of the authority of the Persian Government, I am of opinion, from what I gathered in my conversations with the latter, that they would not venture to show any hostility to our representative were it patent to them that he had the full support of the British Government. Therefore I trust that the visit of Mr. McDonall will be productive of some benefit.

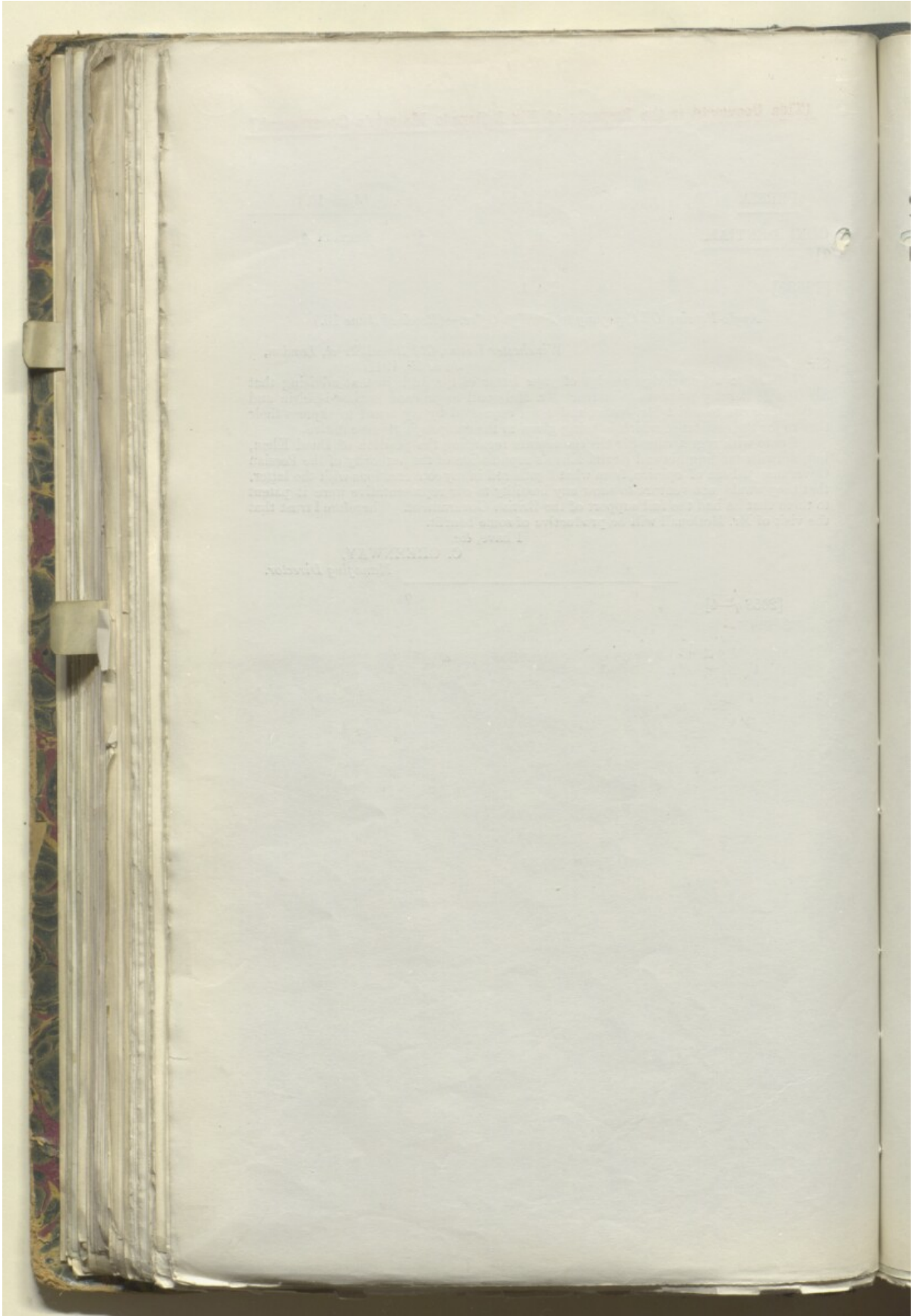
I have, &c.

C. GREENWAY,
Managing Director.

[2058 q-4]

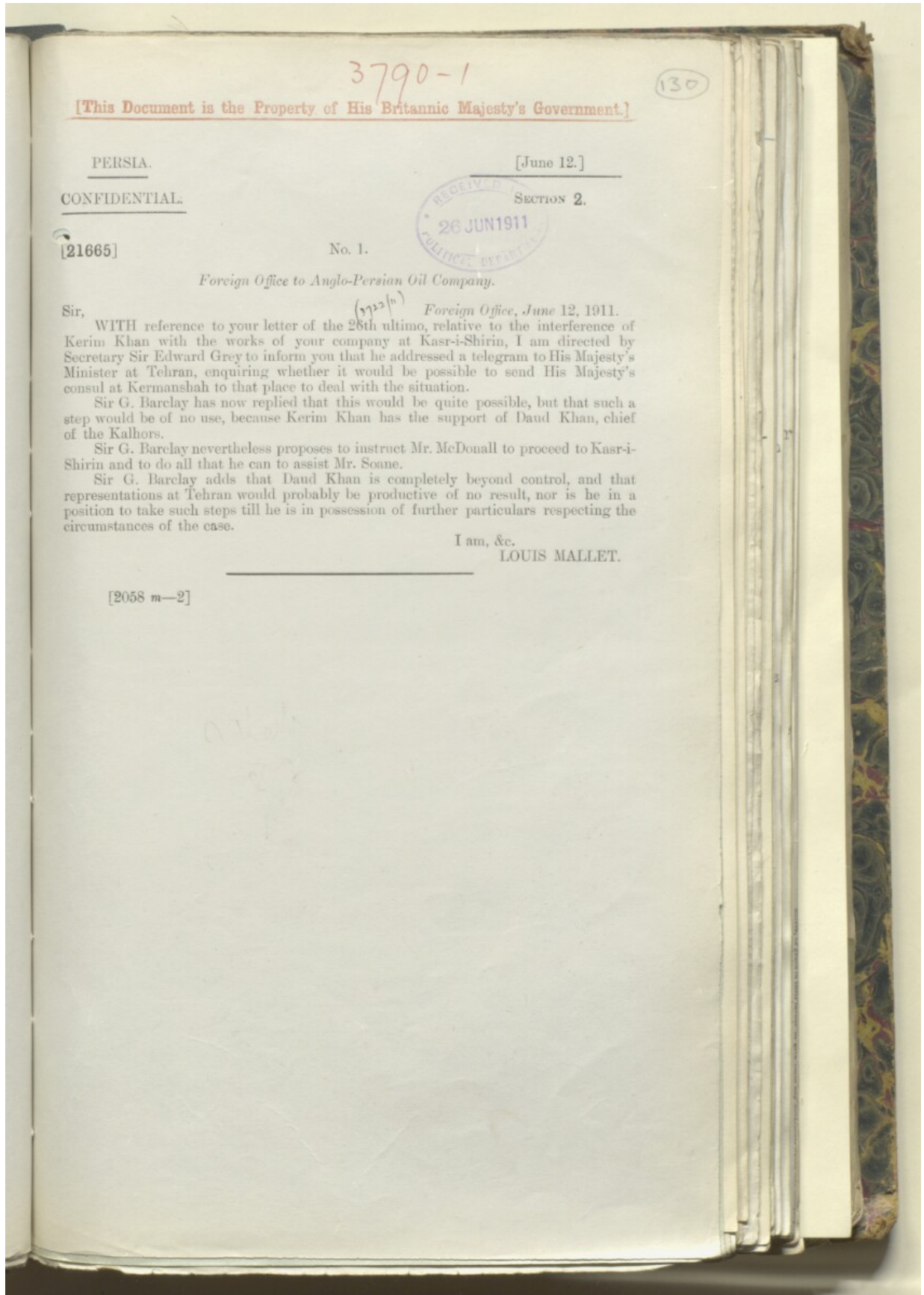


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٢٩ظ] (٢٩٢/١١٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٠ و] (٢٩٢/١١٧)



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PERSIA.

[June 12.]

CONFIDENTIAL



SECTION 2.

[21665]

No. 1.

Foreign Office to Anglo-Persian Oil Company.

Sir,

(٢٦٢٢/١١) Foreign Office, June 12, 1911.

WITH reference to your letter of the 28th ultimo, relative to the interference of Kerim Khan with the works of your company at Kasr-i-Shirin, I am directed by Secretary Sir Edward Grey to inform you that he addressed a telegram to His Majesty's Minister at Tehran, enquiring whether it would be possible to send His Majesty's consul at Kermanshah to that place to deal with the situation.

Sir G. Barclay has now replied that this would be quite possible, but that such a step would be of no use, because Kerim Khan has the support of Daud Khan, chief of the Kalhors.

Sir G. Barclay nevertheless proposes to instruct Mr. McDonall to proceed to Kasr-i-Shirin and to do all that he can to assist Mr. Soane.

Sir G. Barclay adds that Daud Khan is completely beyond control, and that representations at Tehran would probably be productive of no result, nor is he in a position to take such steps till he is in possession of further particulars respecting the circumstances of the case.

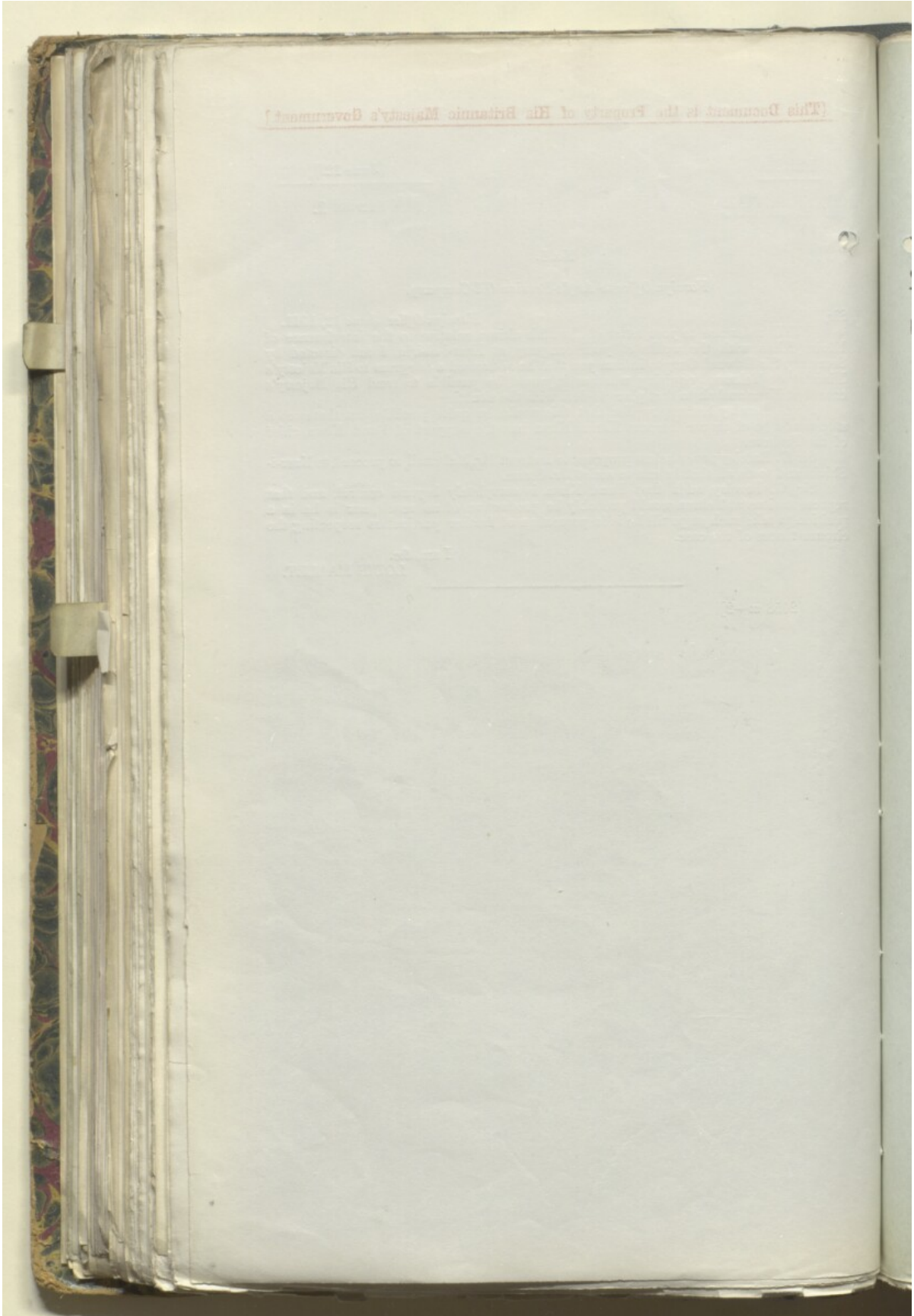
I am, &c.

LOUIS MALLET.

[2058 m-2]

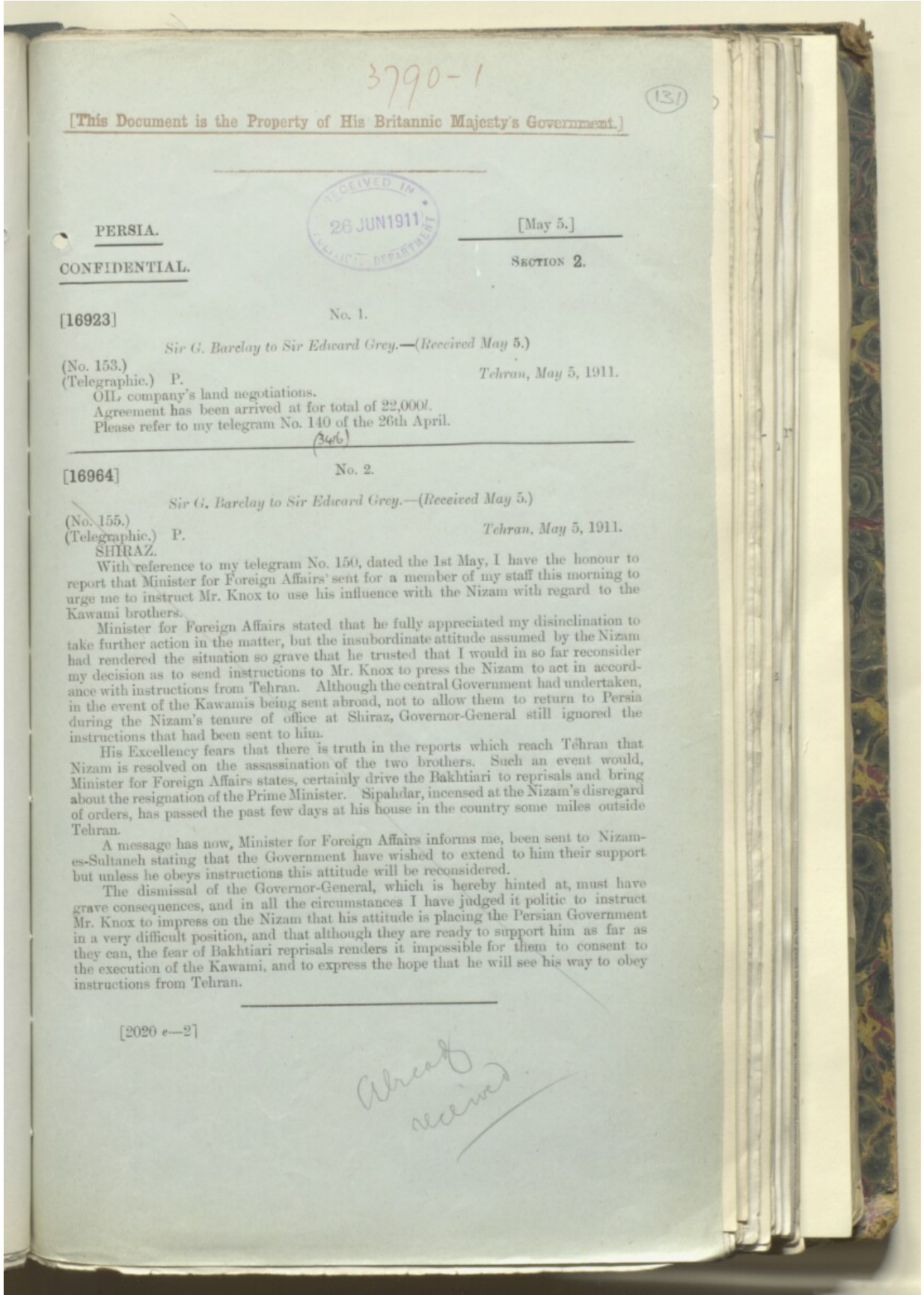


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٠ظ] (٢٩٢/١١٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣١و] [٢٩٢/١١٩]



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PERSIA.

CONFIDENTIAL.



[May 5.]

SECTION 2.

[16923]

No. 1.

Sir G. Barclay to Sir Eduard Grey.—(Received May 5.)

(No. 153.)

(Telegraphic.) P.

Tehran, May 5, 1911.

OIL company's land negotiations.
Agreement has been arrived at for total of 22,000l.
Please refer to my telegram No. 140 of the 26th April.

(346)

[16964]

No. 2.

Sir G. Barclay to Sir Eduard Grey.—(Received May 5.)

(No. 155.)

(Telegraphic.) P.

Tehran, May 5, 1911.

SHIRAZ.

With reference to my telegram No. 150, dated the 1st May, I have the honour to report that Minister for Foreign Affairs' sent for a member of my staff this morning to urge me to instruct Mr. Knox to use his influence with the Nizam with regard to the Kawami brothers.

Minister for Foreign Affairs stated that he fully appreciated my disinclination to take further action in the matter, but the insubordinate attitude assumed by the Nizam had rendered the situation so grave that he trusted that I would in so far reconsider my decision as to send instructions to Mr. Knox to press the Nizam to act in accordance with instructions from Tehran. Although the central Government had undertaken, in the event of the Kawamis being sent abroad, not to allow them to return to Persia during the Nizam's tenure of office at Shiraz, Governor-General still ignored the instructions that had been sent to him.

His Excellency fears that there is truth in the reports which reach Tehran that Nizam is resolved on the assassination of the two brothers. Such an event would, Minister for Foreign Affairs states, certainly drive the Bakhtiari to reprisals and bring about the resignation of the Prime Minister. Sipahdar, incensed at the Nizam's disregard of orders, has passed the past few days at his house in the country some miles outside Tehran.

A message has now, Minister for Foreign Affairs informs me, been sent to Nizam-es-Sultaneh stating that the Government have wished to extend to him their support but unless he obeys instructions this attitude will be reconsidered.

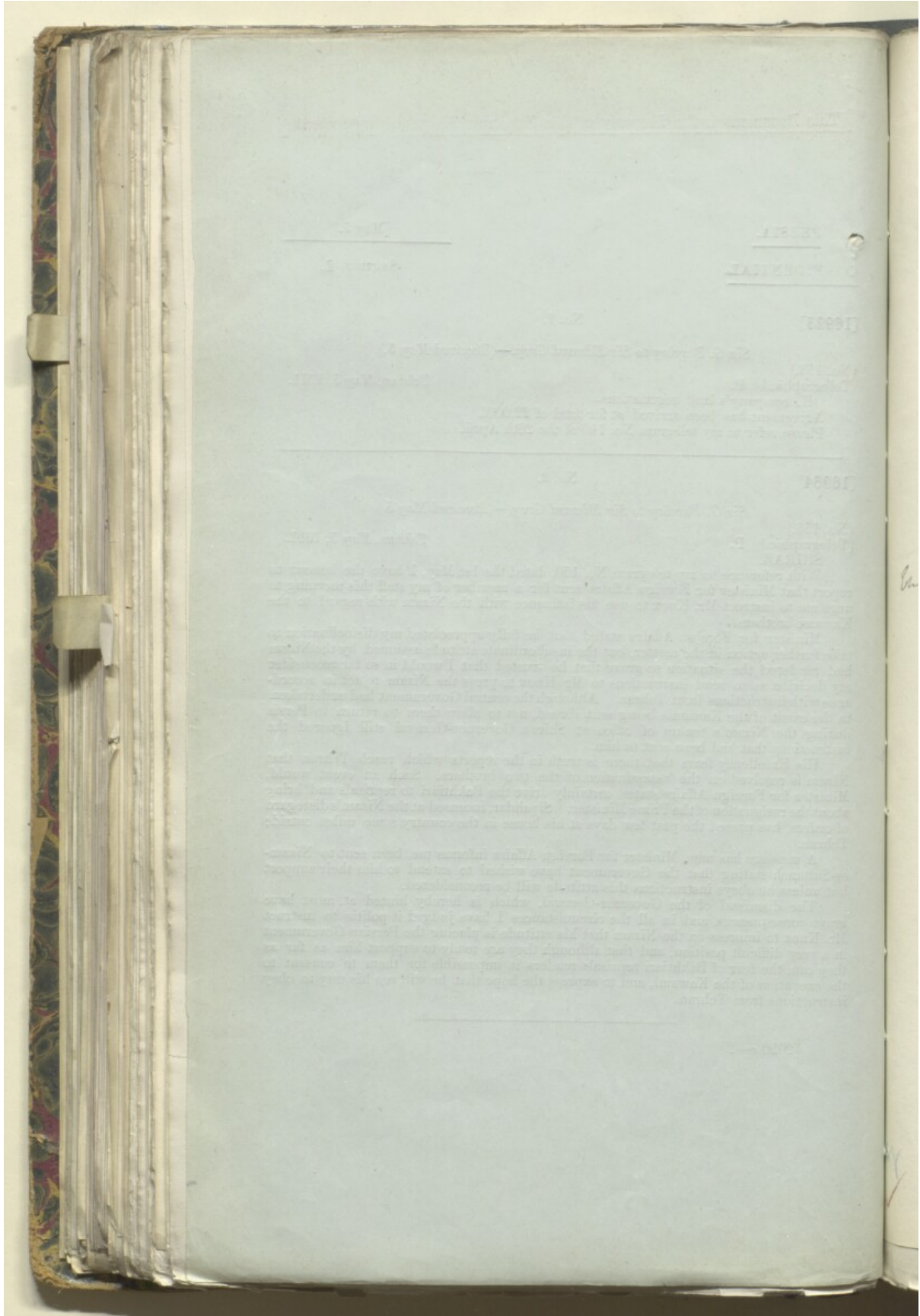
The dismissal of the Governor-General, which is hereby hinted at, must have grave consequences, and in all the circumstances I have judged it politic to instruct Mr. Knox to impress on the Nizam that his attitude is placing the Persian Government in a very difficult position, and that although they are ready to support him as far as they can, the fear of Bakhtiari reprisals renders it impossible for them to consent to the execution of the Kawami, and to express the hope that he will see his way to obey instructions from Tehran.

[2020 e-2]

Already received



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣١ظ] (٢٩٢/١٢٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٢و] (٢٩٢/١٢١)

Register No. 3722 (132)

Minute Paper. Secret Department.

Letter from F.O., Dated } 15 June 1911.
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	21 June	lath	Persia. Oil Company. Affairs at Kasr-i-Shirin. As to protection of Company's Agent, etc.
Secretary of State	26	KK	
Committee			
Under Secretary.....			
Secretary of State			

Copy to India. 16 June 1911 Secy. 24

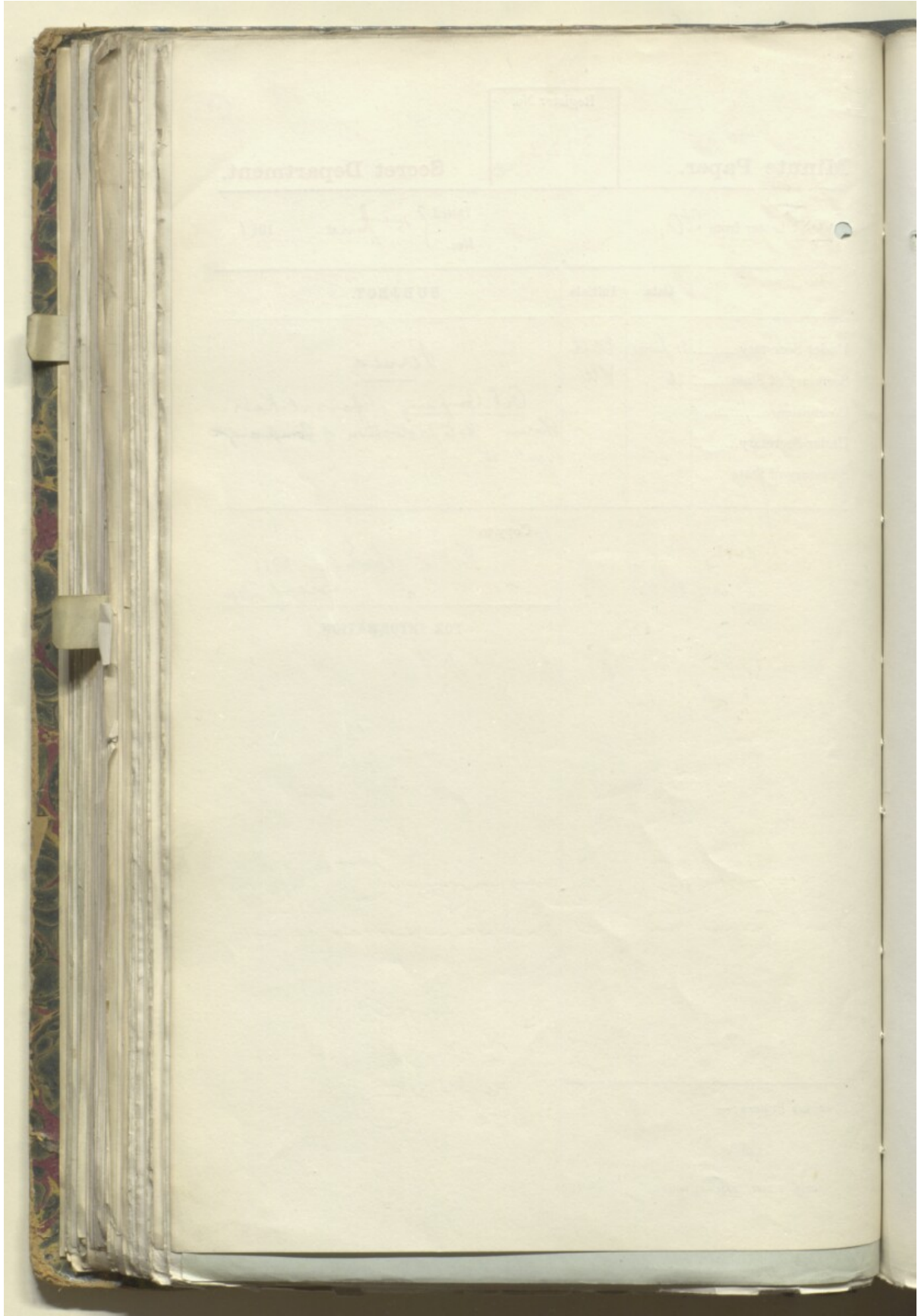
FOR INFORMATION.

Previous Papers:—
3681

9549. I. 2127. 2000.—11/1910.

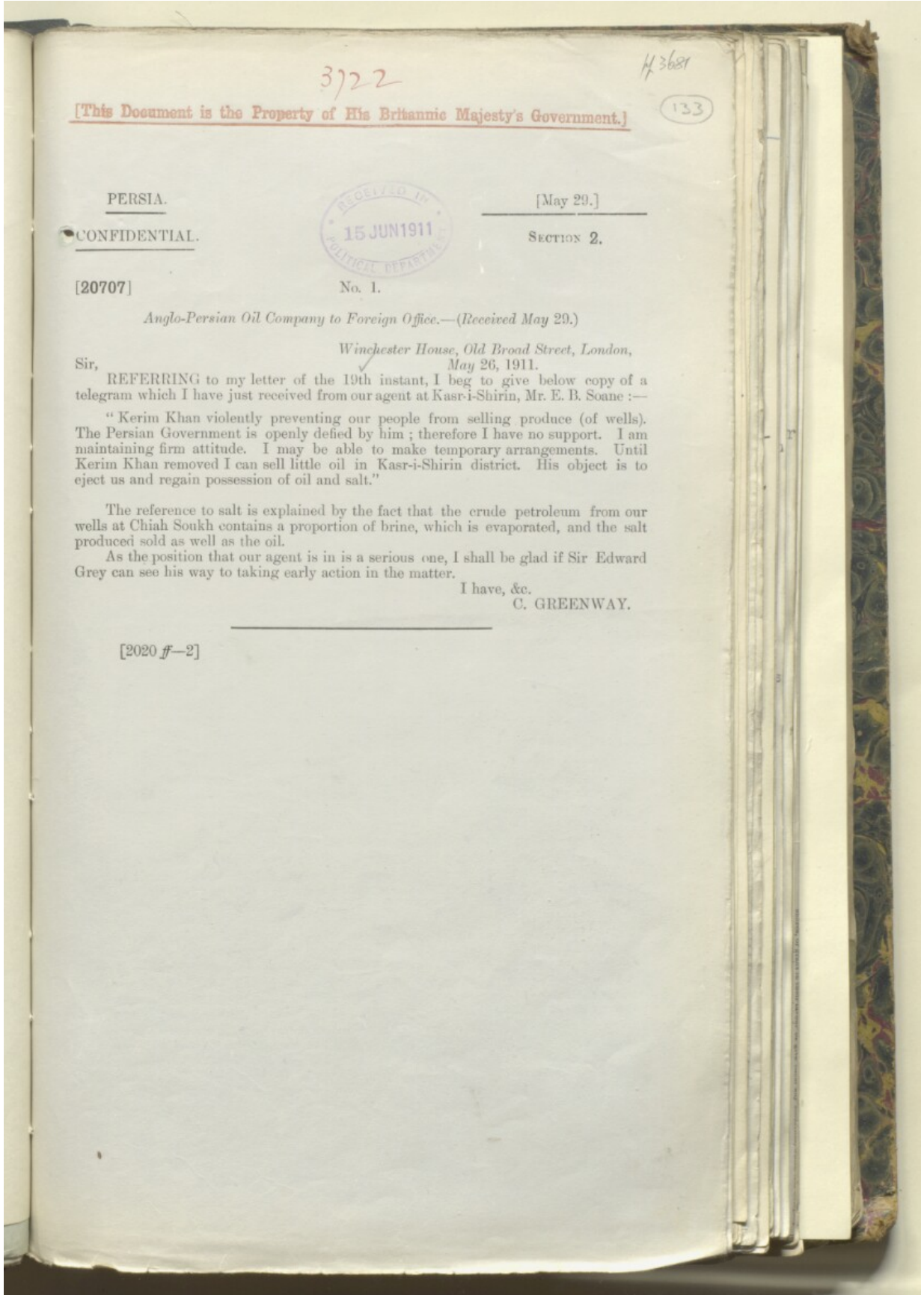


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٢ظ] (٢٩٢/١٢٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٣و] (٢٩٢/١٢٣)



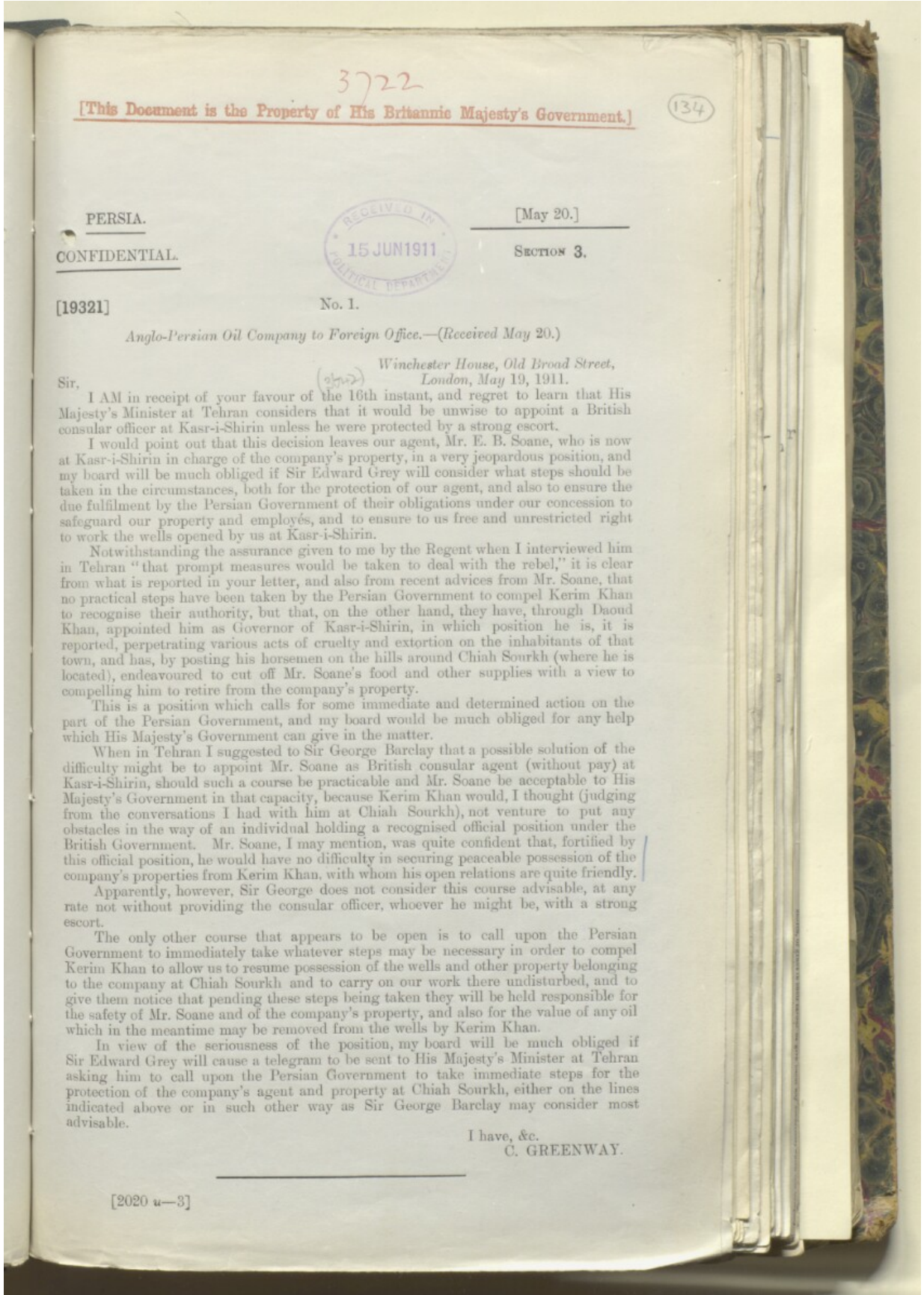


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٣ظ] (٢٩٢/١٢٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٤و] [٢٩٢/١٢٥]



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PERSIA.
CONFIDENTIAL



[May 20.]

SECTION 3.

[19321]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received May 20.)

Sir,

Winchester House, Old Broad Street,
London, May 19, 1911.

I AM in receipt of your favour of the 16th instant, and regret to learn that His Majesty's Minister at Tehran considers that it would be unwise to appoint a British consular officer at Kasr-i-Shirin unless he were protected by a strong escort.

I would point out that this decision leaves our agent, Mr. E. B. Soane, who is now at Kasr-i-Shirin in charge of the company's property, in a very jeopardous position, and my board will be much obliged if Sir Edward Grey will consider what steps should be taken in the circumstances, both for the protection of our agent, and also to ensure the due fulfilment by the Persian Government of their obligations under our concession to safeguard our property and employes, and to ensure to us free and unrestricted right to work the wells opened by us at Kasr-i-Shirin.

Notwithstanding the assurance given to me by the Regent when I interviewed him in Tehran "that prompt measures would be taken to deal with the rebel," it is clear from what is reported in your letter, and also from recent advices from Mr. Soane, that no practical steps have been taken by the Persian Government to compel Kerim Khan to recognise their authority, but that, on the other hand, they have, through Daoud Khan, appointed him as Governor of Kasr-i-Shirin, in which position he is, it is reported, perpetrating various acts of cruelty and extortion on the inhabitants of that town, and has, by posting his horsemen on the hills around Chiah Sourkh (where he is located), endeavoured to cut off Mr. Soane's food and other supplies with a view to compelling him to retire from the company's property.

This is a position which calls for some immediate and determined action on the part of the Persian Government, and my board would be much obliged for any help which His Majesty's Government can give in the matter.

When in Tehran I suggested to Sir George Barclay that a possible solution of the difficulty might be to appoint Mr. Soane as British consular agent (without pay) at Kasr-i-Shirin, should such a course be practicable and Mr. Soane be acceptable to His Majesty's Government in that capacity, because Kerim Khan would, I thought (judging from the conversations I had with him at Chiah Sourkh), not venture to put any obstacles in the way of an individual holding a recognised official position under the British Government. Mr. Soane, I may mention, was quite confident that, fortified by this official position, he would have no difficulty in securing peaceable possession of the company's properties from Kerim Khan, with whom his open relations are quite friendly.

Apparently, however, Sir George does not consider this course advisable, at any rate not without providing the consular officer, whoever he might be, with a strong escort.

The only other course that appears to be open is to call upon the Persian Government to immediately take whatever steps may be necessary in order to compel Kerim Khan to allow us to resume possession of the wells and other property belonging to the company at Chiah Sourkh and to carry on our work there undisturbed, and to give them notice that pending these steps being taken they will be held responsible for the safety of Mr. Soane and of the company's property, and also for the value of any oil which in the meantime may be removed from the wells by Kerim Khan.

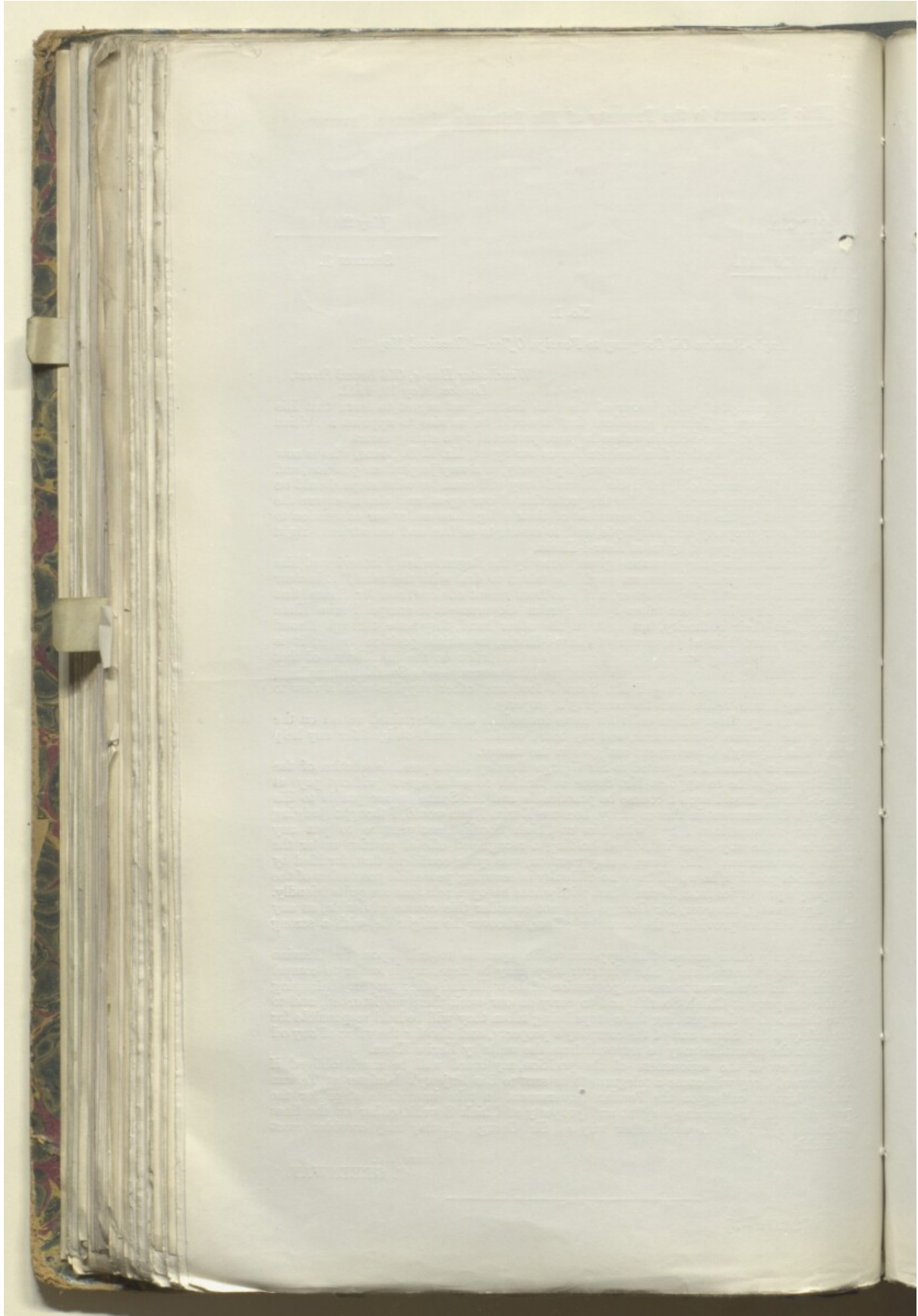
In view of the seriousness of the position, my board will be much obliged if Sir Edward Grey will cause a telegram to be sent to His Majesty's Minister at Tehran asking him to call upon the Persian Government to take immediate steps for the protection of the company's agent and property at Chiah Sourkh, either on the lines indicated above or in such other way as Sir George Barclay may consider most advisable.

I have, &c.
C. GREENWAY.

[2020 u-3]

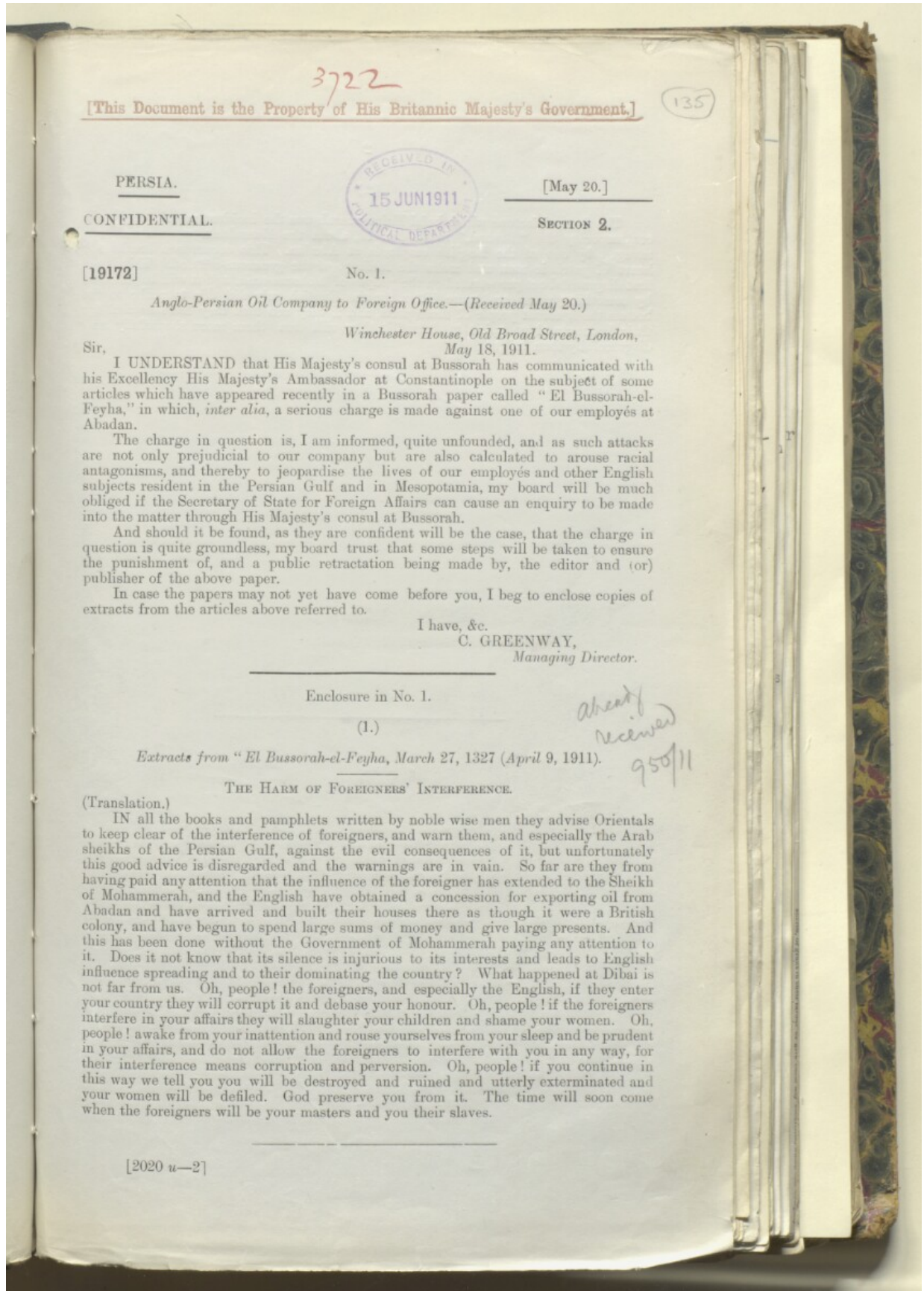


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٤ظ] (٢٩٢/١٢٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٥] [٢٩٢/١٢٧]



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PERSIA.



[May 20.]

CONFIDENTIAL.

SECTION 2.

[19172]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received May 20.)

Winchester House, Old Broad Street, London,
May 18, 1911.

Sir,
I UNDERSTAND that His Majesty's consul at Bussorah has communicated with his Excellency His Majesty's Ambassador at Constantinople on the subject of some articles which have appeared recently in a Bussorah paper called "El Bussorah-el-Feyha," in which, *inter alia*, a serious charge is made against one of our employés at Abadan.

The charge in question is, I am informed, quite unfounded, and as such attacks are not only prejudicial to our company but are also calculated to arouse racial antagonisms, and thereby to jeopardise the lives of our employés and other English subjects resident in the Persian Gulf and in Mesopotamia, my board will be much obliged if the Secretary of State for Foreign Affairs can cause an enquiry to be made into the matter through His Majesty's consul at Bussorah.

And should it be found, as they are confident will be the case, that the charge in question is quite groundless, my board trust that some steps will be taken to ensure the punishment of, and a public retraction being made by, the editor and (or) publisher of the above paper.

In case the papers may not yet have come before you, I beg to enclose copies of extracts from the articles above referred to.

I have, &c.

C. GREENWAY,
Managing Director.

Enclosure in No. 1.

(1.)

Extracts from "El Bussorah-el-Feyha, March 27, 1327 (April 9, 1911)."

THE HARM OF FOREIGNERS' INTERFERENCE.

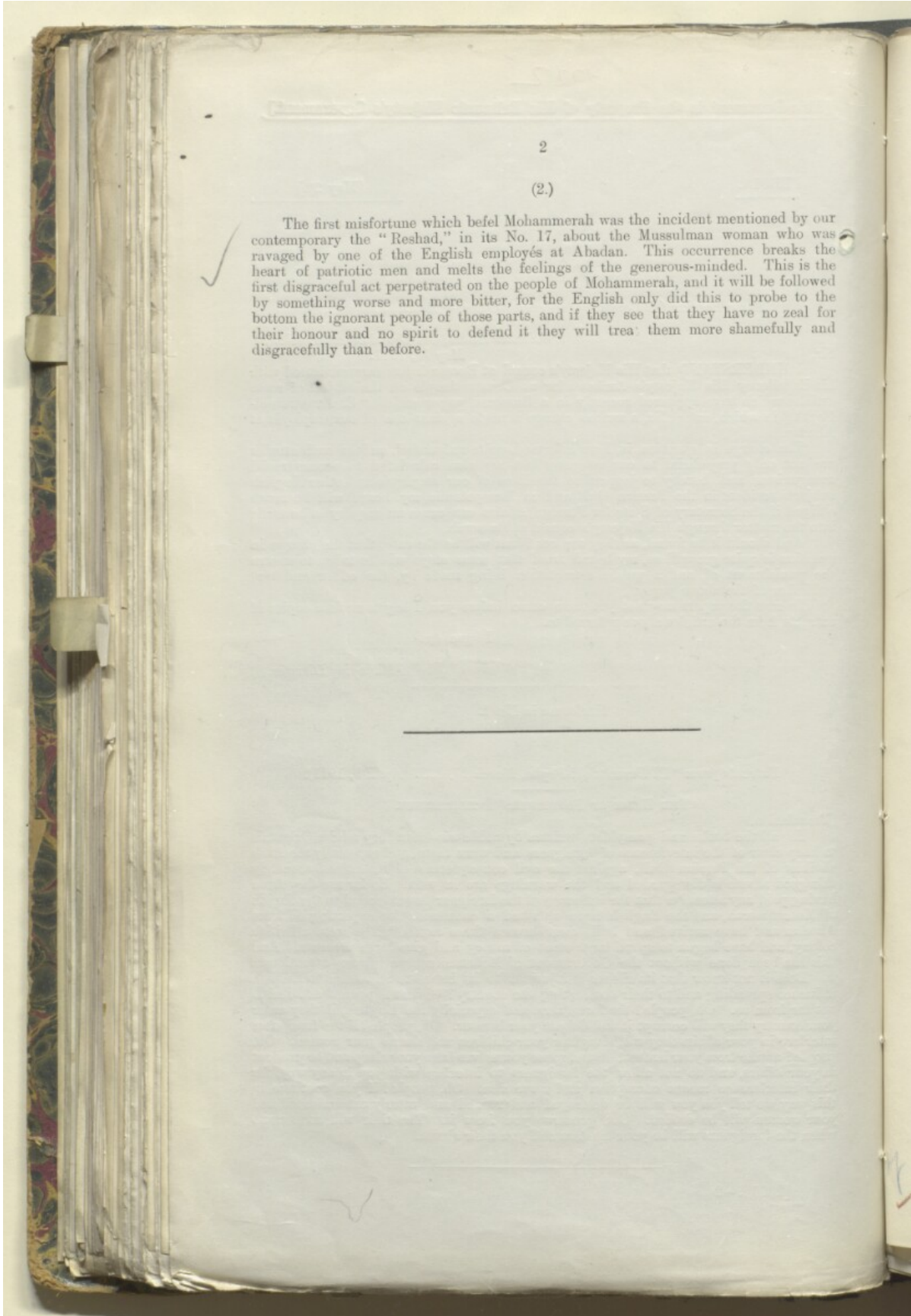
(Translation.)

IN all the books and pamphlets written by noble wise men they advise Orientals to keep clear of the interference of foreigners, and warn them, and especially the Arab sheikhs of the Persian Gulf, against the evil consequences of it, but unfortunately this good advice is disregarded and the warnings are in vain. So far are they from having paid any attention that the influence of the foreigner has extended to the Sheikh of Mohammerah, and the English have obtained a concession for exporting oil from Abadan and have arrived and built their houses there as though it were a British colony, and have begun to spend large sums of money and give large presents. And this has been done without the Government of Mohammerah paying any attention to it. Does it not know that its silence is injurious to its interests and leads to English influence spreading and to their dominating the country? What happened at Dibai is not far from us. Oh, people! the foreigners, and especially the English, if they enter your country they will corrupt it and debase your honour. Oh, people! if the foreigners interfere in your affairs they will slaughter your children and shame your women. Oh, people! awake from your inattention and rouse yourselves from your sleep and be prudent in your affairs, and do not allow the foreigners to interfere with you in any way, for their interference means corruption and perversion. Oh, people! if you continue in this way we tell you you will be destroyed and ruined and utterly exterminated and your women will be defiled. God preserve you from it. The time will soon come when the foreigners will be your masters and you their slaves.

[2020 u—2]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٥ظ] (٢٩٢/١٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٦و] (٢٩٢/١٢٩)

Register No. 3681 (136)

Minute Paper. Secret Department.

Letter from F.O., Dated 12 June 1911. Rec.

	Date.	Initials.	SUBJECT.
Under Secretary.....	13 June	lark	Persia. Oil Company's affairs. Mr. McDonald to go to Kasr. i. Shirin.
Secretary of State	14	lark	
Committee			
Under Secretary.....			
Secretary of State			

Copy to India. 16 June 1911 Secy 24

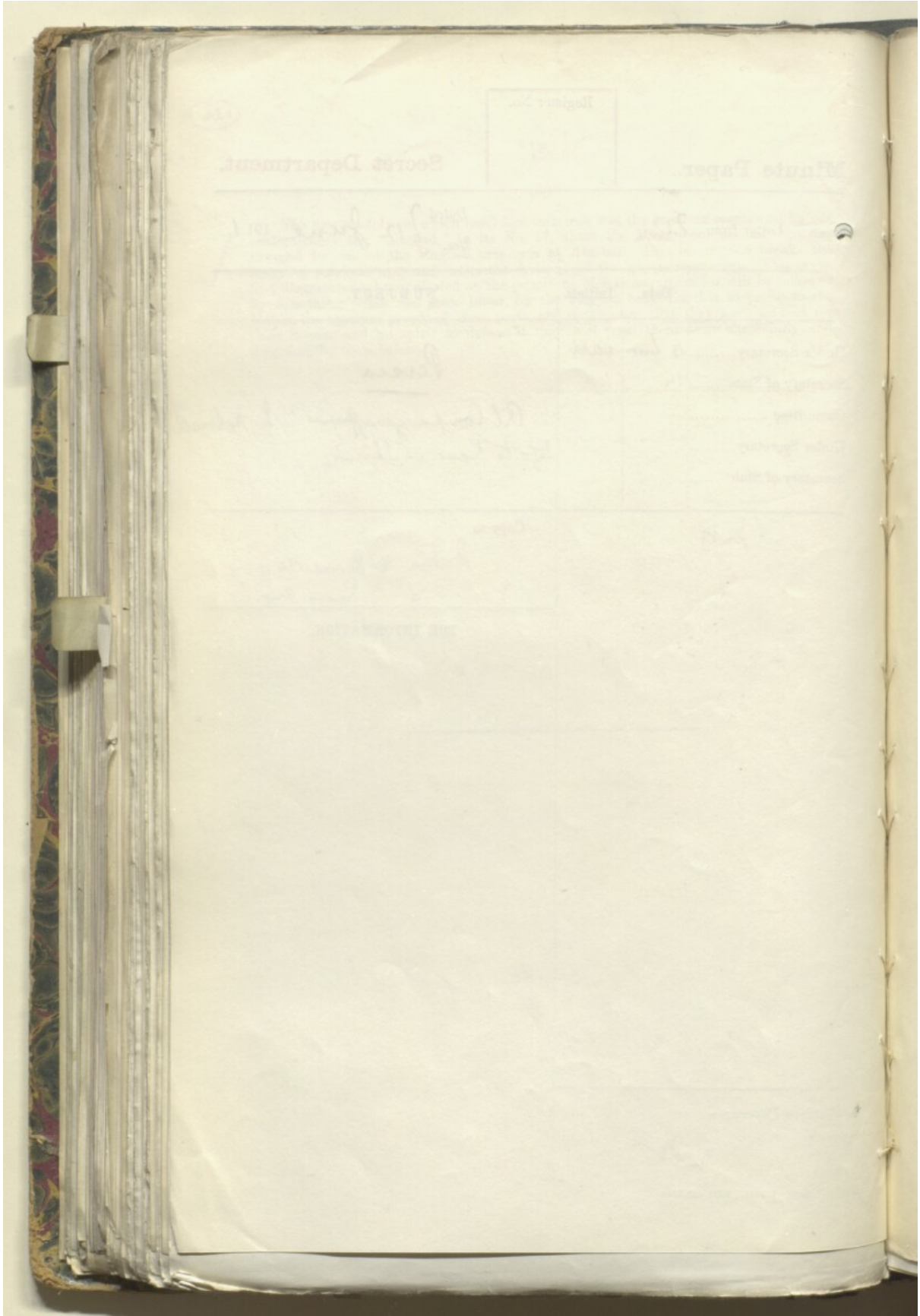
FOR INFORMATION.

Previous Papers:— 3682

9549. I. 2127. 2000.—11,1910.

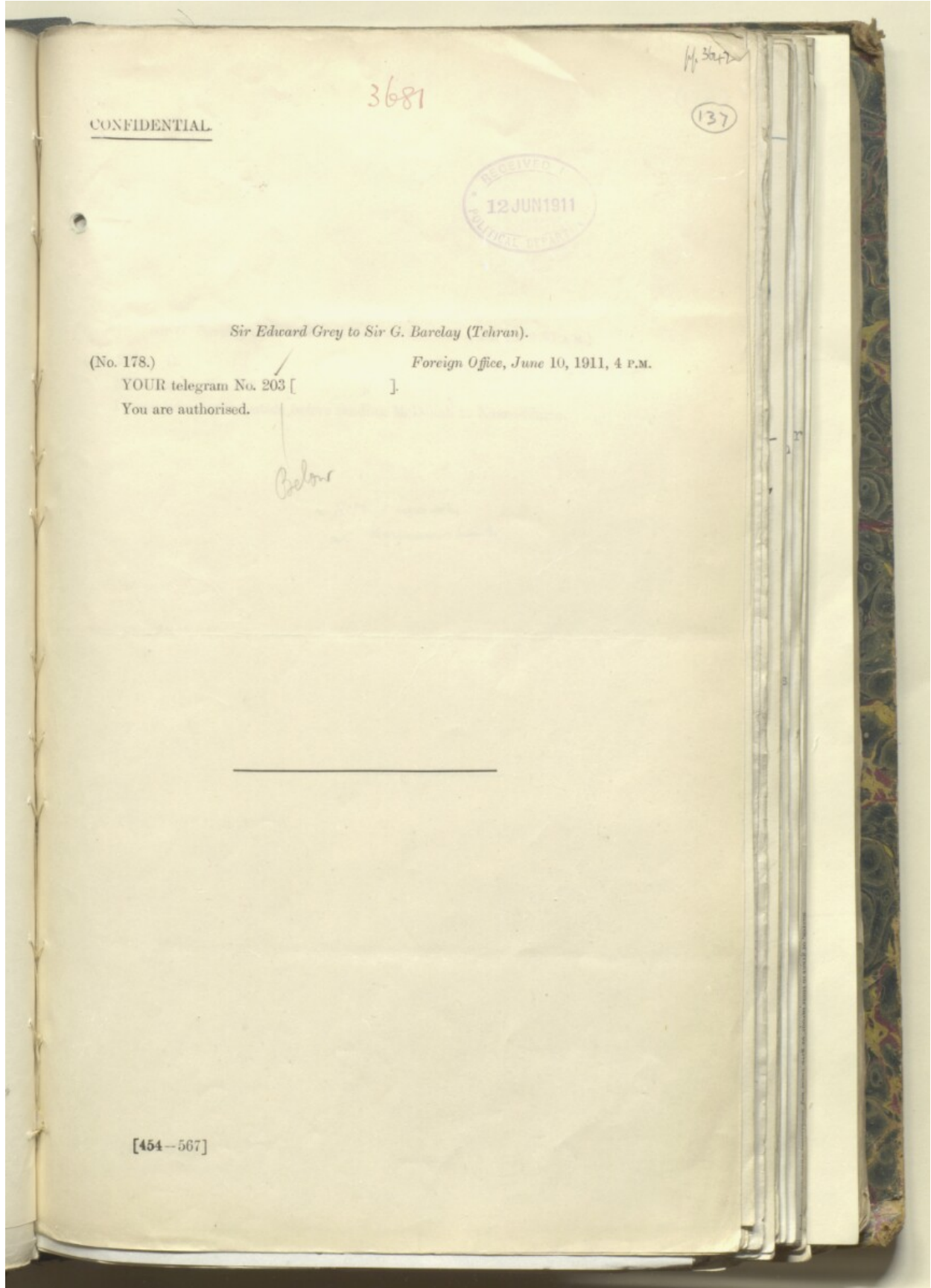


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٦ظ] (٢٩٢/١٣٠)



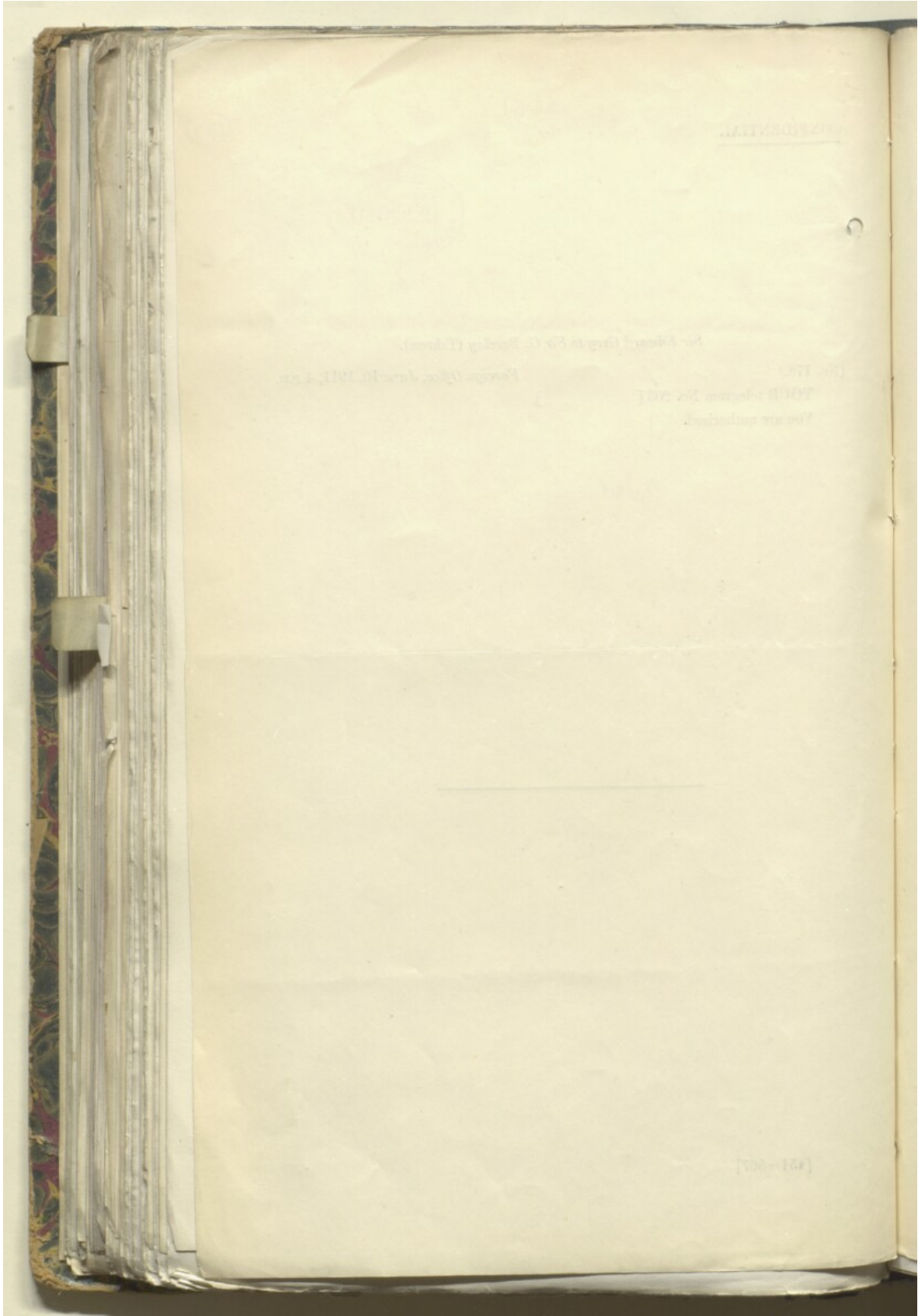


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٧و] (٢٩٢/١٣١)



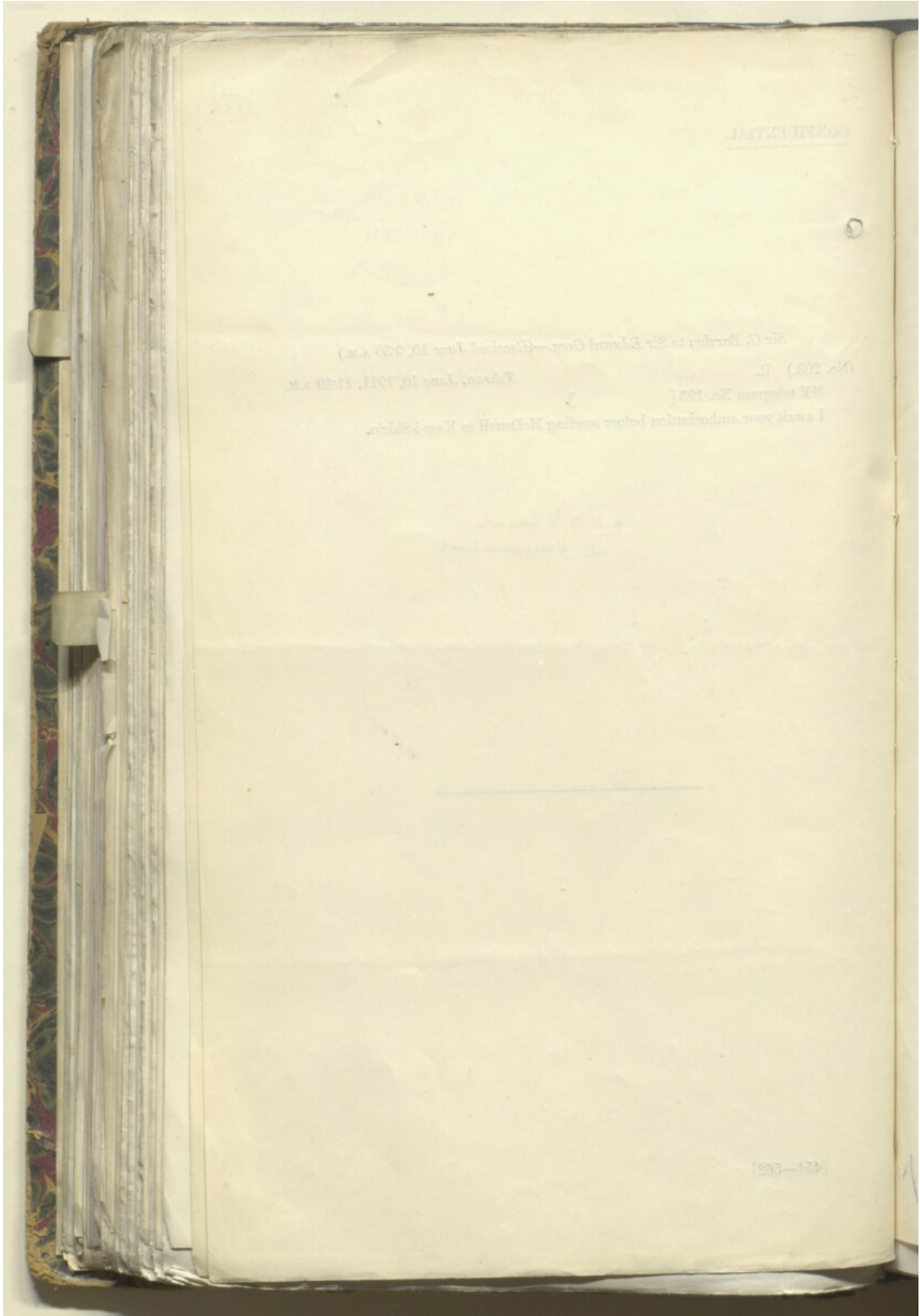


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٧ظ] (٢٩٢/١٣٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٣٨ظ] (٢٩٢/١٣٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٩و] (٢٩٢/١٣٥)

(139)

Register No. 3642 [3636]

Minute Paper. **Secret Department.**

Letter from FO. Dated } 31 May, 16 June 1911.
Rec. }
FO Log^{cc} with FO (3636)

	Date.	Initials.	SUBJECT.
Under Secretary.....	7 June	Zak	Persia.
Secretary of State	8	KK	Anglo-Persian Oil Co.'s works at
Committee			Kaor-i-Shirin, + suggested appoint-
Under Secretary.....			ment of British Consular Of-
Secretary of State			ficer there.
			Mr. Preece & mining concession
			in Kerman district.

Copy to India
See within

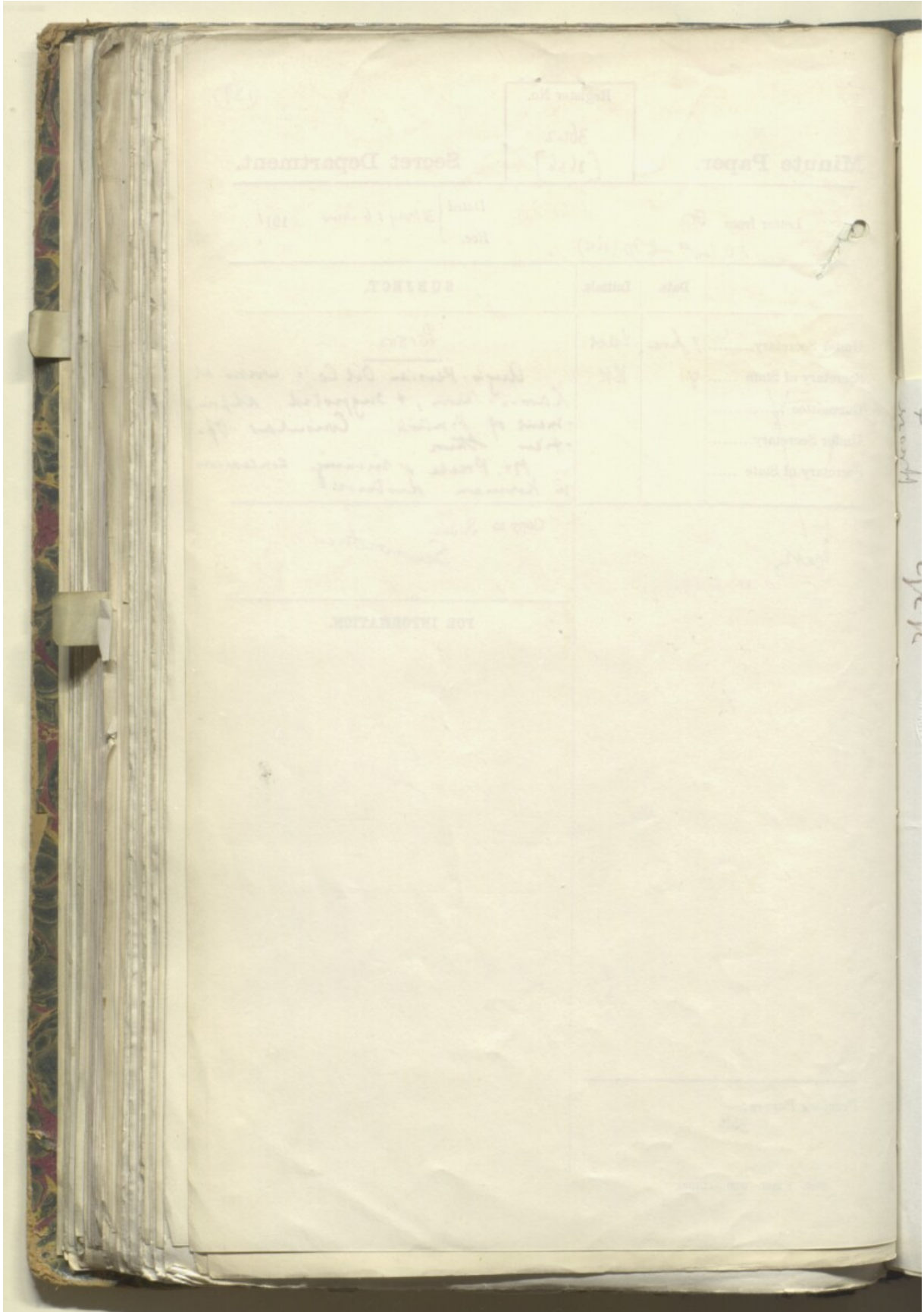
FOR INFORMATION.

Previous Papers:—
358

9549. I. 2127. 2000.—11/1910.

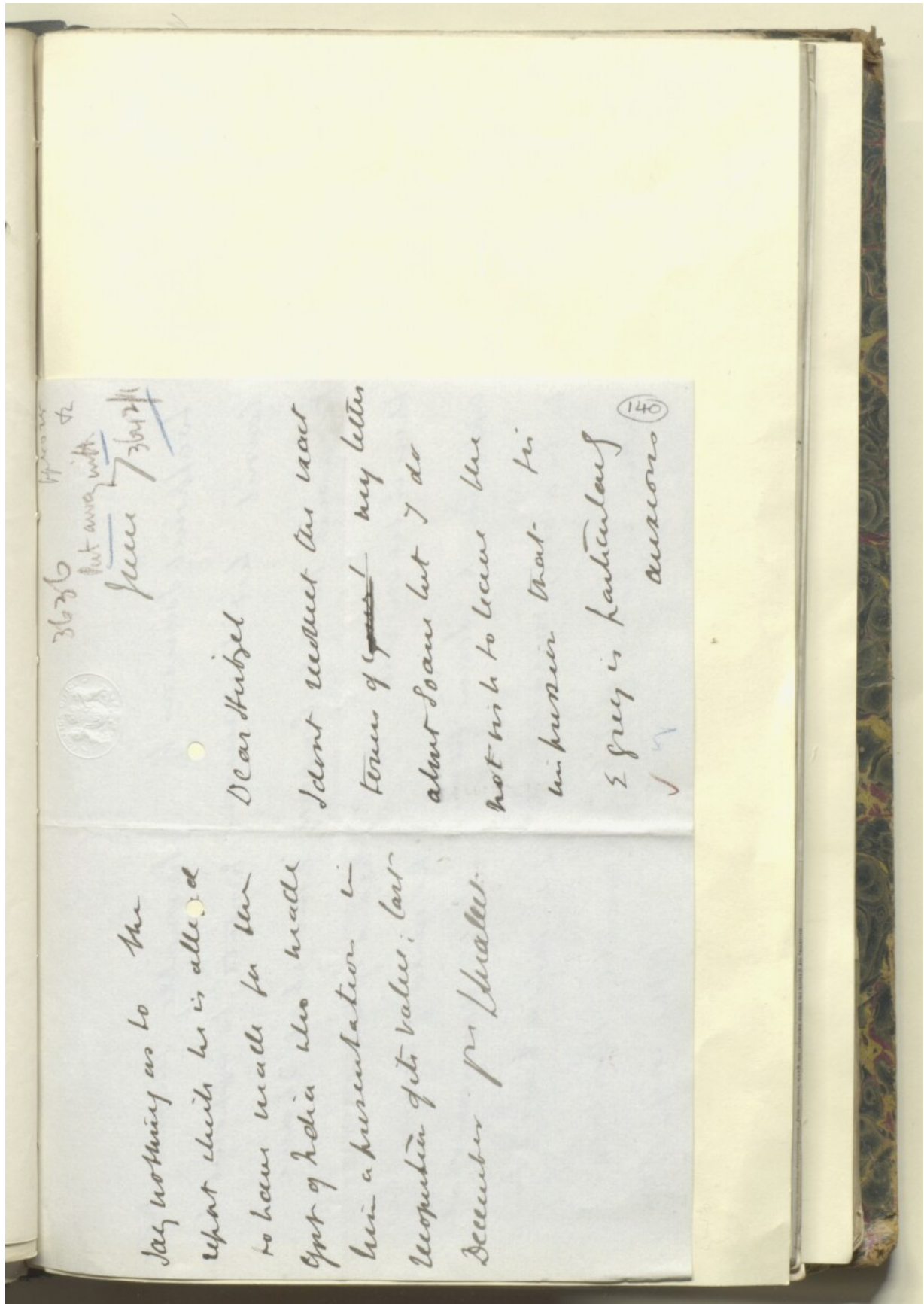


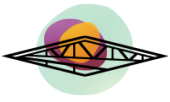
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٣٩ظ] (٢٩٢/١٣٦)



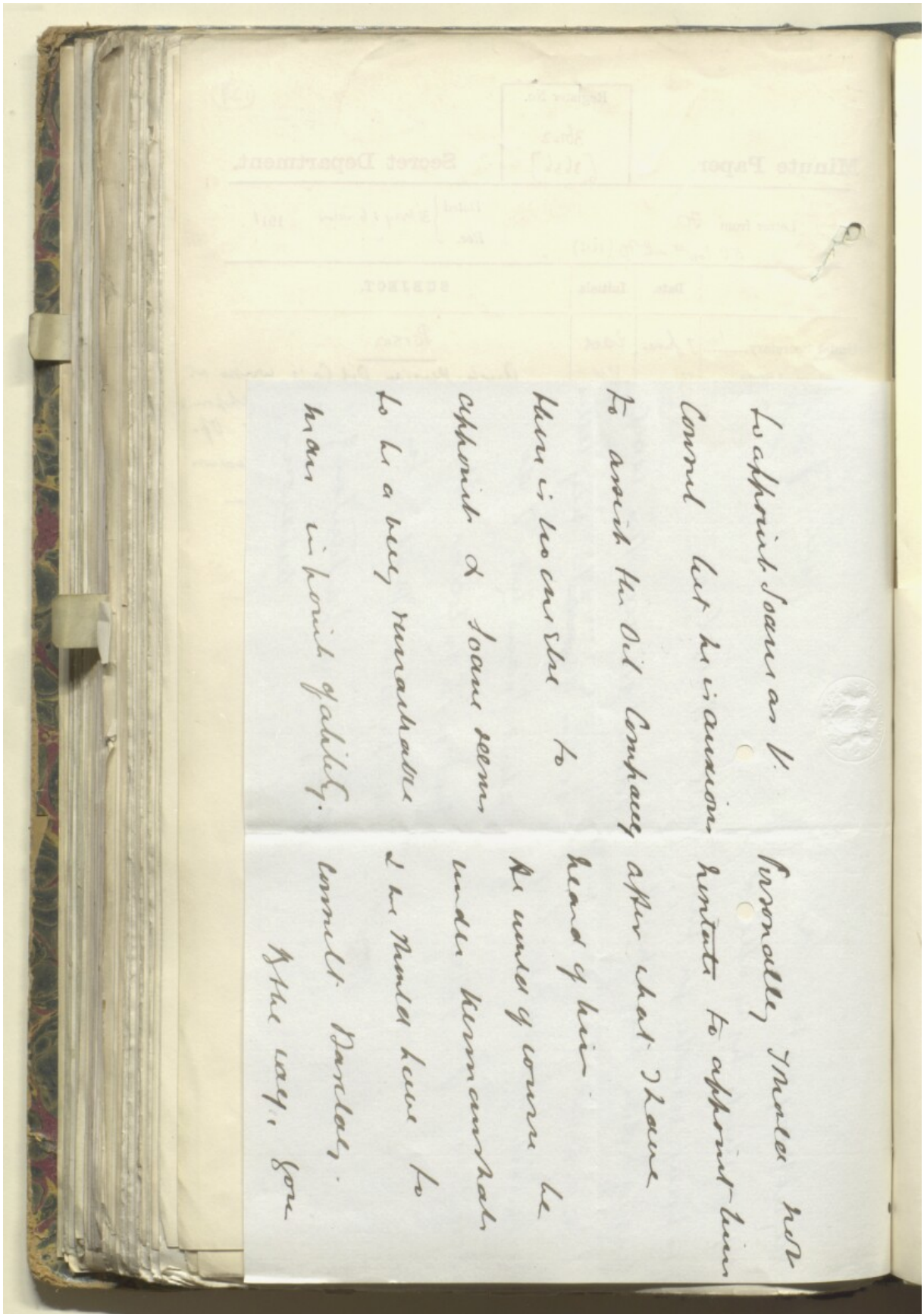


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٤٠] [٢٩٢/١٣٧]





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٤٠ظ] (٢٩٢/١٣٨)

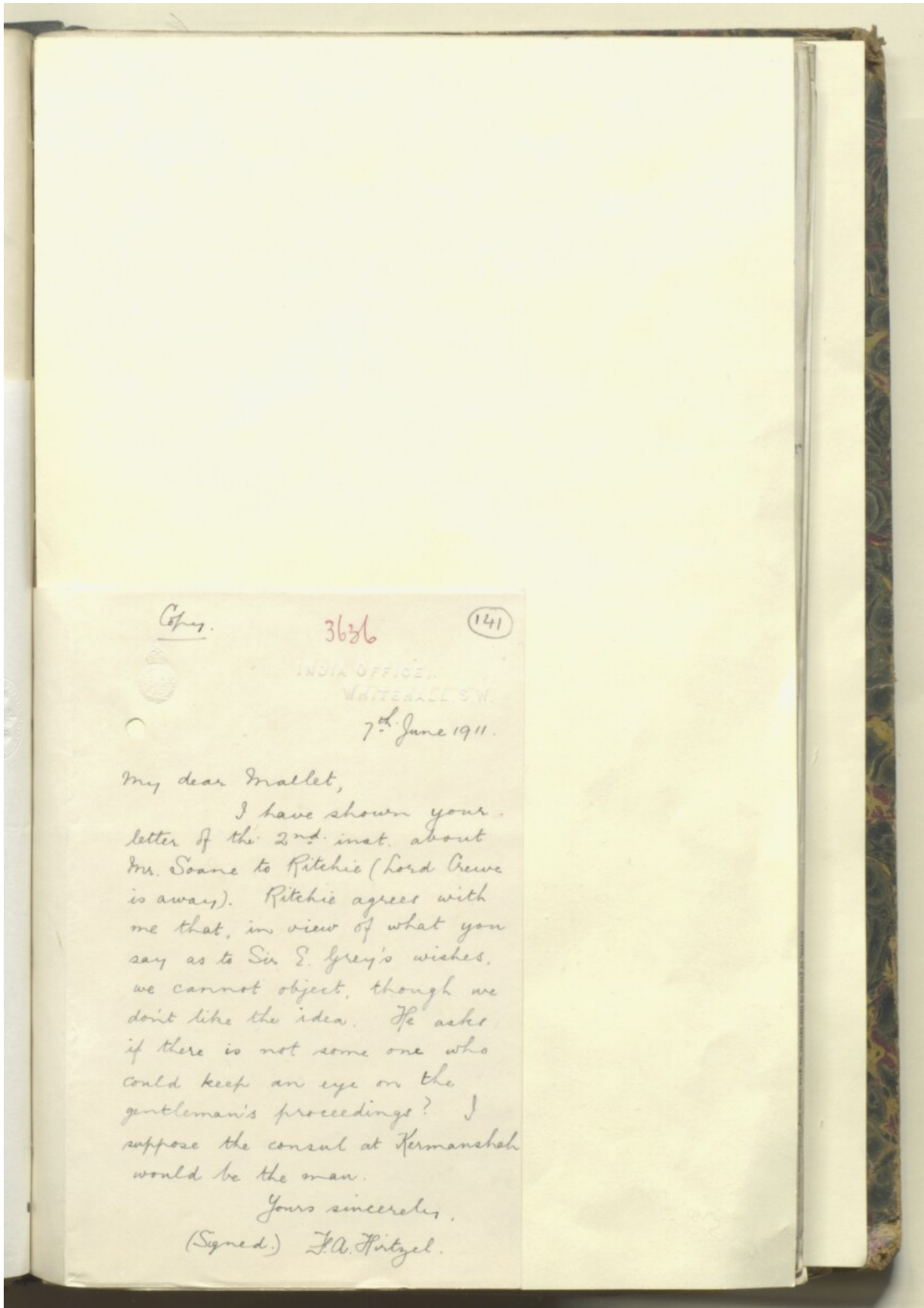


To appoint Joann as V.
Council but he is anxious
to avoid the Oil Company
There is no consensus to
appoint & Joann seems
to be a very unworkable
man without ability.

Personally, I would not
hesitate to appoint him
after what I have
heard of him.
As water of course he
understands the matter
& he would have to
consult. Bartlett.
By the way, you

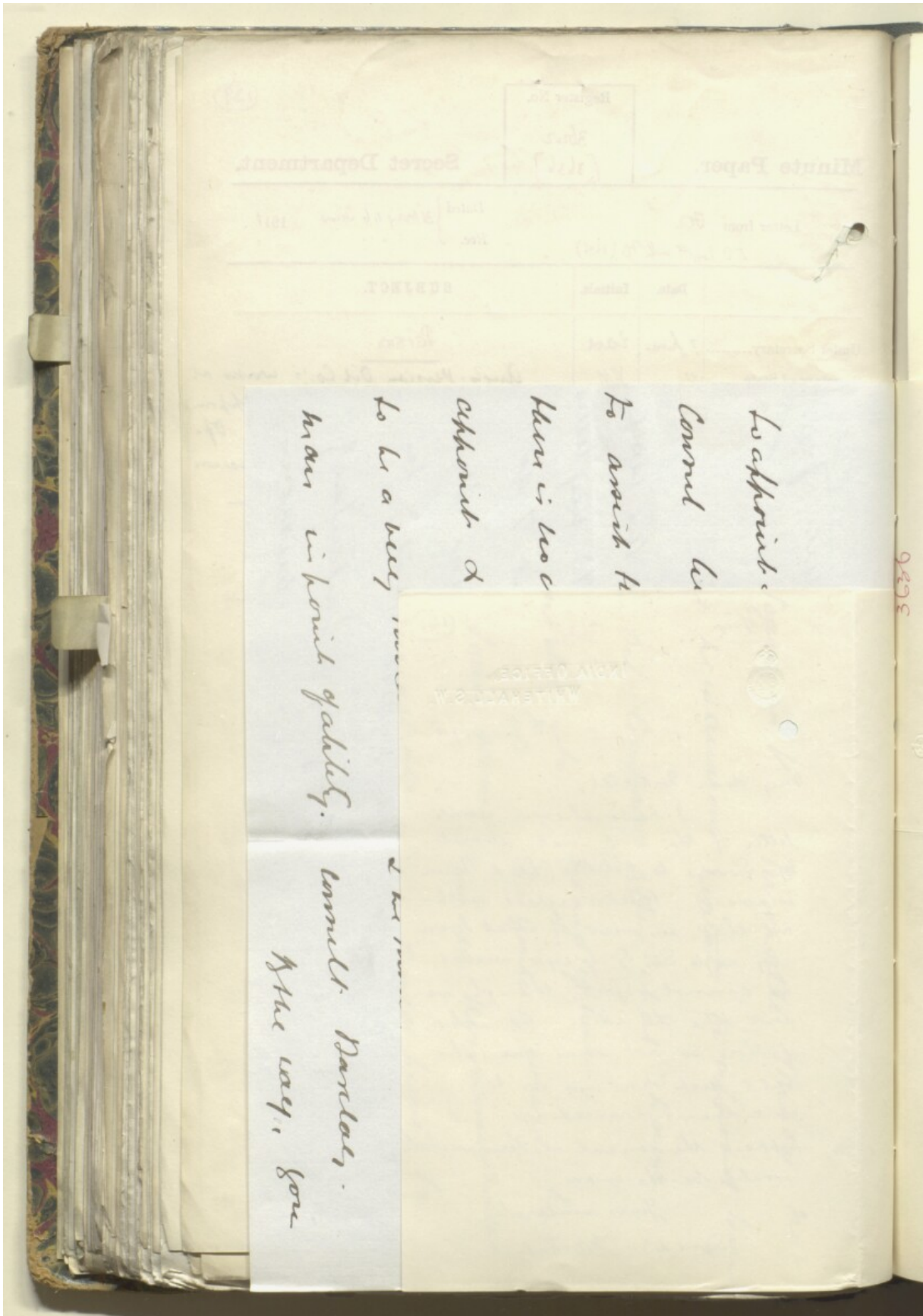


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤١و] (٢٩٢/١٣٩)



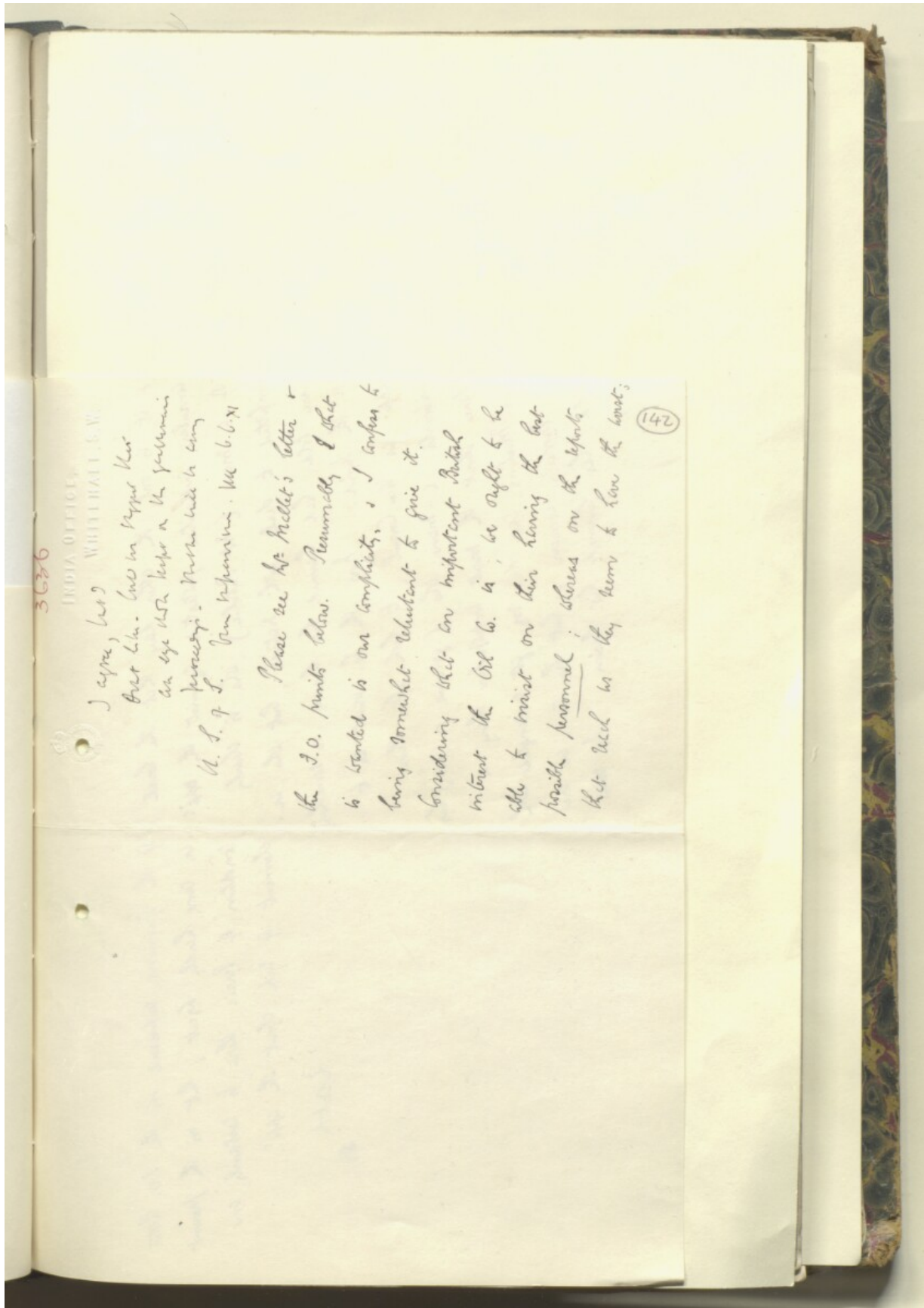


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٤١ظ] (٢٩٢/١٤٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٢ و] [٢٩٢/١٤١]

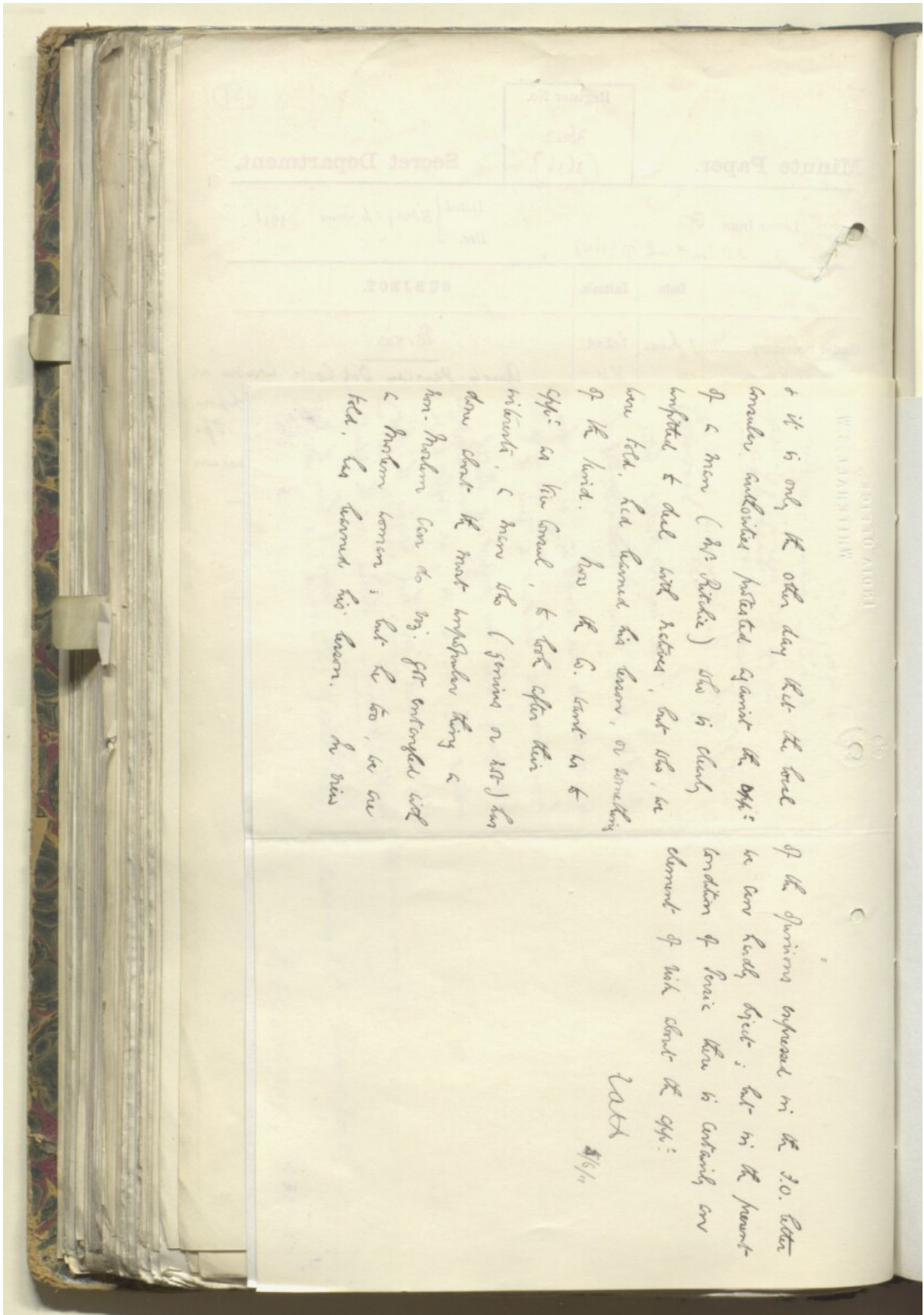


3636

INDIA OFFICE,
WHITEHALL, E.C. 4.
I agree, but
But Mr. S. 7 S. is a
an eye for an eye in the
process. Mr. S. 7 S. is
Mr. S. 7 S. is a
Mr. S. 7 S. is a

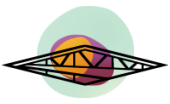
Please see Mr. S. 7 S.'s letter &
the S.O. points below. Personally I think
is wanted is our complaints, & I am afraid to
being somewhat reluctant to give it.
Considering that an important British
interest the Oil Co. is, we ought to be
able to trust on their having the best
possible personnel; whereas on the reports
that need to be given to have the best,

(142)

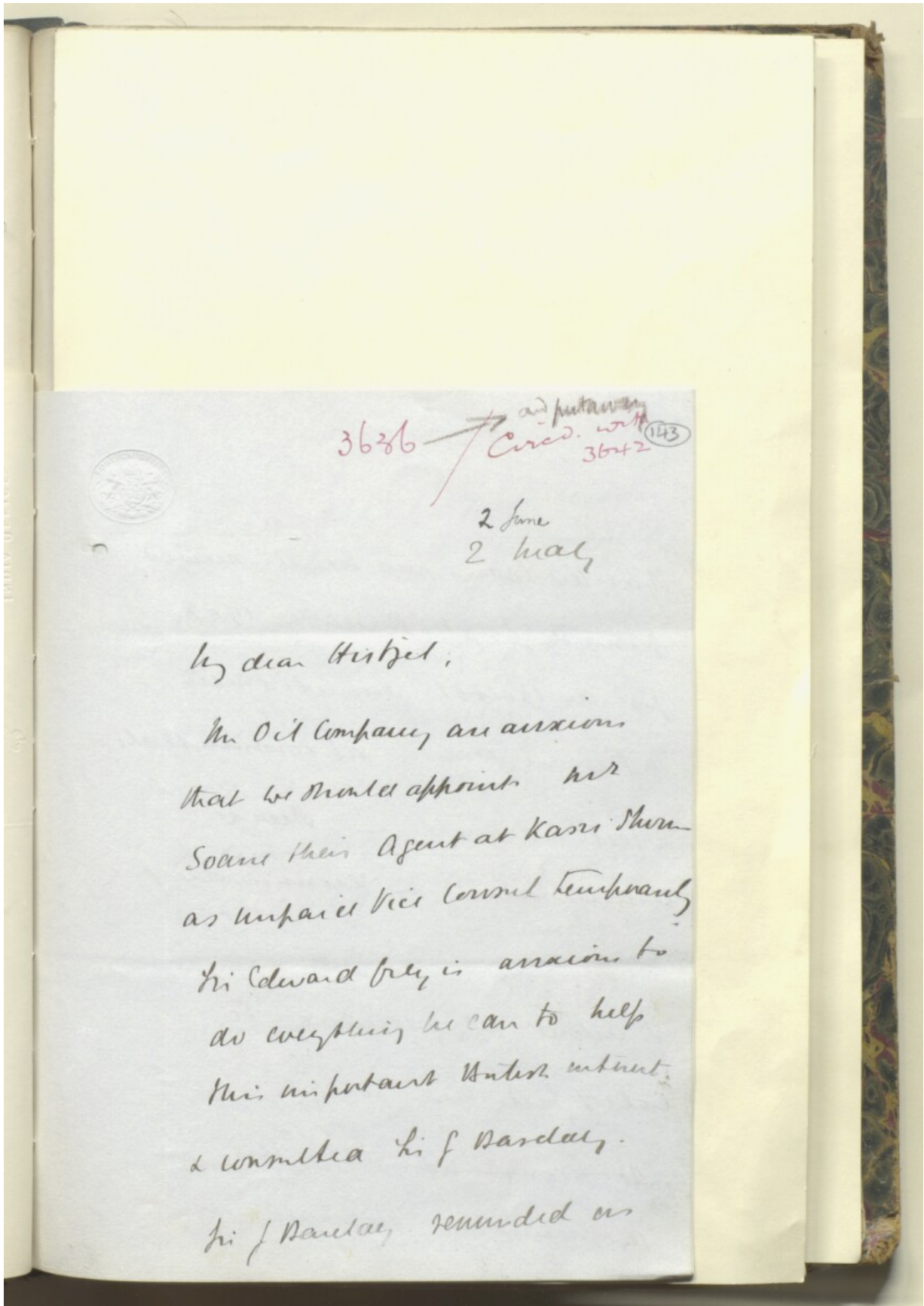


+ it is only the other day that the local
 granular substances patented against the
 of a man (Mr. Birkie) who is clearly
 impeded to deal with matters, but who, in
 low field, has secured his name, or something
 of the kind. has the G. sent in to
 apply in his name, to test after their
 interests. I know the (giving or not) has
 done about the most hydrocarbon thing a
 man. Modern can do this. get entangled with
 a modern version, but he too, as we
 felt, has secured his name. he was

of the quinina prepared in the 10. Ester
 in very ready liquid; but in the present
 condition of Persian there is certainly an
 element of risk about the
 work
 1/6/11



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٣] [٢٩٢/١٤٣]

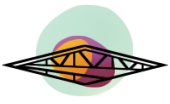


3636 → and put away
Circled with 143
3642

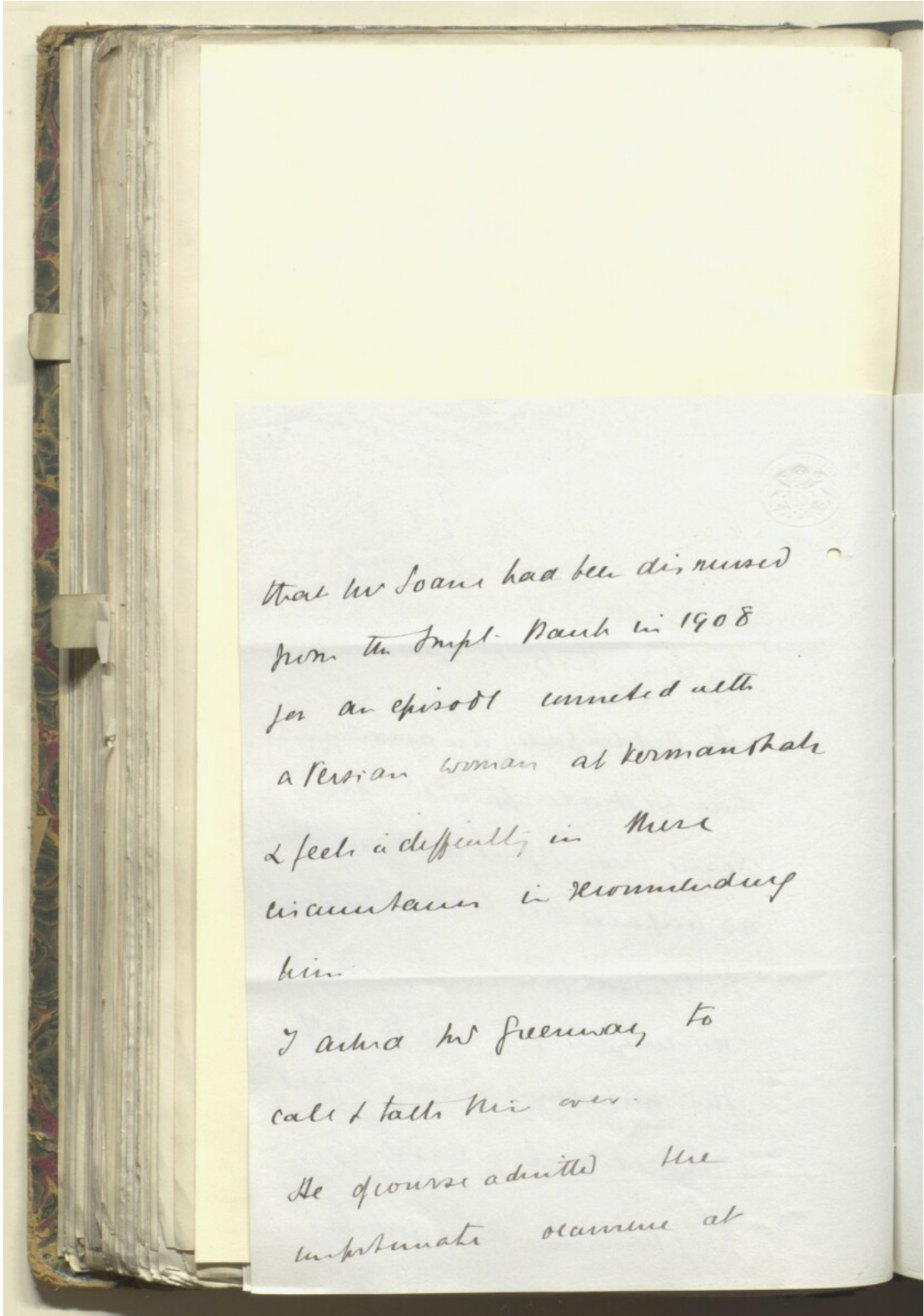
2 June
2 July

My dear Herbert,

The Oil Company are anxious
that we should appoint Mr
Soane their Agent at Kassi Mura
as unpaid Vice Consul temporarily
Mr Edward Bray is anxious to
do everything we can to help
this important British interest
& would be Mr J. Barclay.
Mr J. Barclay, reminded us



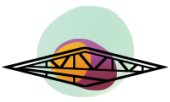
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٣ ظ] (٢٩٢/١٤٤)



that Mr Soane had been dismissed
from the Impt. Bank in 1908
for an episode connected with
a Persian woman at Kermanshah
& feels a difficulty in these
circumstances in Kermanshah
him.

I asked Mr Freeman, to
call & talk him over.

He of course admitted the
impudent occurrence at



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٤] [٢٩٢/١٤٥]

(144)

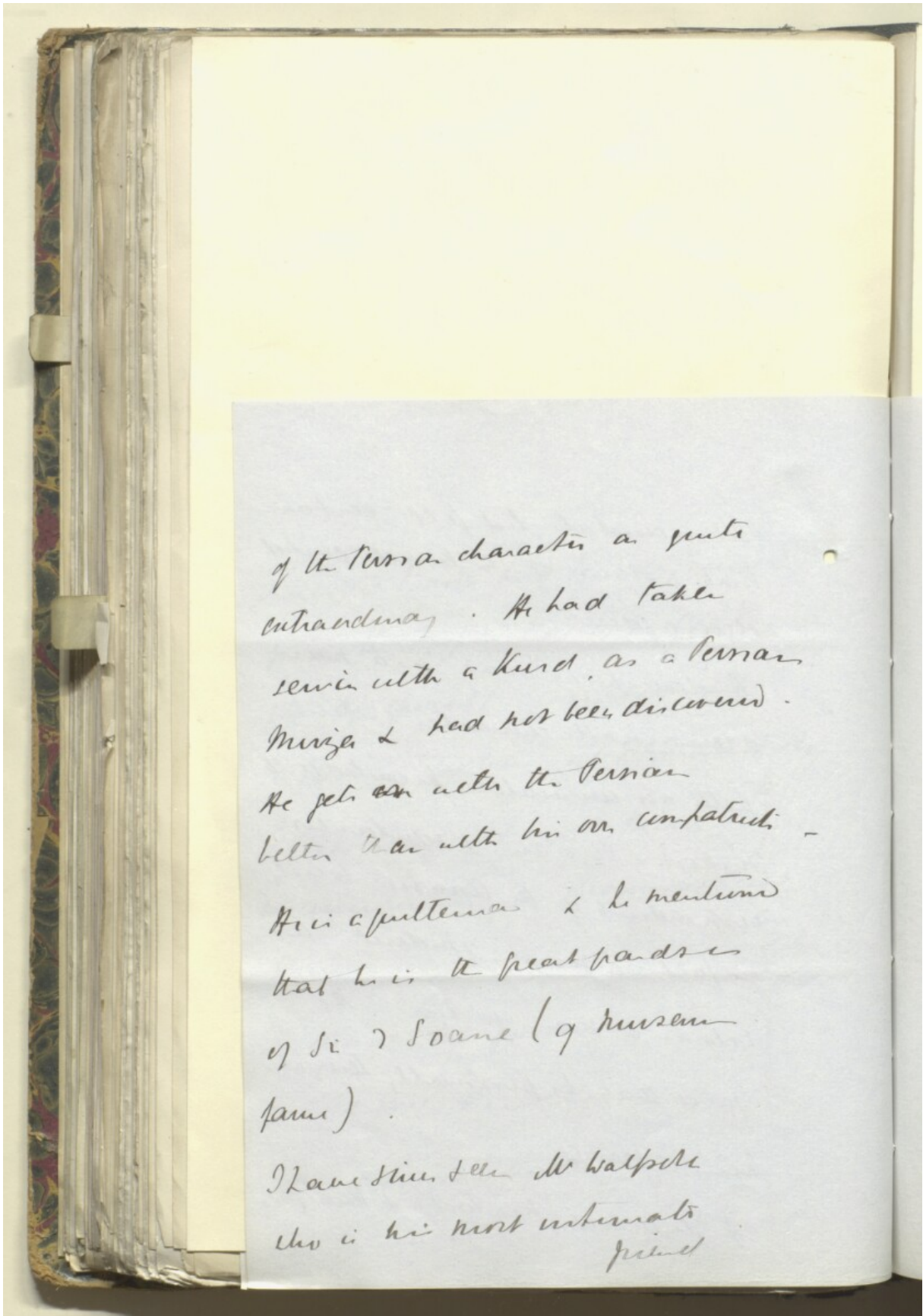
Hermansbah but felt certain that nothing of the kind could occur again.

He describes Soane as a man of remarkable character & ability with an unrivalled knowledge of Turkish & Persian, a regular correspondent of the Anatolian Society, in fact a serious student as well as a man of action. He said that he personally taught him a great deal.

He described his tact & knowledge



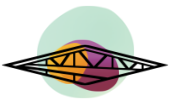
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٤ ظ] (٢٩٢/١٤٦)



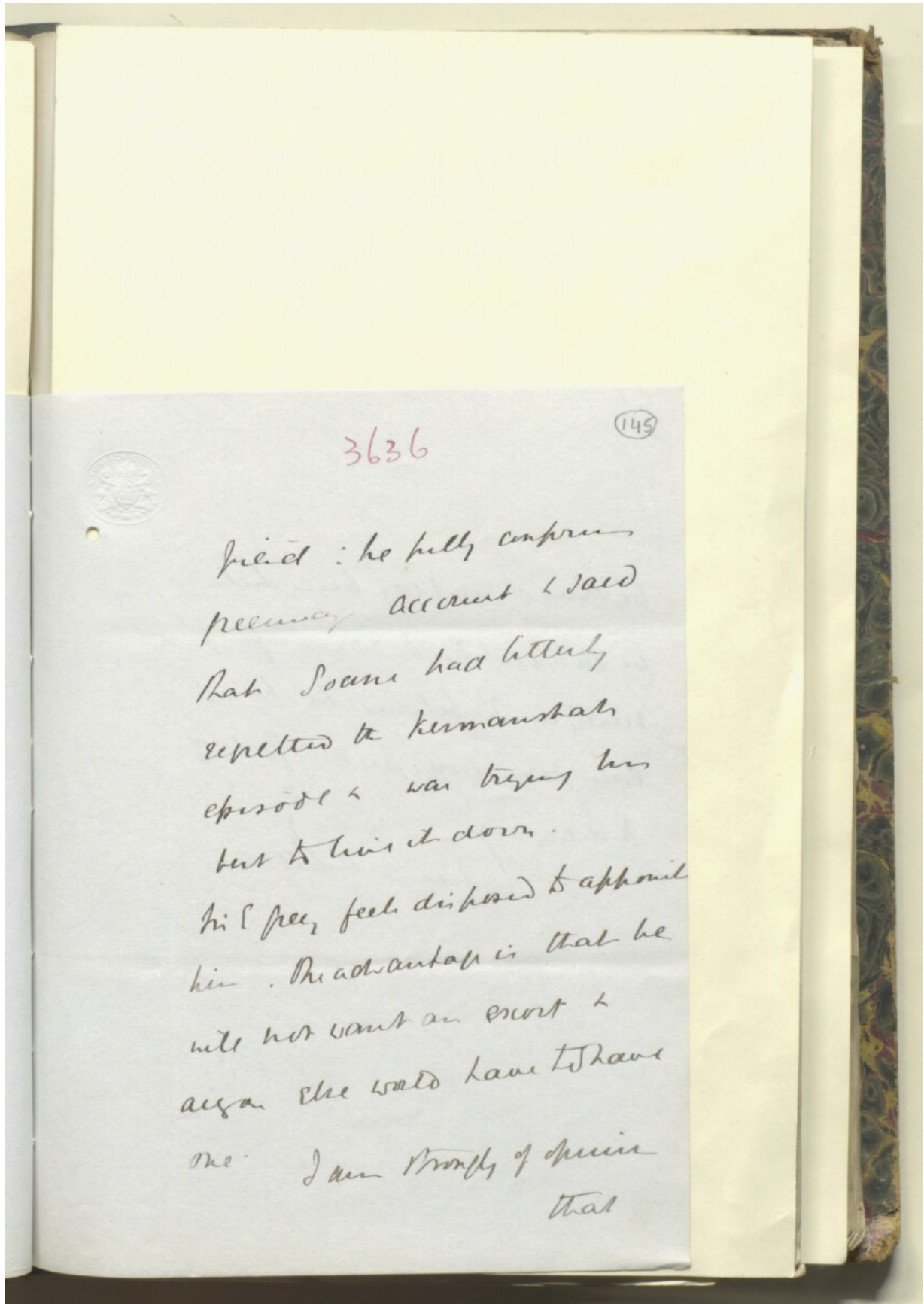
of the Persian character a quite
extraordinary. He had taken
service with a Kurd, as a Persian
Murza & had not been discovered.
He gets on with the Persian
better than with his own compatriots.

He is a gentleman & he mentioned
that he is the great grandson
of Sir J. Soane (of museum
fame).

I have since seen Mr Walpole
who is his most intimate
friend



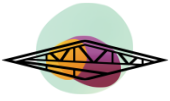
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٥] (٢٩٢/١٤٧)



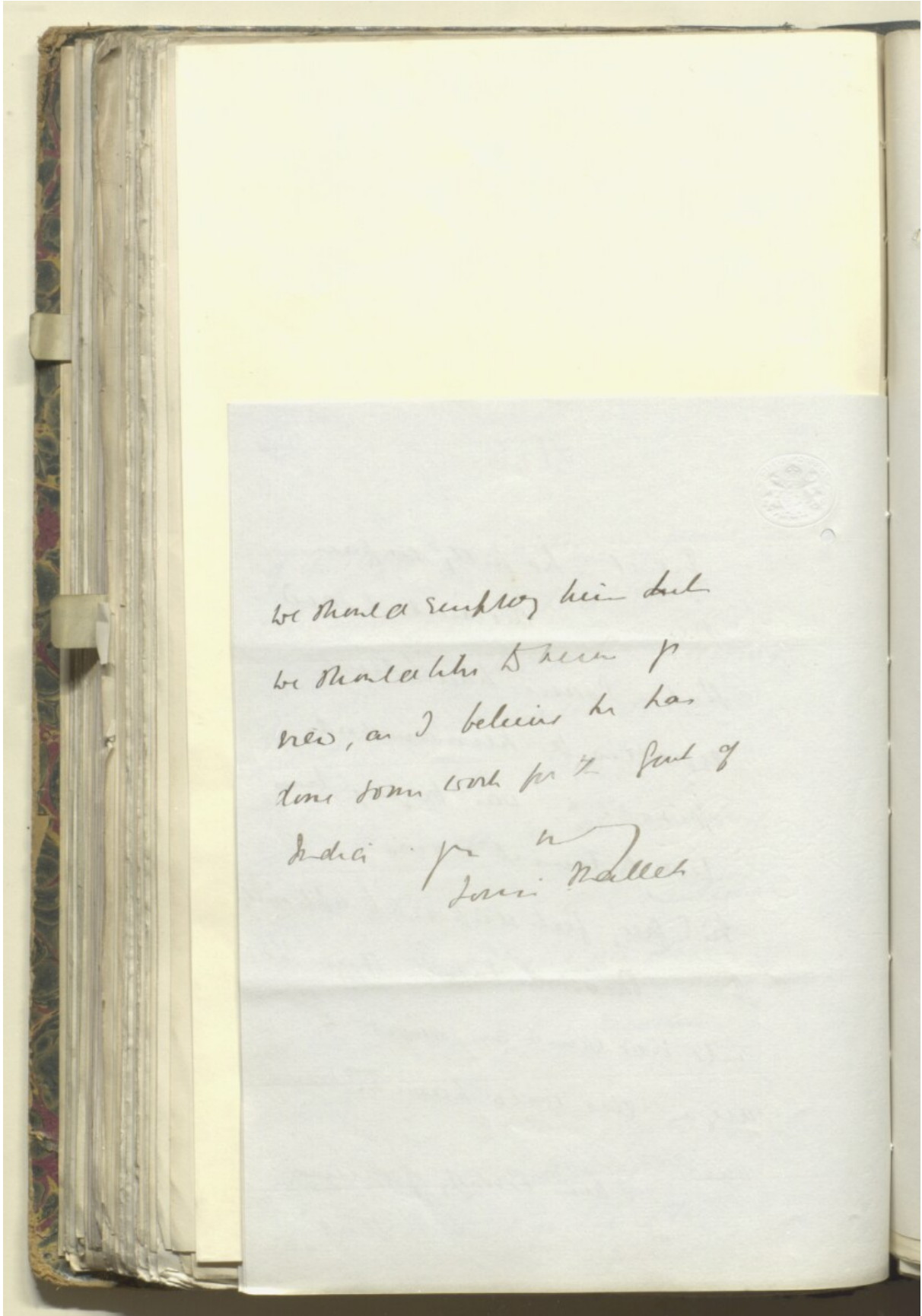
3636

(145)

friend: he fully comprehends
previously account & said
that Soame had bitterly
repelled the Kermanshah
episode & was trying his
best to bring it down.
His feelings feel disposed to apponit
him. The advantage is that he
will not want an escort &
again she would have to have
one. I am strongly of opinion
that

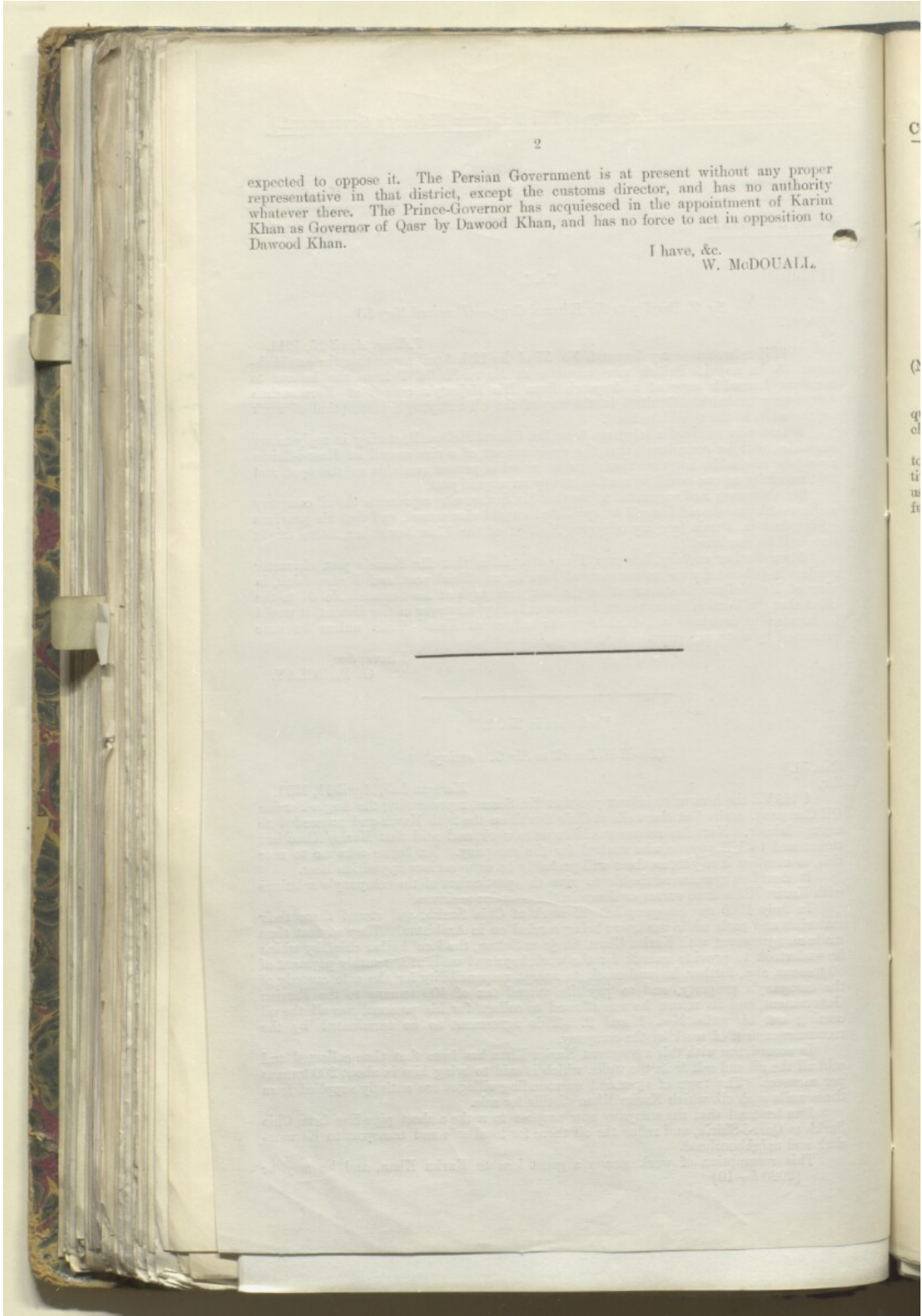


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٤٥ظ] (٢٩٢/١٤٨)



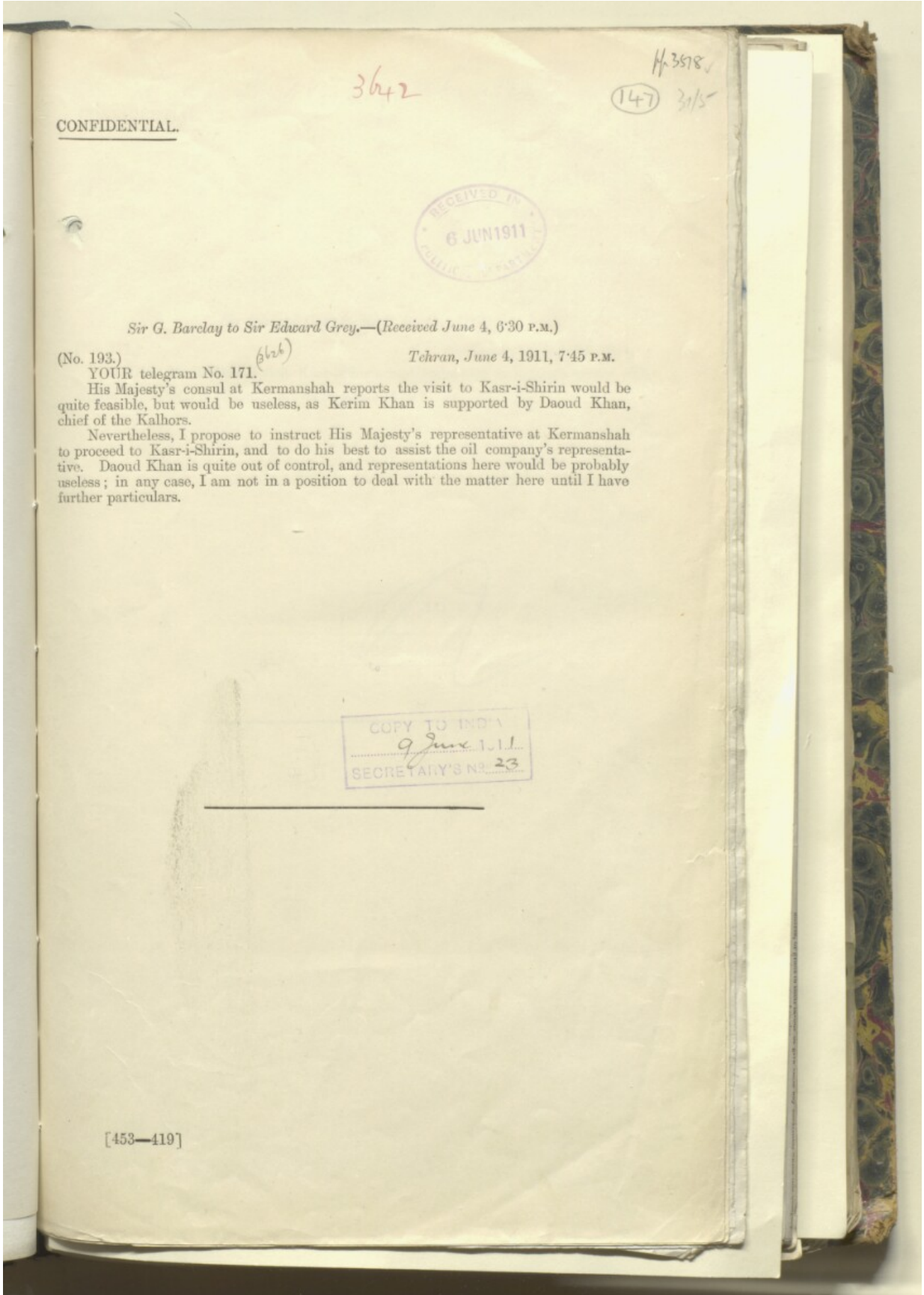


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٦ظ] (٢٩٢/١٥٠)



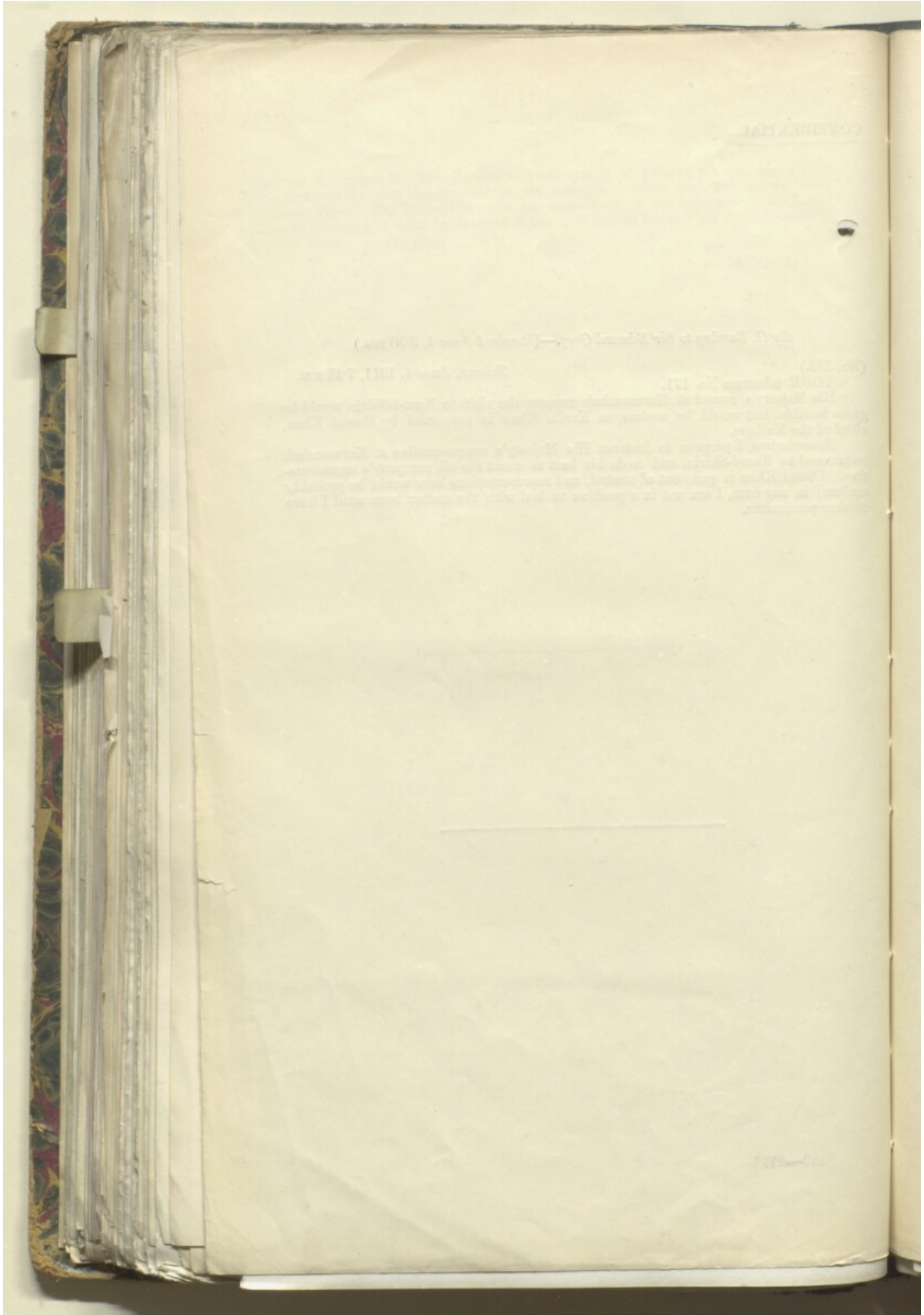


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٤٧و] (٢٩٢/١٥١)



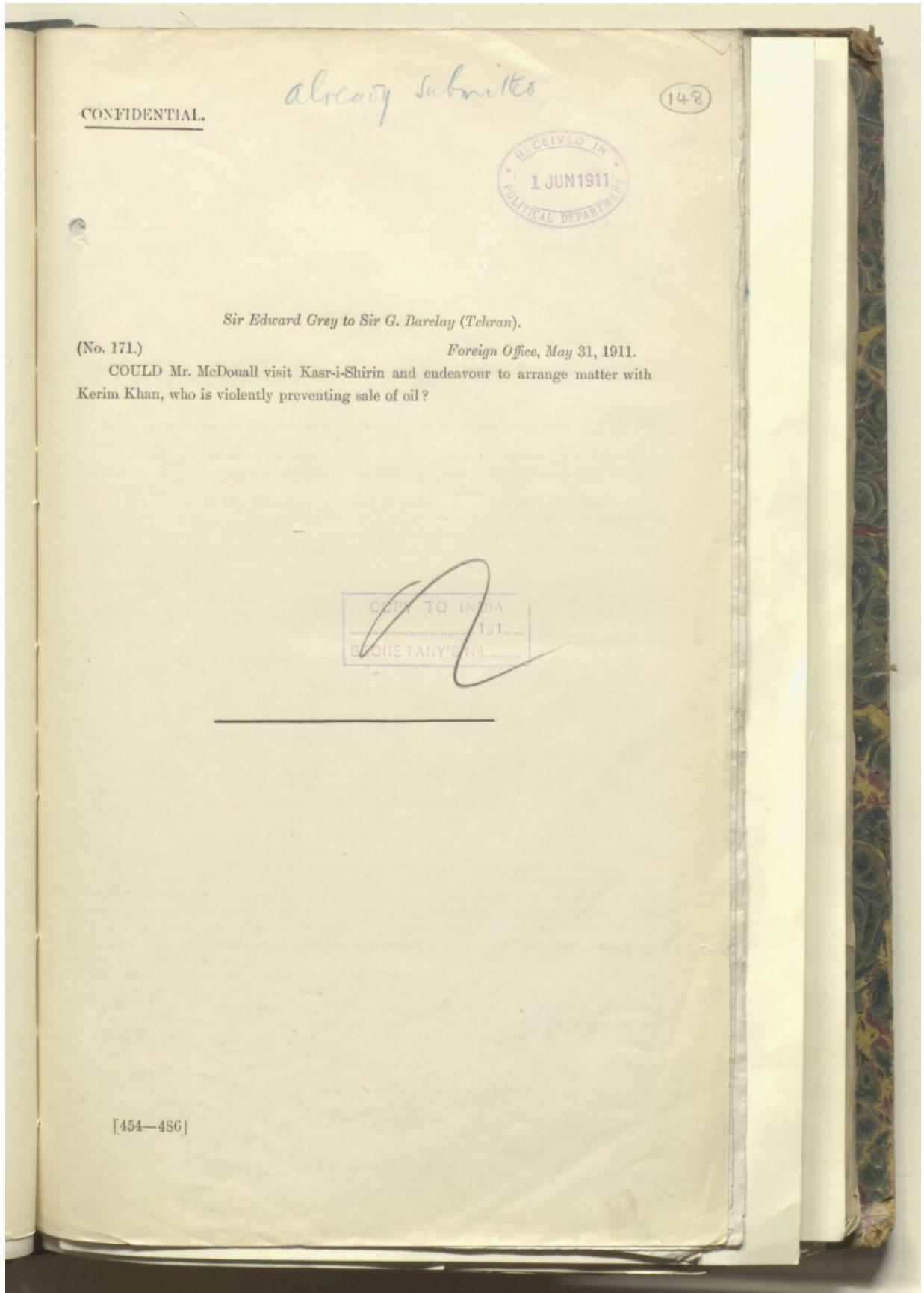


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٤٧ظ] (٢٩٢/١٥٢)



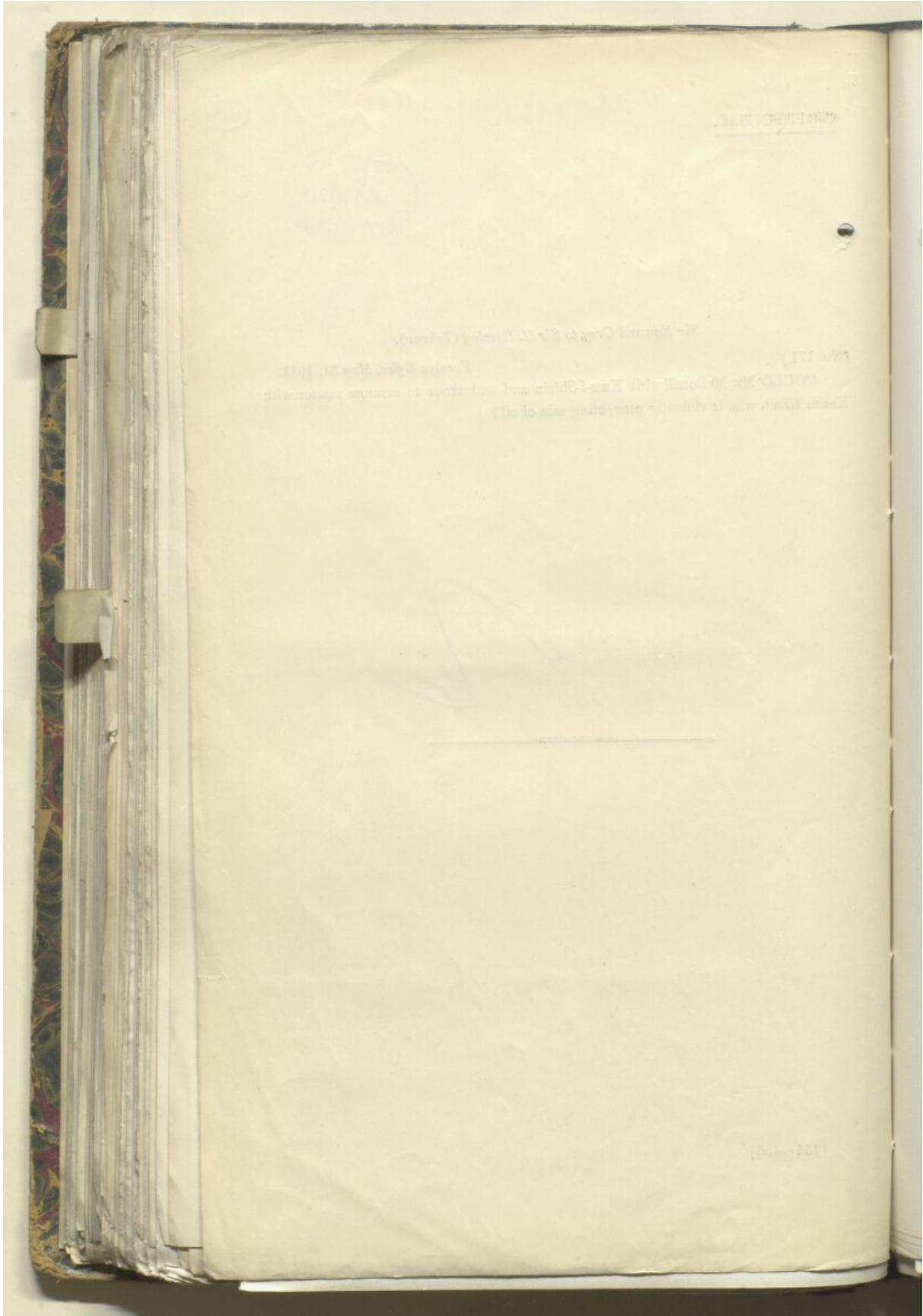


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٤٨و] (٢٩٢/١٥٣)



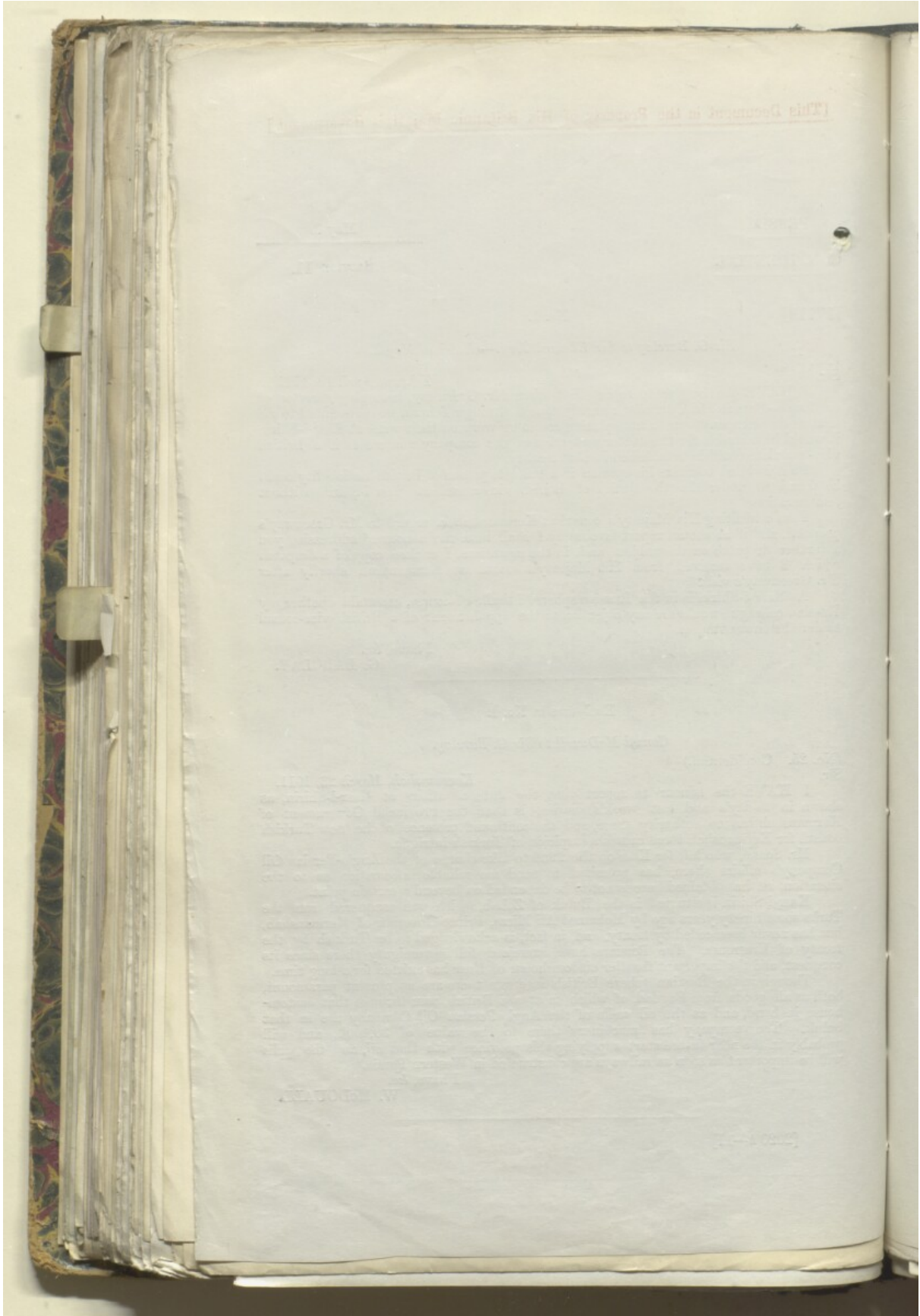


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٤٨ظ] (٢٩٢/١٥٤)



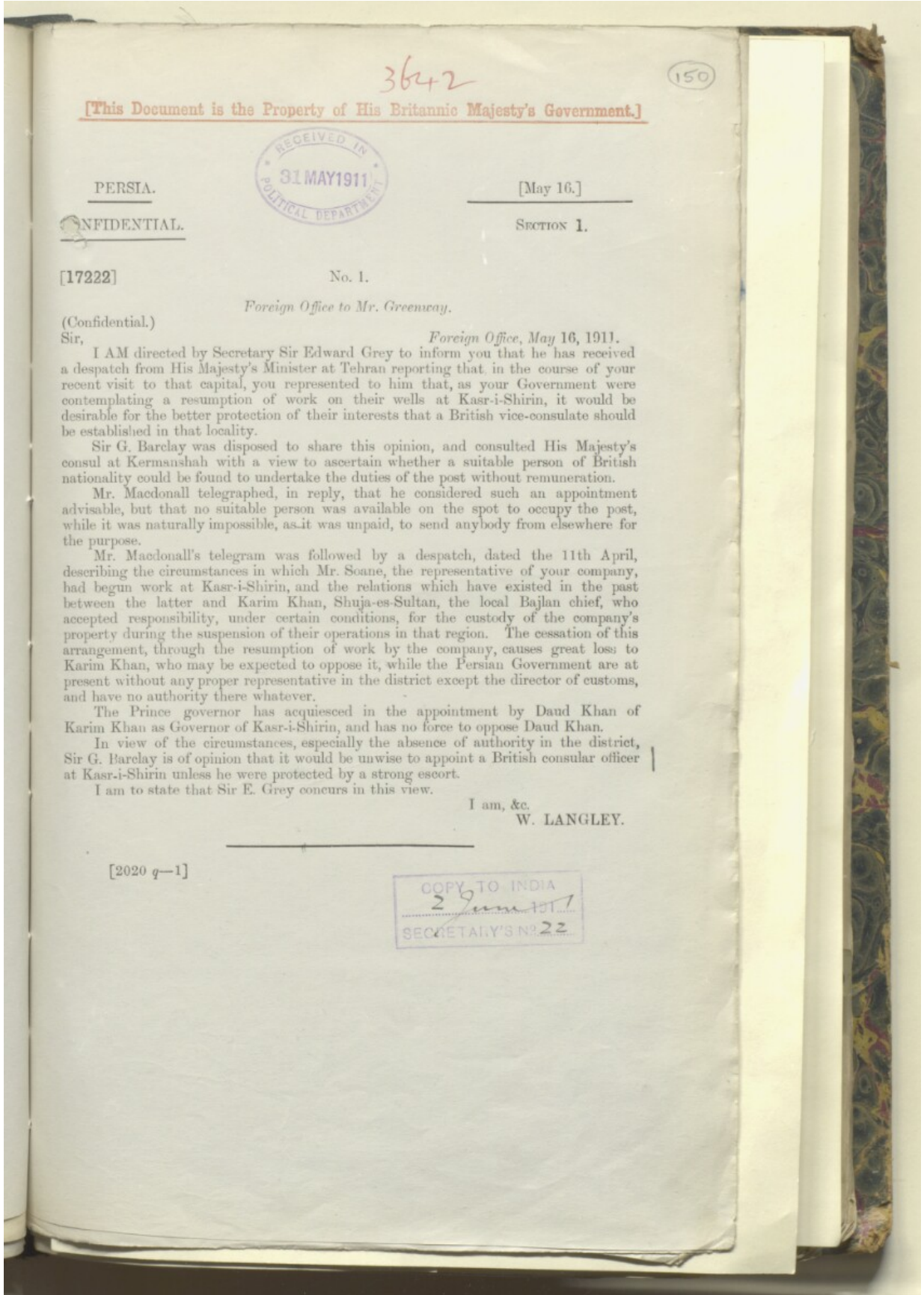


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٤٩ظ] (٢٩٢/١٥٦)



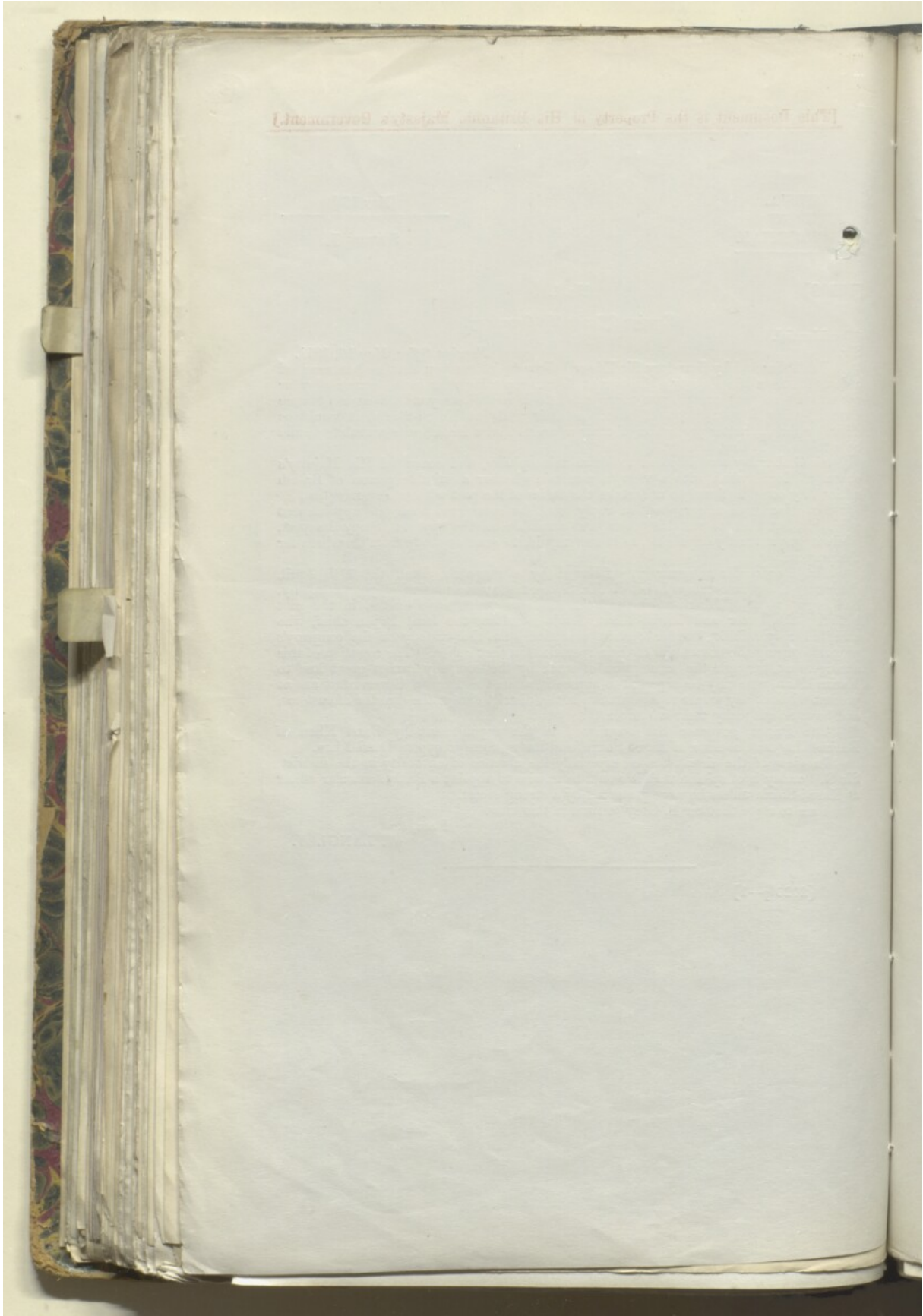


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٠] [٢٩٢/١٥٧]



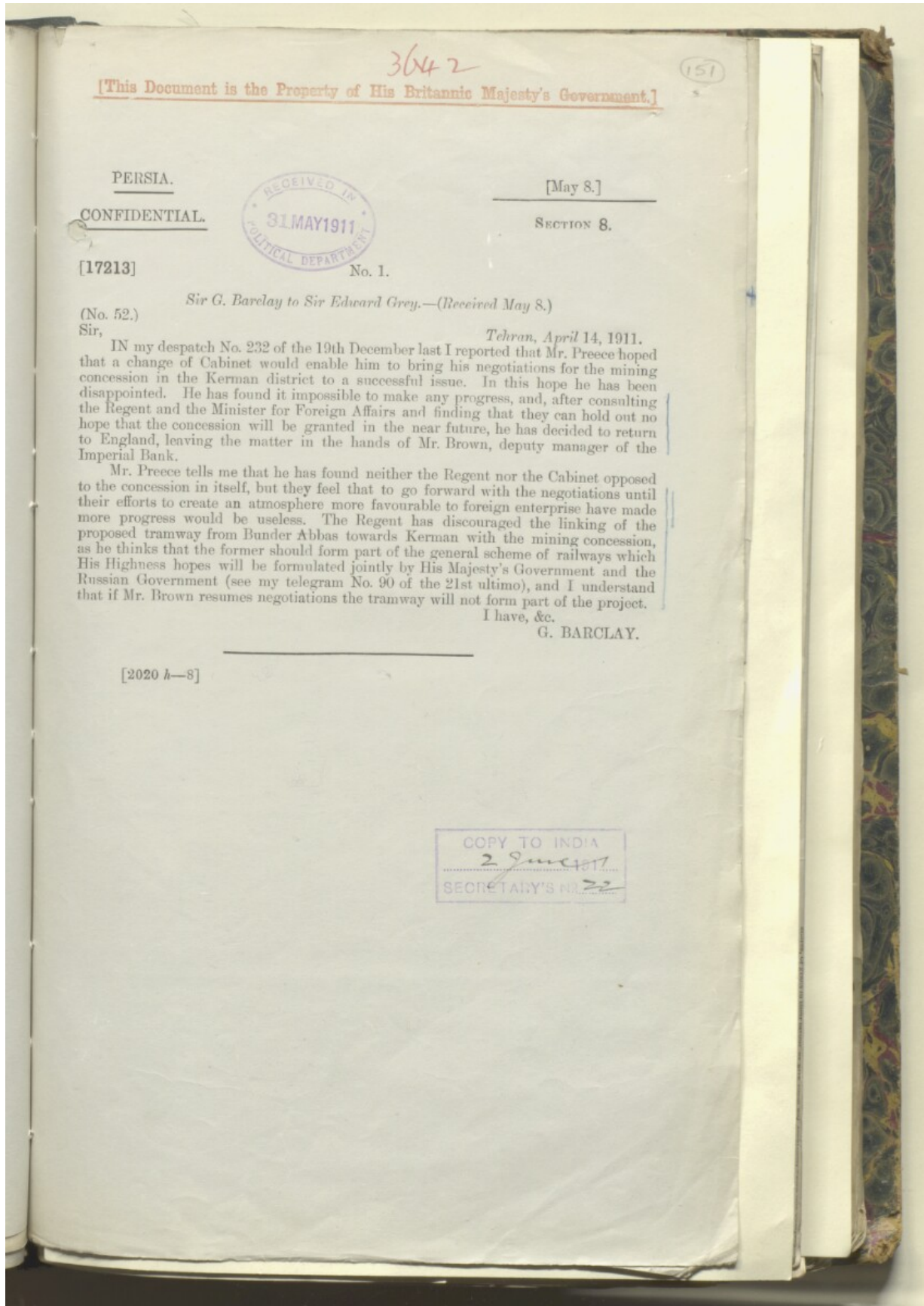


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٠ظ] (٢٩٢/١٥٨)



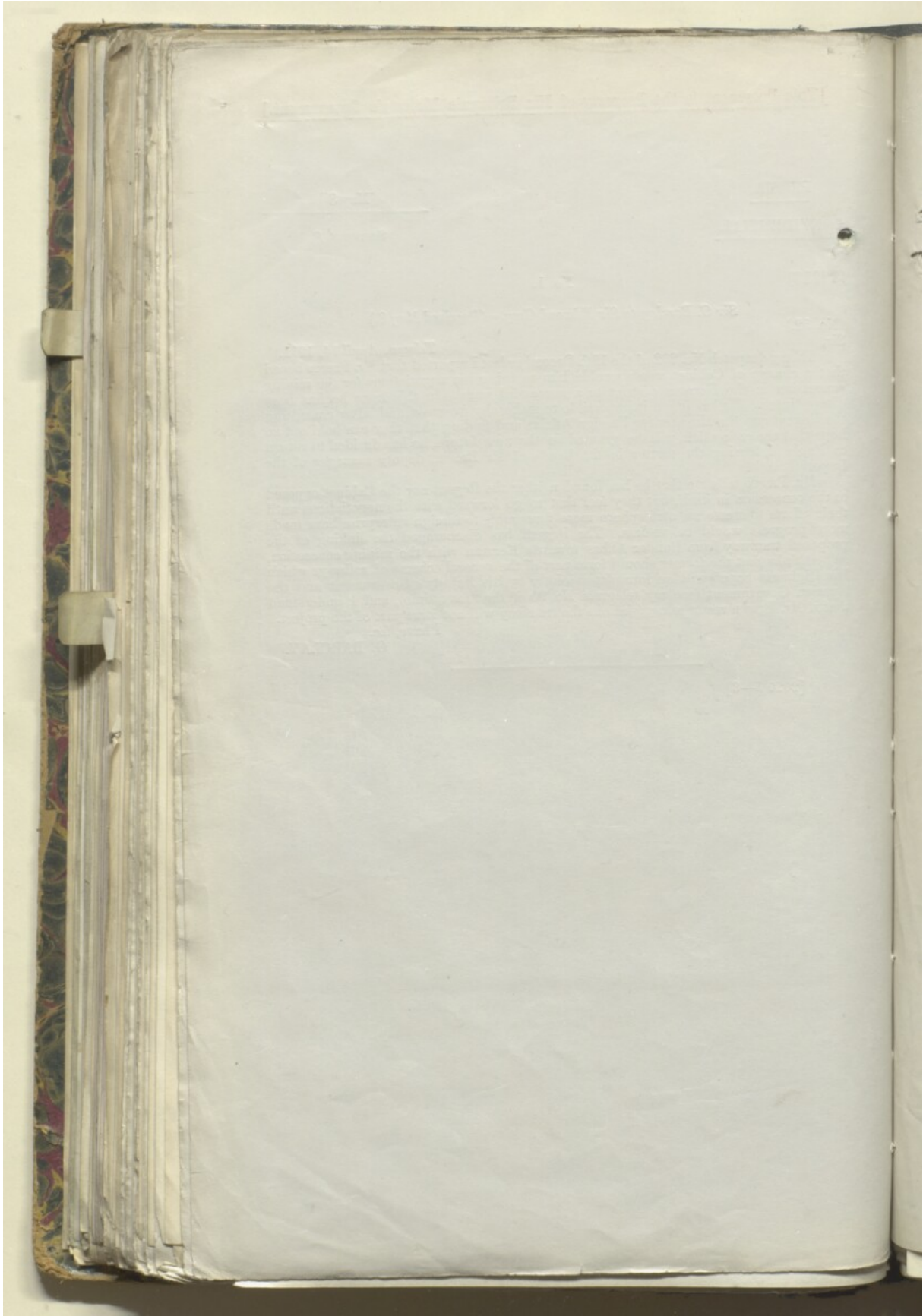


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥١] [٢٩٢/١٥٩]



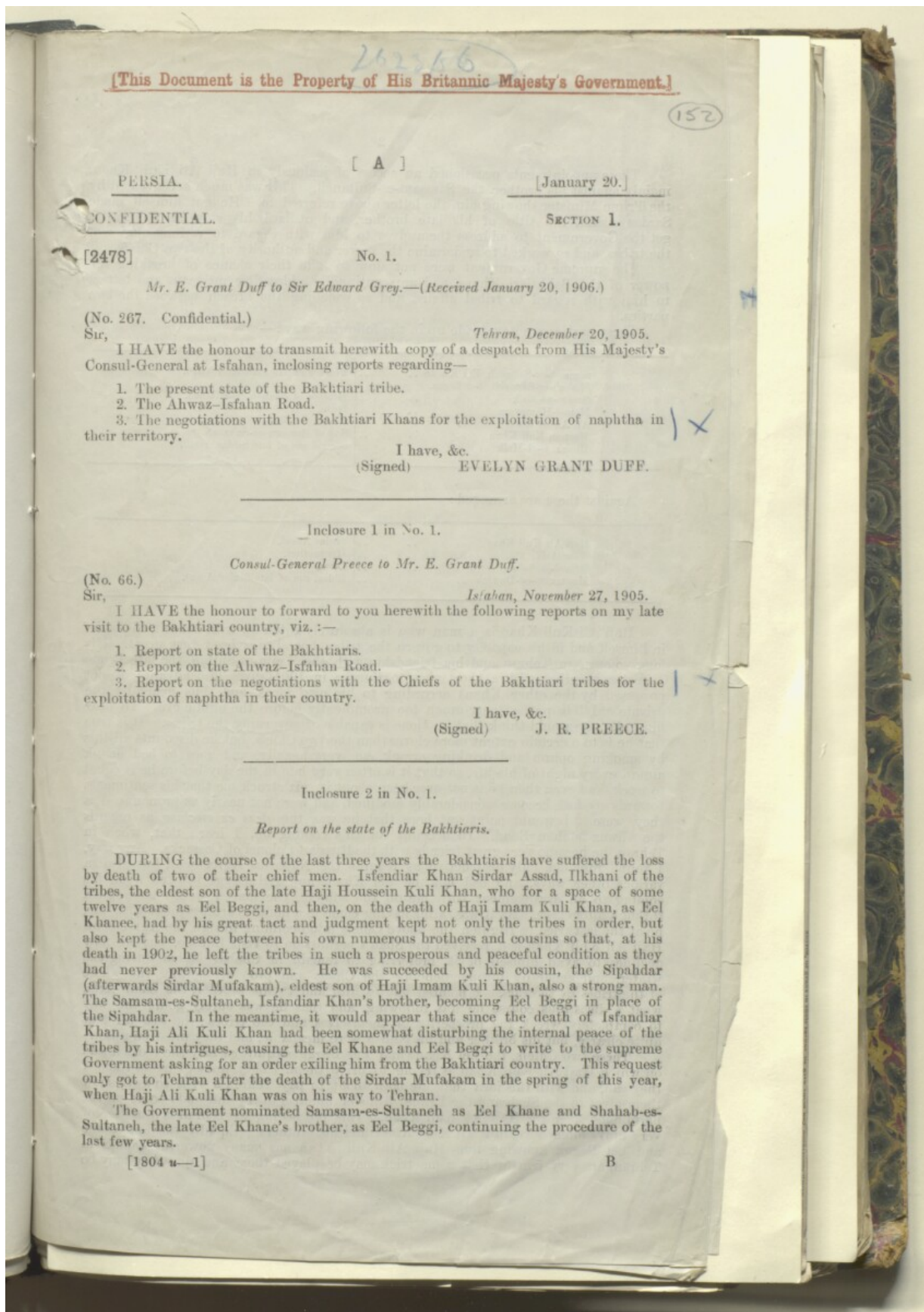


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٥١ظ] (٢٩٢/١٦٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٢] [٢٩٢/١٦١]



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[A]

PERSIA.

[January 20.]

CONFIDENTIAL.

SECTION 1.

[2478]

No. 1.

Mr. E. Grant Duff to Sir Edward Grey.—(Received January 20, 1906.)

(No. 267. Confidential.)

Sir, *Tehran, December 20, 1905.*
I HAVE the honour to transmit herewith copy of a despatch from His Majesty's Consul-General at Isfahan, inclosing reports regarding—

1. The present state of the Bakhtiari tribe.
2. The Ahwaz-Isfahan Road.
3. The negotiations with the Bakhtiari Khans for the exploitation of naphtha in their territory.

I have, &c.
(Signed) EVELYN GRANT DUFF.

Inclosure 1 in No. 1.

Consul-General Preece to Mr. E. Grant Duff.

(No. 66.)

Sir, *Isfahan, November 27, 1905.*
I HAVE the honour to forward to you herewith the following reports on my late visit to the Bakhtiari country, viz. :—

1. Report on state of the Bakhtiaris.
2. Report on the Ahwaz-Isfahan Road.
3. Report on the negotiations with the Chiefs of the Bakhtiari tribes for the exploitation of naphtha in their country.

I have, &c.
(Signed) J. R. PREECE.

Inclosure 2 in No. 1.

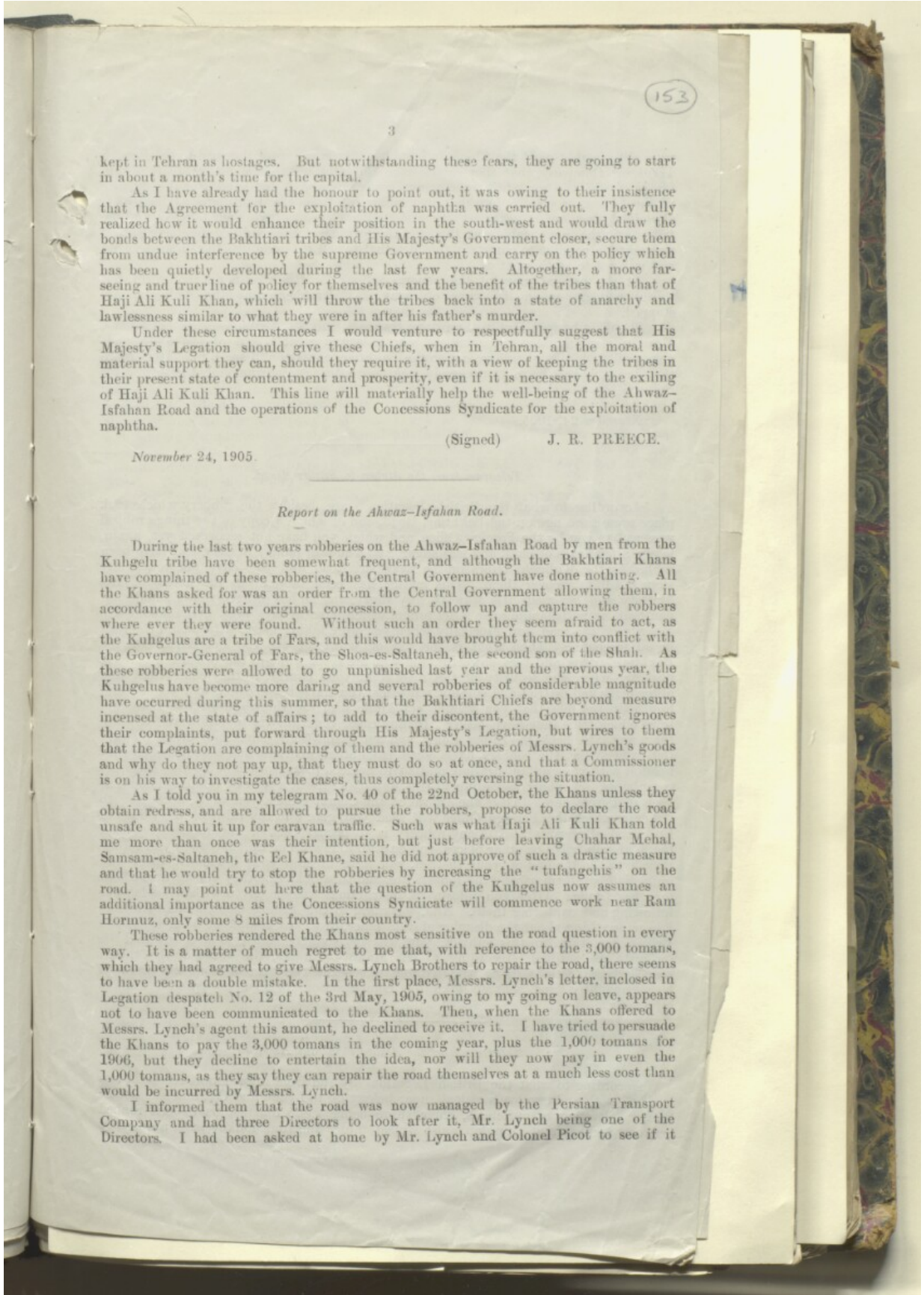
Report on the state of the Bakhtiaris.

DURING the course of the last three years the Bakhtiaris have suffered the loss by death of two of their chief men. Isfendiari Khan Sirdar Assad, Ilkhani of the tribes, the eldest son of the late Haji Houssein Kuli Khan, who for a space of some twelve years as Eel Beggi, and then, on the death of Haji Imam Kuli Khan, as Eel Khaneh, had by his great tact and judgment kept not only the tribes in order, but also kept the peace between his own numerous brothers and cousins so that, at his death in 1902, he left the tribes in such a prosperous and peaceful condition as they had never previously known. He was succeeded by his cousin, the Sipahdar (afterwards Sirdar Mufakam), eldest son of Haji Imam Kuli Khan, also a strong man. The Samsam-es-Sultaneh, Isfendiari Khan's brother, becoming Eel Beggi in place of the Sipahdar. In the meantime, it would appear that since the death of Isfendiari Khan, Haji Ali Kuli Khan had been somewhat disturbing the internal peace of the tribes by his intrigues, causing the Eel Khane and Eel Beggi to write to the supreme Government asking for an order exiling him from the Bakhtiari country. This request only got to Tehran after the death of the Sirdar Mufakam in the spring of this year, when Haji Ali Kuli Khan was on his way to Tehran.

The Government nominated Samsam-es-Sultaneh as Eel Khane and Shahab-es-Sultaneh, the late Eel Khane's brother, as Eel Beggi, continuing the procedure of the last few years.

[1804 u—1]

B



kept in Tehran as hostages. But notwithstanding these fears, they are going to start in about a month's time for the capital.

As I have already had the honour to point out, it was owing to their insistence that the Agreement for the exploitation of naphtha was carried out. They fully realized how it would enhance their position in the south-west and would draw the bonds between the Bakhtiari tribes and His Majesty's Government closer, secure them from undue interference by the supreme Government and carry on the policy which has been quietly developed during the last few years. Altogether, a more far-seeing and truer line of policy for themselves and the benefit of the tribes than that of Haji Ali Kuli Khan, which will throw the tribes back into a state of anarchy and lawlessness similar to what they were in after his father's murder.

Under these circumstances I would venture to respectfully suggest that His Majesty's Legation should give these Chiefs, when in Tehran, all the moral and material support they can, should they require it, with a view of keeping the tribes in their present state of contentment and prosperity, even if it is necessary to the exiling of Haji Ali Kuli Khan. This line will materially help the well-being of the Ahwaz-Isfahan Road and the operations of the Concessions Syndicate for the exploitation of naphtha.

(Signed) J. R. PREECE.

November 24, 1905.

Report on the Ahwaz-Isfahan Road.

During the last two years robberies on the Ahwaz-Isfahan Road by men from the Kuhgelu tribe have been somewhat frequent, and although the Bakhtiari Khans have complained of these robberies, the Central Government have done nothing. All the Khans asked for was an order from the Central Government allowing them, in accordance with their original concession, to follow up and capture the robbers where ever they were found. Without such an order they seem afraid to act, as the Kuhgelus are a tribe of Fars, and this would have brought them into conflict with the Governor-General of Fars, the Shoa-es-Saltaneh, the second son of the Shah. As these robberies were allowed to go unpunished last year and the previous year, the Kuhgelus have become more daring and several robberies of considerable magnitude have occurred during this summer, so that the Bakhtiari Chiefs are beyond measure incensed at the state of affairs; to add to their discontent, the Government ignores their complaints, put forward through His Majesty's Legation, but wires to them that the Legation are complaining of them and the robberies of Messrs. Lynch's goods and why do they not pay up, that they must do so at once, and that a Commissioner is on his way to investigate the cases, thus completely reversing the situation.

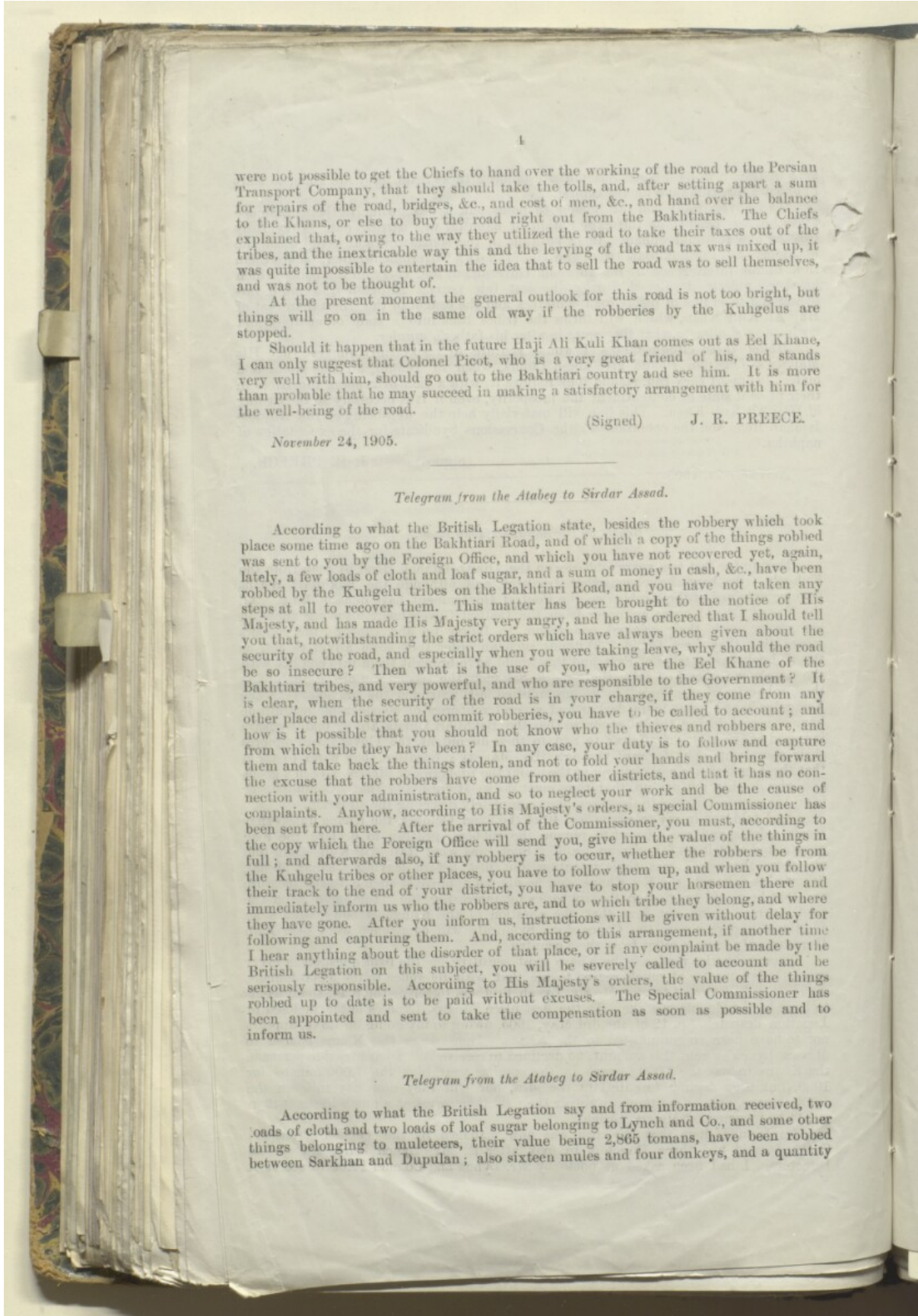
As I told you in my telegram No. 40 of the 22nd October, the Khans unless they obtain redress, and are allowed to pursue the robbers, propose to declare the road unsafe and shut it up for caravan traffic. Such was what Haji Ali Kuli Khan told me more than once was their intention, but just before leaving Chahar Mehal, Samsam-es-Saltaneh, the Eel Khane, said he did not approve of such a drastic measure and that he would try to stop the robberies by increasing the "tufangchis" on the road. I may point out here that the question of the Kuhgelus now assumes an additional importance as the Concessions Syndicate will commence work near Ram Hormuz, only some 8 miles from their country.

These robberies rendered the Khans most sensitive on the road question in every way. It is a matter of much regret to me that, with reference to the 3,000 tomans, which they had agreed to give Messrs. Lynch Brothers to repair the road, there seems to have been a double mistake. In the first place, Messrs. Lynch's letter, inclosed in Legation despatch No. 12 of the 3rd May, 1905, owing to my going on leave, appears not to have been communicated to the Khans. Then, when the Khans offered to Messrs. Lynch's agent this amount, he declined to receive it. I have tried to persuade the Khans to pay the 3,000 tomans in the coming year, plus the 1,000 tomans for 1906, but they decline to entertain the idea, nor will they now pay in even the 1,000 tomans, as they say they can repair the road themselves at a much less cost than would be incurred by Messrs. Lynch.

I informed them that the road was now managed by the Persian Transport Company and had three Directors to look after it, Mr. Lynch being one of the Directors. I had been asked at home by Mr. Lynch and Colonel Picot to see if it



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٣ ظ] (٢٩٢/١٦٤)



were not possible to get the Chiefs to hand over the working of the road to the Persian Transport Company, that they should take the tolls, and, after setting apart a sum for repairs of the road, bridges, &c., and cost of men, &c., and hand over the balance to the Khans, or else to buy the road right out from the Bakhtiari. The Chiefs explained that, owing to the way they utilized the road to take their taxes out of the tribes, and the inextricable way this and the levying of the road tax was mixed up, it was quite impossible to entertain the idea that to sell the road was to sell themselves, and was not to be thought of.

At the present moment the general outlook for this road is not too bright, but things will go on in the same old way if the robberies by the Kuhgelu are stopped.

Should it happen that in the future Haji Ali Kuli Khan comes out as Bel Khane, I can only suggest that Colonel Picot, who is a very great friend of his, and stands very well with him, should go out to the Bakhtiari country and see him. It is more than probable that he may succeed in making a satisfactory arrangement with him for the well-being of the road.

(Signed) J. R. PREECE.

November 24, 1905.

Telegram from the Atabeg to Sirdar Assad.

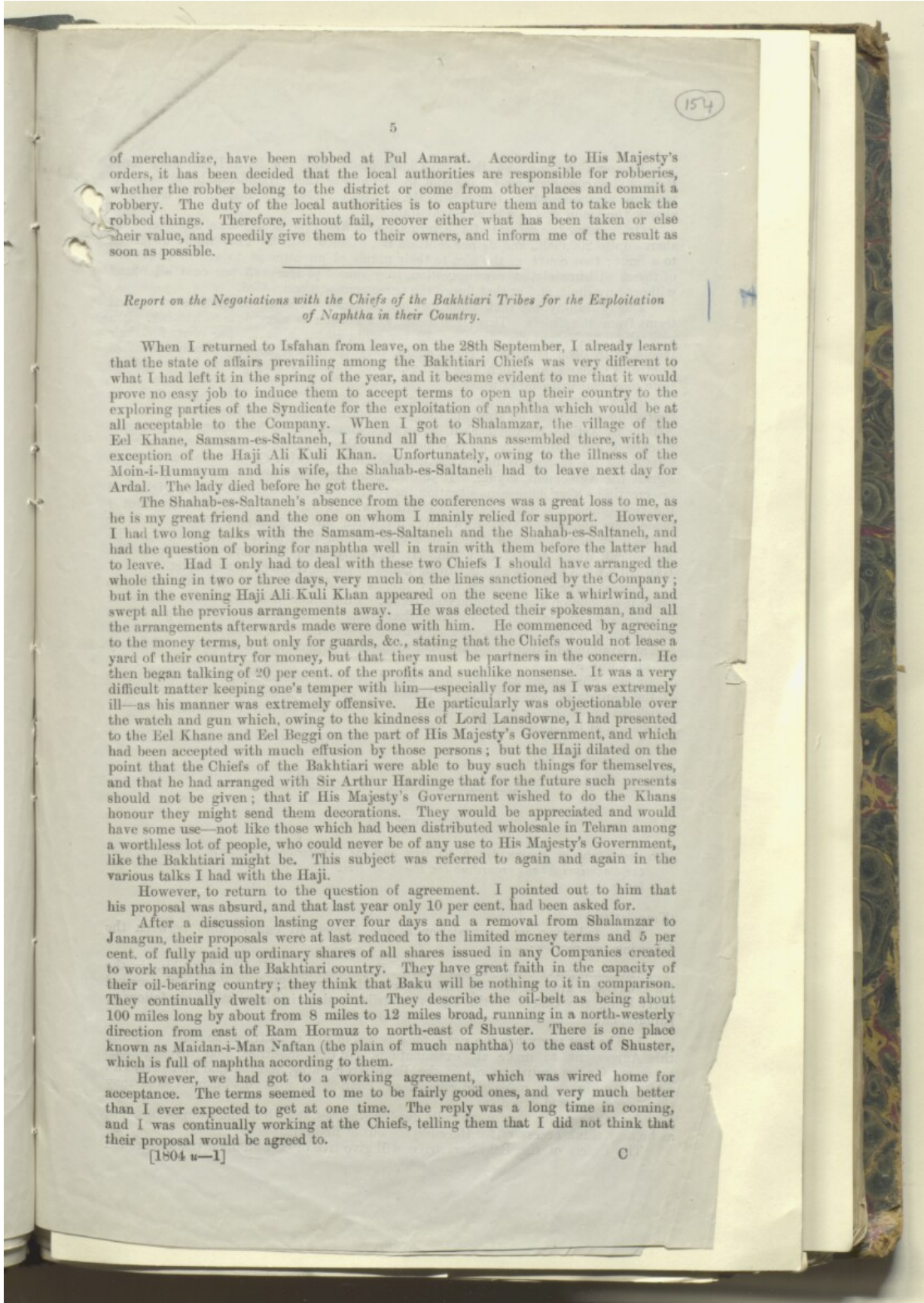
According to what the British Legation state, besides the robbery which took place some time ago on the Bakhtiari Road, and of which a copy of the things robbed was sent to you by the Foreign Office, and which you have not recovered yet, again, lately, a few loads of cloth and loaf sugar, and a sum of money in cash, &c., have been robbed by the Kuhgelu tribes on the Bakhtiari Road, and you have not taken any steps at all to recover them. This matter has been brought to the notice of His Majesty, and has made His Majesty very angry, and he has ordered that I should tell you that, notwithstanding the strict orders which have always been given about the security of the road, and especially when you were taking leave, why should the road be so insecure? Then what is the use of you, who are the Bel Khane of the Bakhtiari tribes, and very powerful, and who are responsible to the Government? It is clear, when the security of the road is in your charge, if they come from any other place and district and commit robberies, you have to be called to account; and how is it possible that you should not know who the thieves and robbers are, and from which tribe they have been? In any case, your duty is to follow and capture them and take back the things stolen, and not to fold your hands and bring forward the excuse that the robbers have come from other districts, and that it has no connection with your administration, and so to neglect your work and be the cause of complaints. Anyhow, according to His Majesty's orders, a special Commissioner has been sent from here. After the arrival of the Commissioner, you must, according to the copy which the Foreign Office will send you, give him the value of the things in full; and afterwards also, if any robbery is to occur, whether the robbers be from the Kuhgelu tribes or other places, you have to follow them up, and when you follow their track to the end of your district, you have to stop your horsemen there and immediately inform us who the robbers are, and to which tribe they belong, and where they have gone. After you inform us, instructions will be given without delay for following and capturing them. And, according to this arrangement, if another time I hear anything about the disorder of that place, or if any complaint be made by the British Legation on this subject, you will be severely called to account and be seriously responsible. According to His Majesty's orders, the value of the things robbed up to date is to be paid without excuses. The Special Commissioner has been appointed and sent to take the compensation as soon as possible and to inform us.

Telegram from the Atabeg to Sirdar Assad.

According to what the British Legation say and from information received, two loads of cloth and two loads of loaf sugar belonging to Lynch and Co., and some other things belonging to muleteers, their value being 2,865 toman, have been robbed between Sarkhan and Dupulan; also sixteen mules and four donkeys, and a quantity



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٤] [٢٩٢/١٦٥]



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of merchandize, have been robbed at Pul Amarat. According to His Majesty's orders, it has been decided that the local authorities are responsible for robberies, whether the robber belong to the district or come from other places and commit a robbery. The duty of the local authorities is to capture them and to take back the robbed things. Therefore, without fail, recover either what has been taken or else their value, and speedily give them to their owners, and inform me of the result as soon as possible.

Report on the Negotiations with the Chiefs of the Bakhtiari Tribes for the Exploitation of Naphtha in their Country.

When I returned to Isfahan from leave, on the 28th September, I already learnt that the state of affairs prevailing among the Bakhtiari Chiefs was very different to what I had left it in the spring of the year, and it became evident to me that it would prove no easy job to induce them to accept terms to open up their country to the exploring parties of the Syndicate for the exploitation of naphtha which would be at all acceptable to the Company. When I got to Shalamzar, the village of the Eel Khane, Samsam-es-Saltaneh, I found all the Khans assembled there, with the exception of the Haji Ali Kuli Khan. Unfortunately, owing to the illness of the Moin-i-Humayum and his wife, the Shahab-es-Saltaneh had to leave next day for Ardal. The lady died before he got there.

The Shahab-es-Saltaneh's absence from the conferences was a great loss to me, as he is my great friend and the one on whom I mainly relied for support. However, I had two long talks with the Samsam-es-Saltaneh and the Shahab-es-Saltaneh, and had the question of boring for naphtha well in train with them before the latter had to leave. Had I only had to deal with these two Chiefs I should have arranged the whole thing in two or three days, very much on the lines sanctioned by the Company; but in the evening Haji Ali Kuli Khan appeared on the scene like a whirlwind, and swept all the previous arrangements away. He was elected their spokesman, and all the arrangements afterwards made were done with him. He commenced by agreeing to the money terms, but only for guards, &c., stating that the Chiefs would not lease a yard of their country for money, but that they must be partners in the concern. He then began talking of 20 per cent. of the profits and suchlike nonsense. It was a very difficult matter keeping one's temper with him—especially for me, as I was extremely ill—as his manner was extremely offensive. He particularly was objectionable over the watch and gun which, owing to the kindness of Lord Lansdowne, I had presented to the Eel Khane and Eel Beggi on the part of His Majesty's Government, and which had been accepted with much effusion by those persons; but the Haji dilated on the point that the Chiefs of the Bakhtiari were able to buy such things for themselves, and that he had arranged with Sir Arthur Hardinge that for the future such presents should not be given; that if His Majesty's Government wished to do the Khans honour they might send them decorations. They would be appreciated and would have some use—not like those which had been distributed wholesale in Tehran among a worthless lot of people, who could never be of any use to His Majesty's Government, like the Bakhtiari might be. This subject was referred to again and again in the various talks I had with the Haji.

However, to return to the question of agreement. I pointed out to him that his proposal was absurd, and that last year only 10 per cent. had been asked for.

After a discussion lasting over four days and a removal from Shalamzar to Janagan, their proposals were at last reduced to the limited money terms and 5 per cent. of fully paid up ordinary shares of all shares issued in any Companies created to work naphtha in the Bakhtiari country. They have great faith in the capacity of their oil-bearing country; they think that Baku will be nothing to it in comparison. They continually dwelt on this point. They describe the oil-belt as being about 100 miles long by about 8 miles to 12 miles broad, running in a north-westerly direction from east of Ram Hormuz to north-east of Shuster. There is one place known as Maidan-i-Man Naftan (the plain of much naphtha) to the east of Shuster, which is full of naphtha according to them.

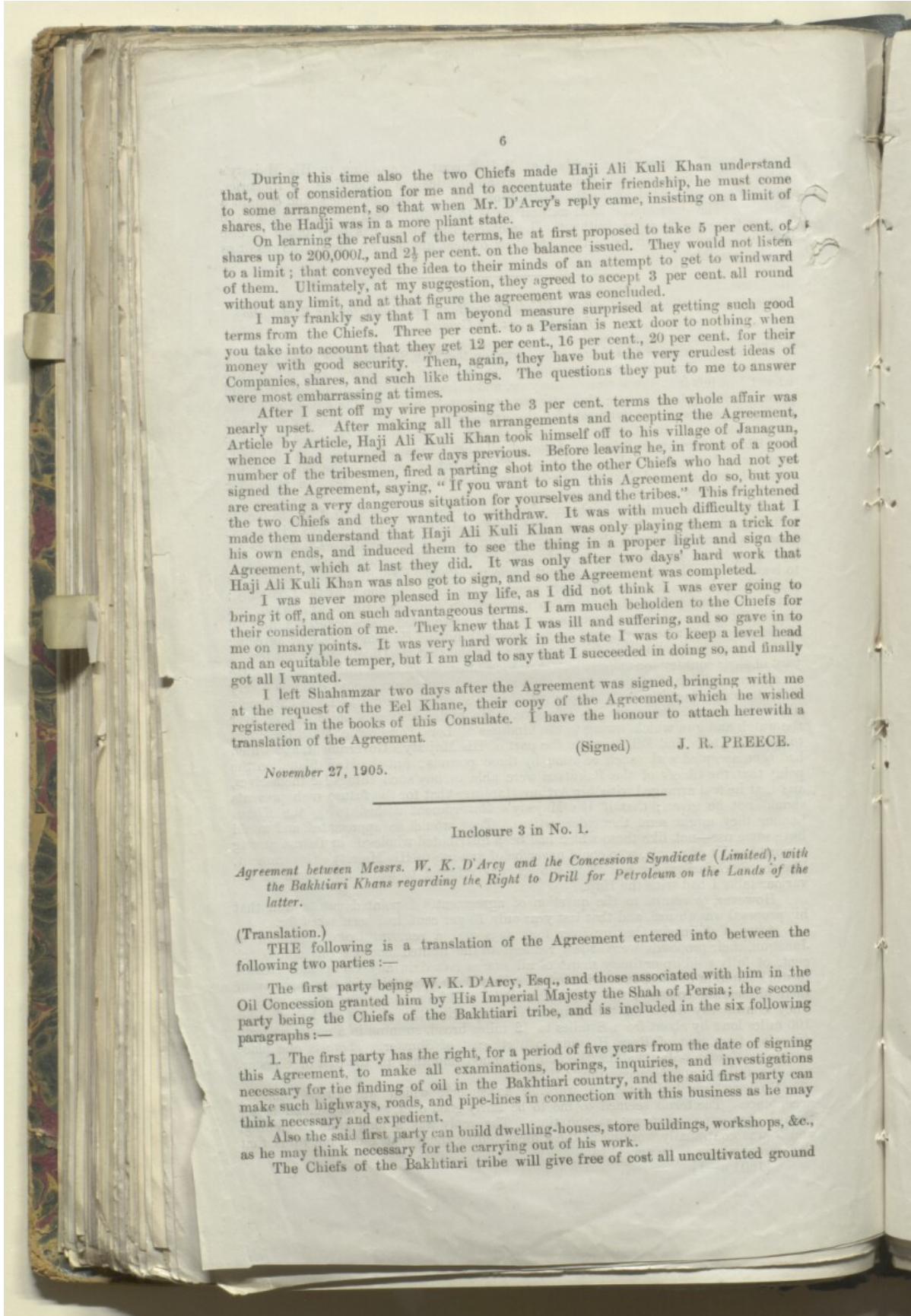
However, we had got to a working agreement, which was wired home for acceptance. The terms seemed to me to be fairly good ones, and very much better than I ever expected to get at one time. The reply was a long time in coming, and I was continually working at the Chiefs, telling them that I did not think that their proposal would be agreed to.

[1804 u-1]

C

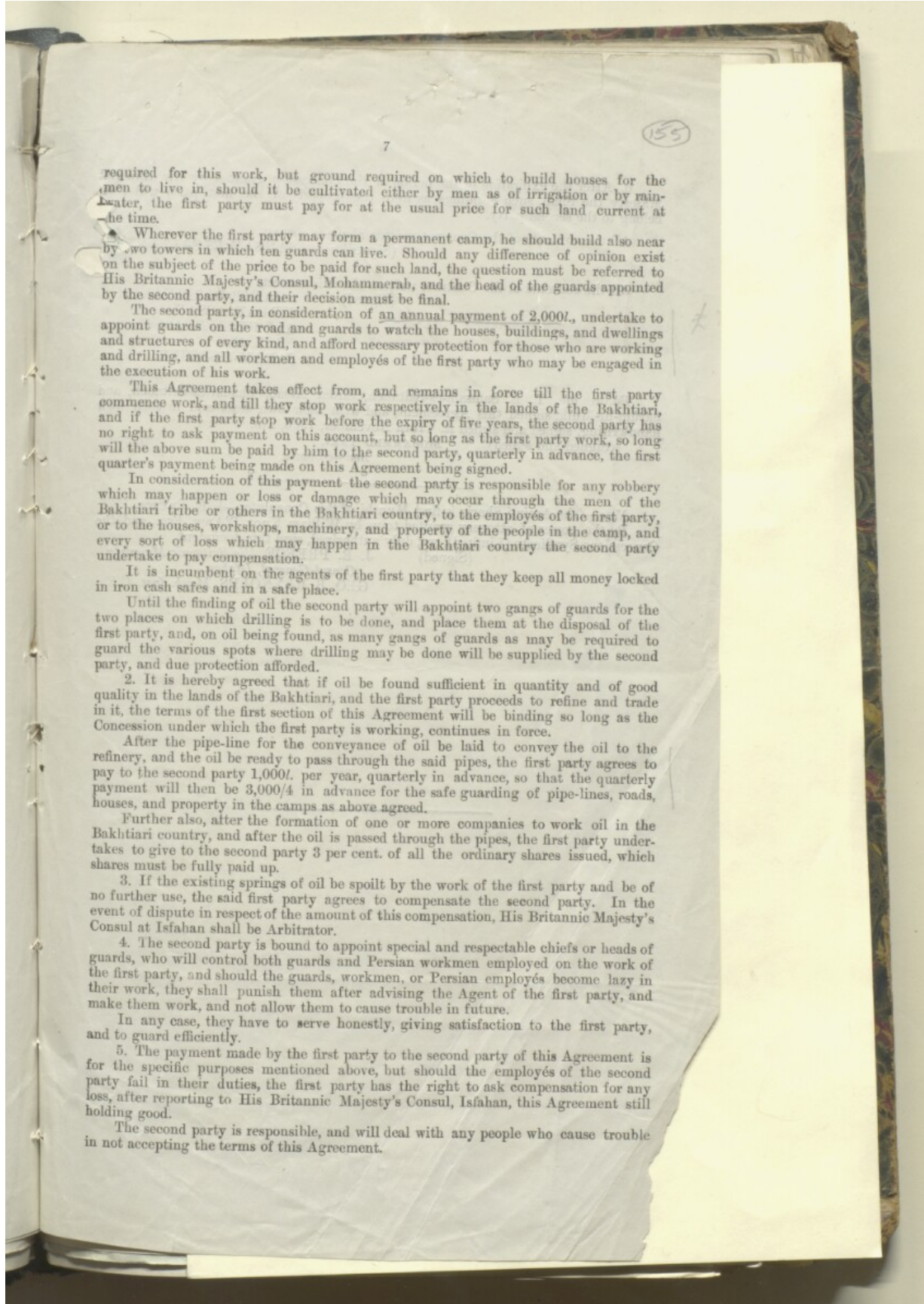


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٤ظ] (٢٩٢/١٦٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٥] و(٢٩٢/١٦٧)



required for this work, but ground required on which to build houses for the men to live in, should it be cultivated either by men as of irrigation or by rain-water, the first party must pay for at the usual price for such land current at the time.

Wherever the first party may form a permanent camp, he should build also near by two towers in which ten guards can live. Should any difference of opinion exist on the subject of the price to be paid for such land, the question must be referred to His Britannic Majesty's Consul, Mohammerah, and the head of the guards appointed by the second party, and their decision must be final.

The second party, in consideration of an annual payment of 2,000l., undertake to appoint guards on the road and guards to watch the houses, buildings, and dwellings and structures of every kind, and afford necessary protection for those who are working and drilling, and all workmen and employés of the first party who may be engaged in the execution of his work.

This Agreement takes effect from, and remains in force till the first party commence work, and till they stop work respectively in the lands of the Bakhtiari, and if the first party stop work before the expiry of five years, the second party has no right to ask payment on this account, but so long as the first party work, so long will the above sum be paid by him to the second party, quarterly in advance, the first quarter's payment being made on this Agreement being signed.

In consideration of this payment the second party is responsible for any robbery which may happen or loss or damage which may occur through the men of the Bakhtiari tribe or others in the Bakhtiari country, to the employés of the first party, or to the houses, workshops, machinery, and property of the people in the camp, and every sort of loss which may happen in the Bakhtiari country the second party undertake to pay compensation.

It is incumbent on the agents of the first party that they keep all money locked in iron cash safes and in a safe place.

Until the finding of oil the second party will appoint two gangs of guards for the two places on which drilling is to be done, and place them at the disposal of the first party, and, on oil being found, as many gangs of guards as may be required to guard the various spots where drilling may be done will be supplied by the second party, and due protection afforded.

2. It is hereby agreed that if oil be found sufficient in quantity and of good quality in the lands of the Bakhtiari, and the first party proceeds to refine and trade in it, the terms of the first section of this Agreement will be binding so long as the Concession under which the first party is working, continues in force.

After the pipe-line for the conveyance of oil be laid to convey the oil to the refinery, and the oil be ready to pass through the said pipes, the first party agrees to pay to the second party 1,000l. per year, quarterly in advance, so that the quarterly payment will then be 3,000/4 in advance for the safe guarding of pipe-lines, roads, houses, and property in the camps as above agreed.

Further also, after the formation of one or more companies to work oil in the Bakhtiari country, and after the oil is passed through the pipes, the first party undertakes to give to the second party 3 per cent. of all the ordinary shares issued, which shares must be fully paid up.

3. If the existing springs of oil be spoilt by the work of the first party and be of no further use, the said first party agrees to compensate the second party. In the event of dispute in respect of the amount of this compensation, His Britannic Majesty's Consul at Isfahan shall be Arbitrator.

4. The second party is bound to appoint special and respectable chiefs or heads of guards, who will control both guards and Persian workmen employed on the work of the first party, and should the guards, workmen, or Persian employés become lazy in their work, they shall punish them after advising the Agent of the first party, and make them work, and not allow them to cause trouble in future.

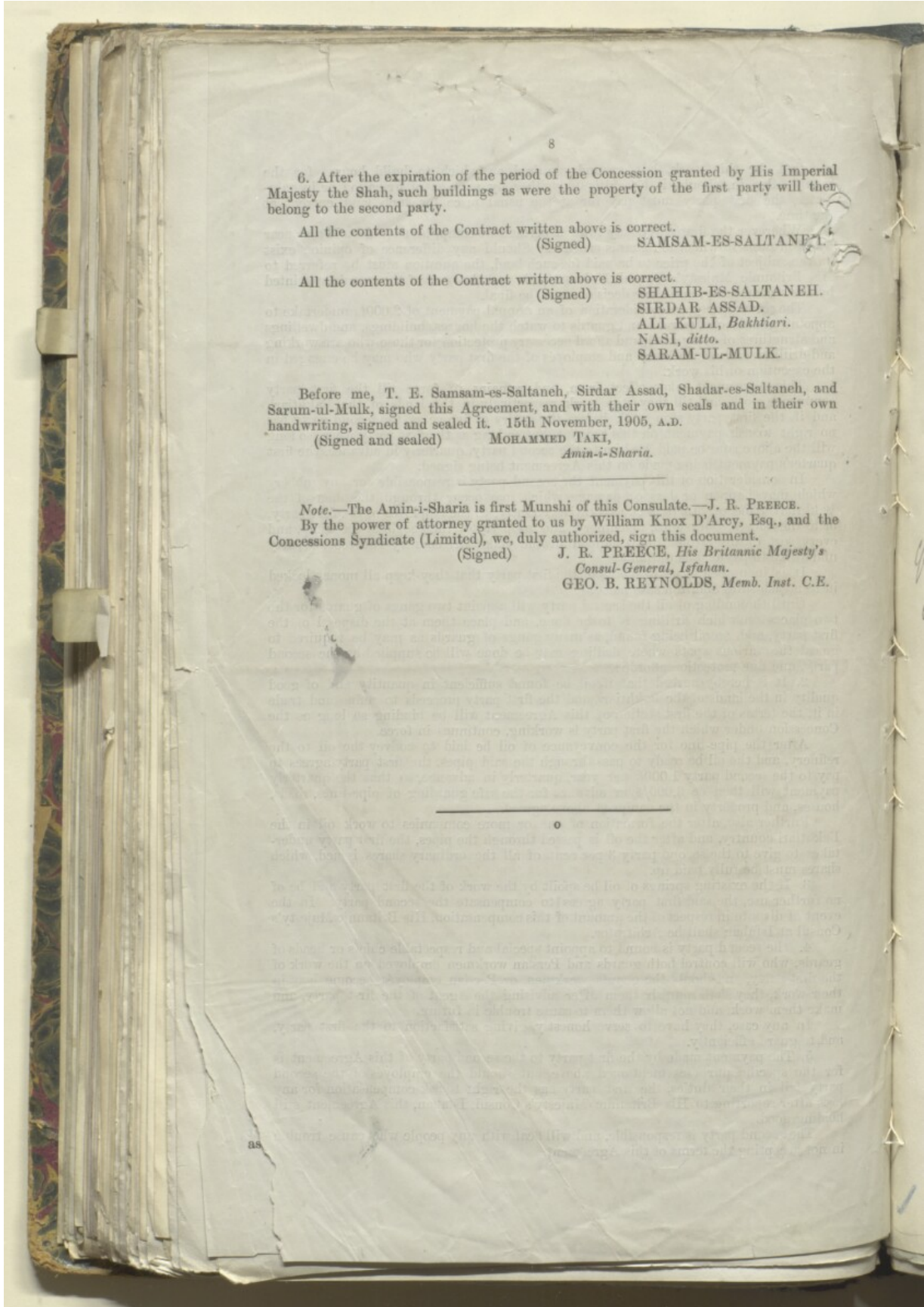
In any case, they have to serve honestly, giving satisfaction to the first party, and to guard efficiently.

5. The payment made by the first party to the second party of this Agreement is for the specific purposes mentioned above, but should the employés of the second party fail in their duties, the first party has the right to ask compensation for any loss, after reporting to His Britannic Majesty's Consul, Isfahan, this Agreement still holding good.

The second party is responsible, and will deal with any people who cause trouble in not accepting the terms of this Agreement.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٥ظ] (٢٩٢/١٦٨)



6. After the expiration of the period of the Concession granted by His Imperial Majesty the Shah, such buildings as were the property of the first party will then belong to the second party.

All the contents of the Contract written above is correct.
(Signed) SAMSAM-ES-SALTANEH

All the contents of the Contract written above is correct.
(Signed) SHAHIB-ES-SALTANEH.
SIRDAR ASSAD.
ALI KULI, Bakhtiari.
NASI, ditto.
SARAM-UL-MULK.

Before me, T. E. Samsam-es-Saltaneh, Sirdar Assad, Shadar-es-Saltaneh, and Sarum-ul-Mulk, signed this Agreement, and with their own seals and in their own handwriting, signed and sealed it. 15th November, 1905, A.D.
(Signed and sealed) MOHAMMED TAKI,
Amin-i-Sharia.

Note.—The Amin-i-Sharia is first Munshi of this Consulate.—J. R. PREECE.
By the power of attorney granted to us by William Knox D'Arcy, Esq., and the Concessions Syndicate (Limited), we, duly authorized, sign this document.
(Signed) J. R. PREECE, His Britannic Majesty's
Consul-General, Isfahan.
GEO. B. REYNOLDS, Memb. Inst. C.E.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٦] [٢٩٢/١٦٩]

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Register No. 4154

Minute Paper. Secret Department.

Letter from F.S. Dated } 21 Oct. 1907.
Rec. }

	Date.	Initials.	SUBJECT.
25 Under Secretary.....	29 Oct.	Eabh	Persia. View of Sir J. Harcourt that Bakhtiari Khans are en- -titled to shares in companies working oil in their own country only.
Secretary of State.....	30	KA	
Committee.....			
Under Secretary.....			
Secretary of State.....			

Copy to
India. 22 Oct 09 and 26 Nov 09
Say 43. Say 48.

FOR INFORMATION.
Sir J. Harcourt's view
is the same as that
independently expressed in
the departmental minutes of
23 Sept., no 3966, below page 2.
109

(Despatch from Sir J. Harcourt,
23 Oct. 09, added to papers
26 Nov. 09)

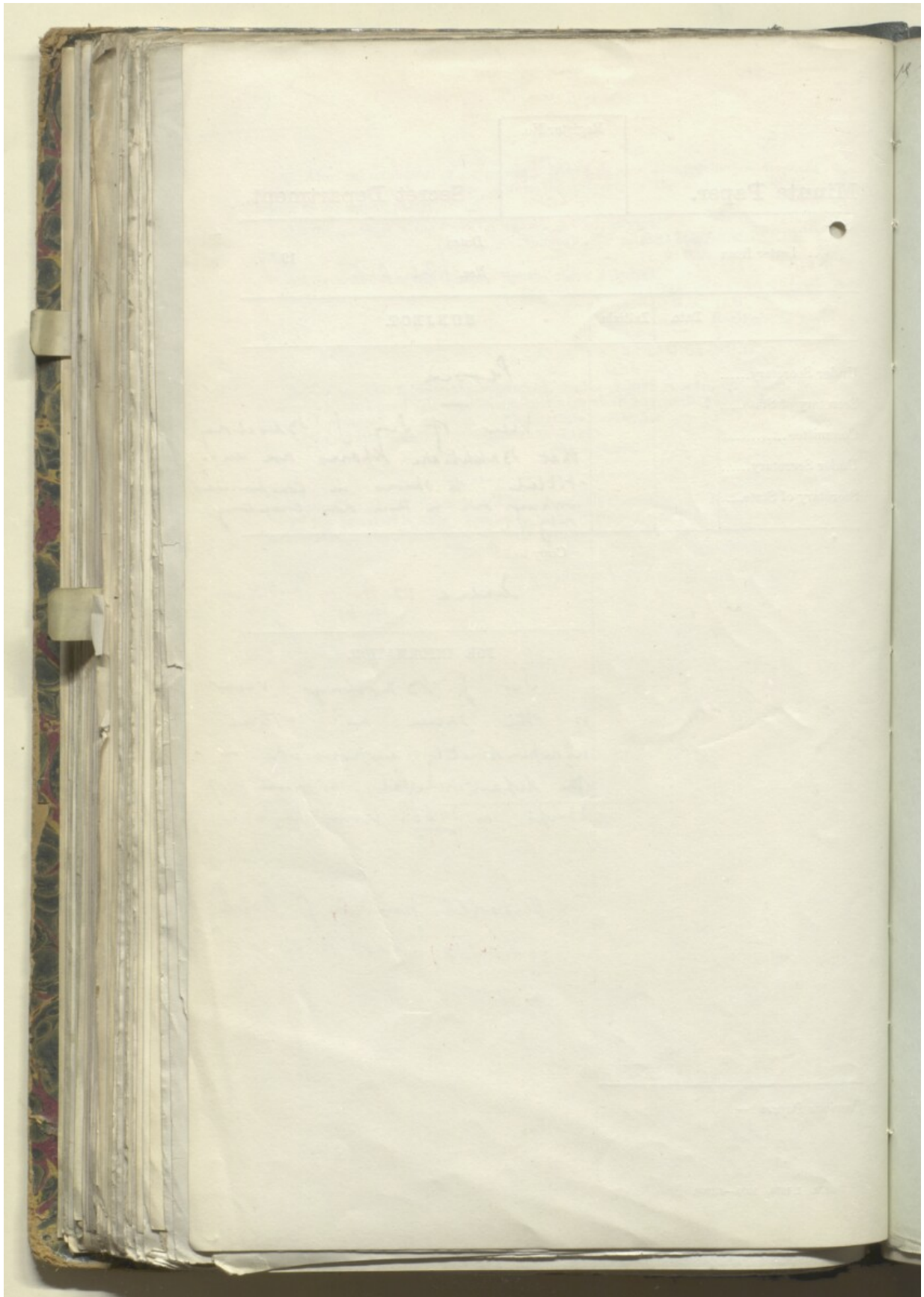
Mr. 1.11.09.

Precious Papers :-
3966

6172. I. 1278. 1000.-7/1909.

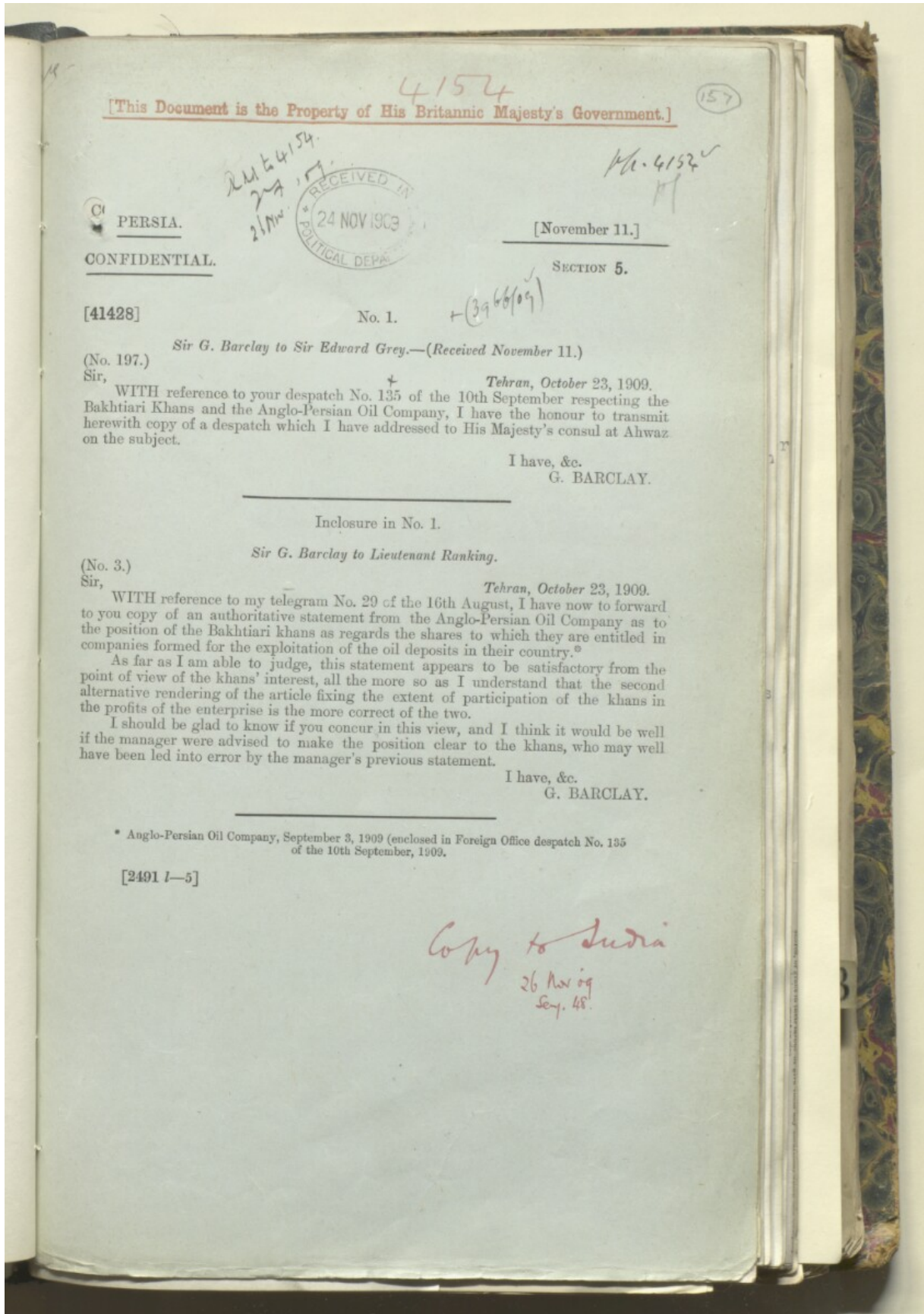


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٥٦ظ] (٢٩٢/١٧٠)



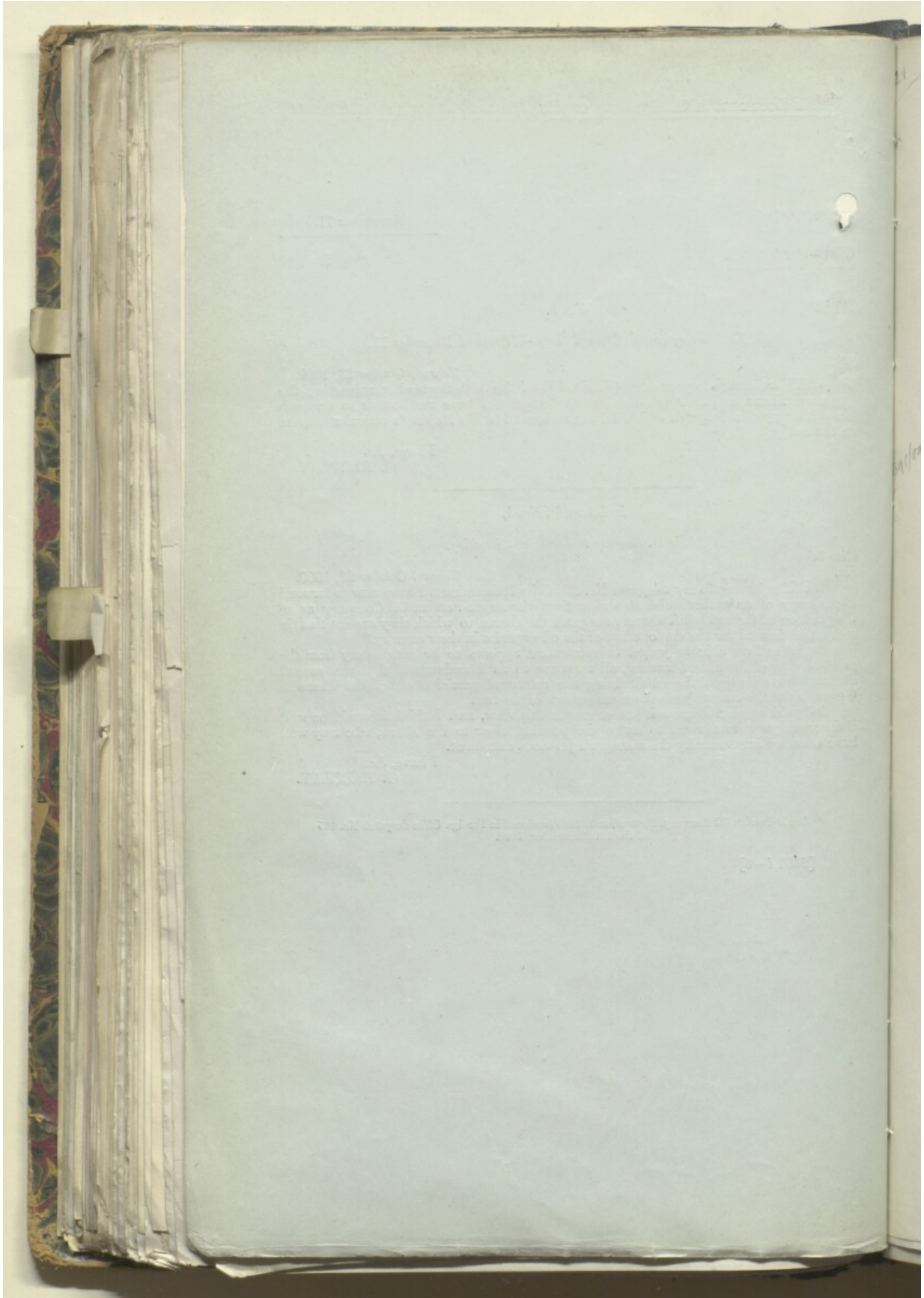


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٧] [٢٩٢/١٧١]



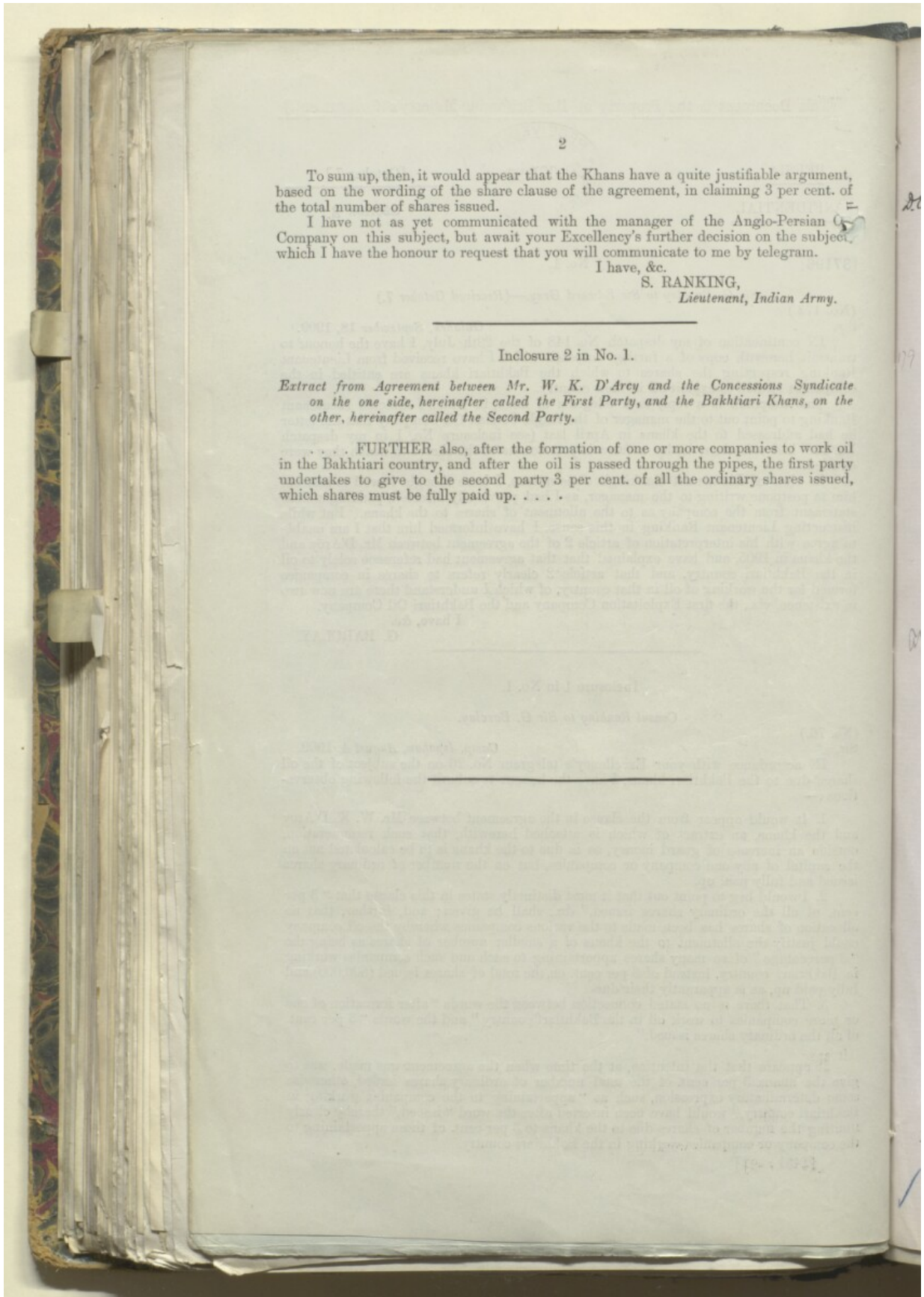


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٥٧ظ] (٢٩٢/١٧٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٥٨ظ] (٢٩٢/١٧٤)



To sum up, then, it would appear that the Khans have a quite justifiable argument, based on the wording of the share clause of the agreement, in claiming 3 per cent. of the total number of shares issued.

I have not as yet communicated with the manager of the Anglo-Persian Company on this subject, but await your Excellency's further decision on the subject, which I have the honour to request that you will communicate to me by telegram.

I have, &c.

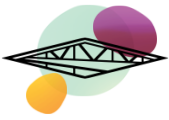
S. RANKING,

Lieutenant, Indian Army.

Inclosure 2 in No. 1.

Extract from Agreement between Mr. W. K. D'Arcy and the Concessions Syndicate on the one side, hereinafter called the First Party, and the Bakhtiari Khans, on the other, hereinafter called the Second Party.

. . . . FURTHER also, after the formation of one or more companies to work oil in the Bakhtiari country, and after the oil is passed through the pipes, the first party undertakes to give to the second party 3 per cent. of all the ordinary shares issued, which shares must be fully paid up. . . .



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٥٩] [٢٩٢/١٧٥]

Register No. 39660 (159)

Secret Department.

20. Letter from F.O. Dated 10 } Sept. 1909.
Rec. 11 }

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	23 Sept.	JW	Persia.
Secretary of State	24	U.	Statement of the Anglo-Persian
Committee			Oil Company regarding the
Under Secretary.....			allotment of shares to the
Secretary of State			Bakhtiari Khans

Copy to

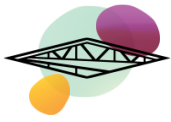
FOR USE BY DEPARTMENTS ONLY.

Draft letters d. o. to Mr. Butler + to Mr. Norman (F.O.), to the effect that the S. of S. concurs in the despatch to Sir J. Barclay, who he understands will watch the interests of the Khans in this + other matters.

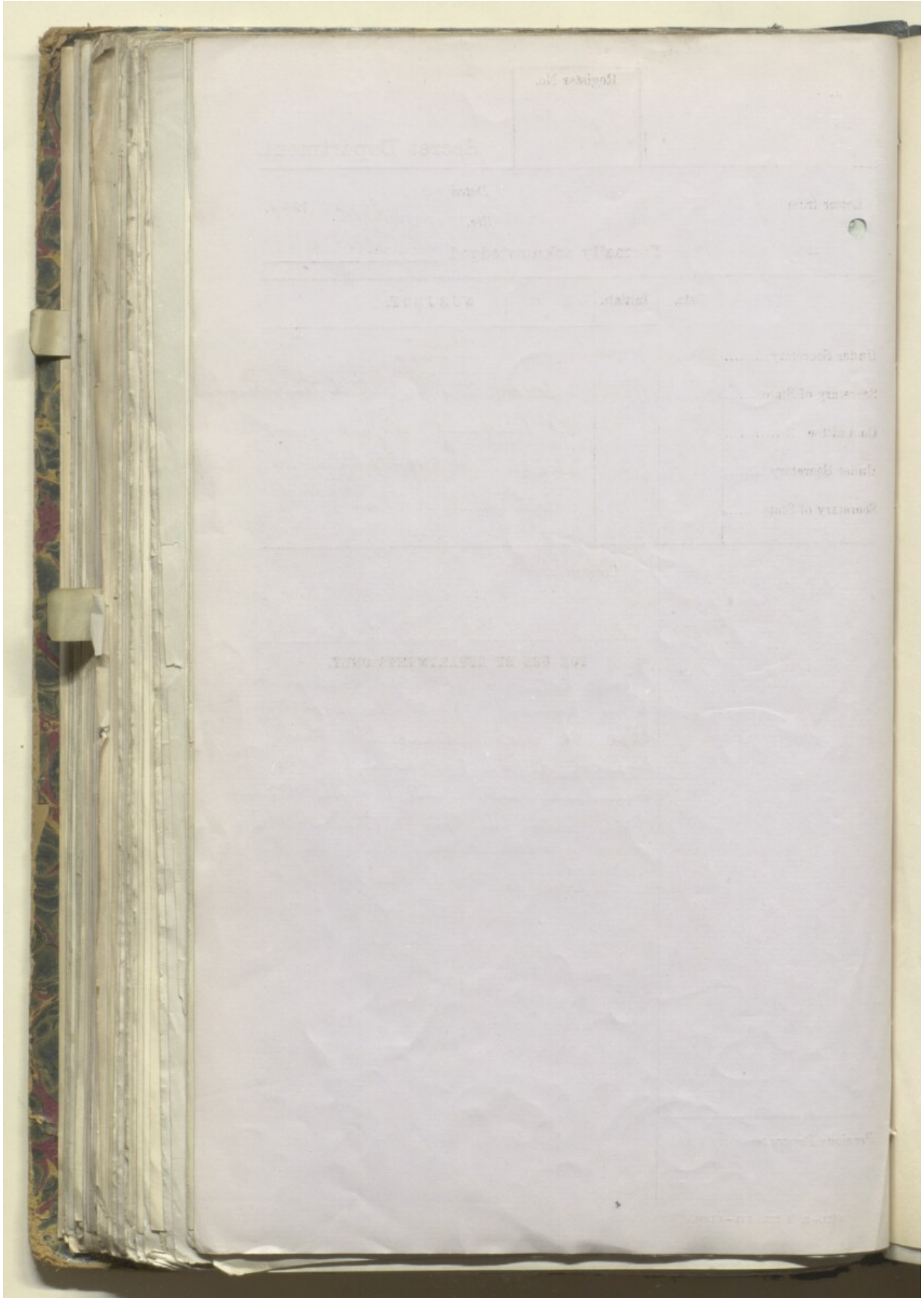
Letters to F.O. + Foreign Dept 27 Sept. and 1 October

Previous Papers: — 3891

5611.—2. 1. 735. 600.—4/1909.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٥٩ظ] (٢٩٢/١٧٦)





(160)

MINUTE.

The "authoritative statement" as to the position of the Bakhtian Khans which has now been obtained from the Company is to the effect (1) that they will have 15,000 shares of £1 each in the First Exploitation Company, and 9,000 shares of £1 each in the Bakhtian Oil Company :

- (2) that these are the only two Companies which will work oil in the Bakhtian Country ; and
(3) that, when + if further shares of these two Companies are issued and paid up, the Khans will receive their 3 per cent. of them.

Inasmuch as Lt. Wilson in his letter of 14 May '09 and Consul Ranking in his letter of 18 July '09 apprehended that the Khans' holding might be 9000 shares in the Bakhtian Oil Co, and no more, the Company's statement is satisfactory in this respect.

In the same letter of Mr. Ranking it is said :- "It may be agreed from the Khans' point of view that the wording (of their Agreement)

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/09

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/09

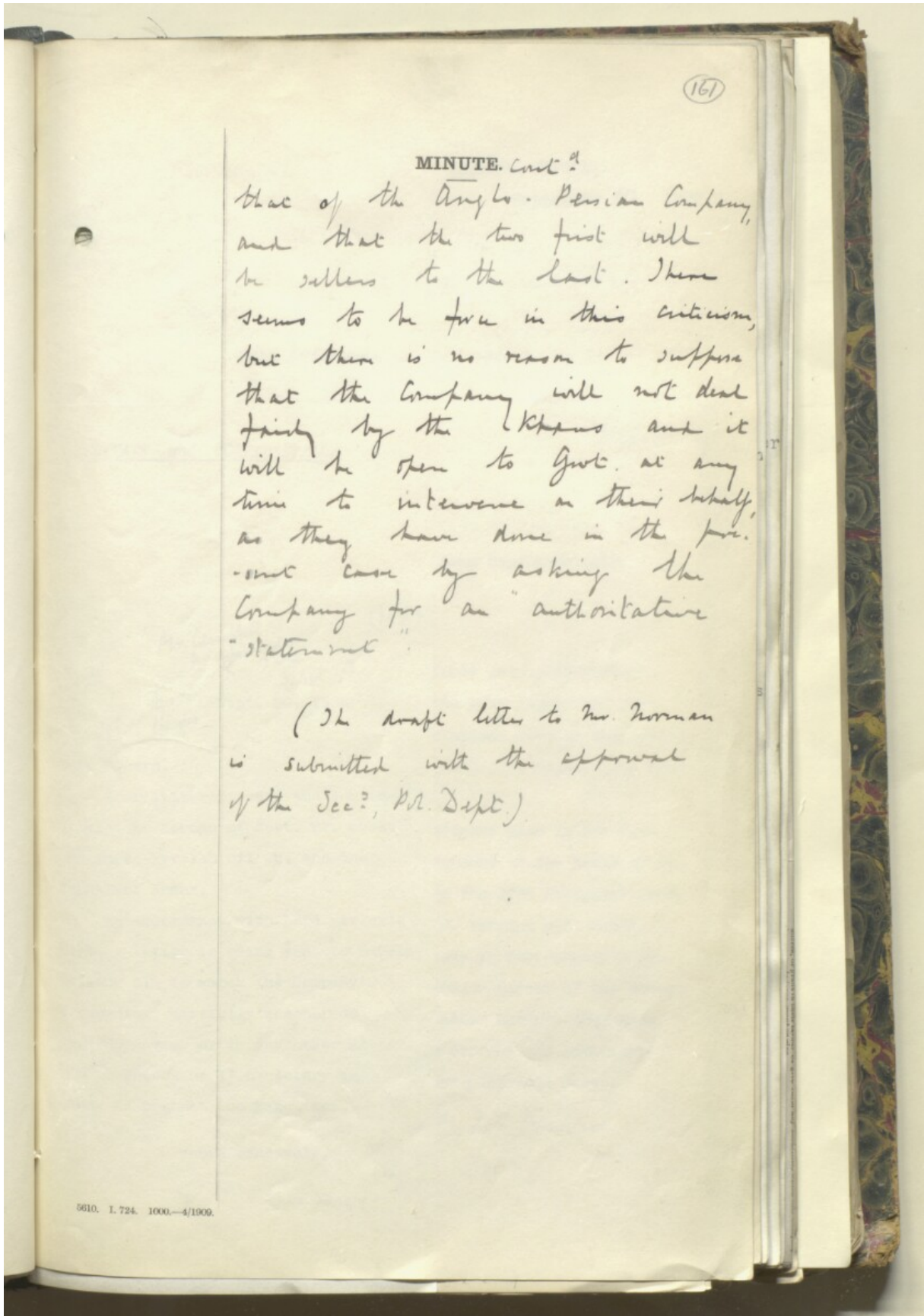
5610. I. 724. 1000-4/1909.



"entitles them to 3 per cent. of
"the total number of ordinary
"shares issued by the Anglo-Persian
"Oil Company". This interpre-
"tation of the agreement does not,
however, seem to be warranted.
The agreement as quoted by Mr. Henking
runs: - "After the formation of one or
"more companies to work oil in the
"Bakhtiari country ----- the first
"party undertakes to give to the
"second party 3 per cent. of all the
"ordinary shares issued". The phrase
"all the ordinary shares" seems clearly
to mean all the ordinary shares of
the companies actually working in
the Bakhtiari country, and this
interpretation seems clearer still from
the alternative translation quoted
in the Company's present statement.
Moreover, as the Anglo-Persian Oil
Company has power to work over
the whole of Persia, except one or two
provinces, and in other parts of the
world, it could hardly have been
intended to give the shares 3 per
cent. of the shares in that Company
itself.

There remains the criticism made
in Capt. Zinner's & Lt. Wilson's letters
enclosed in Sir J. Balfour's despatch
of the 20th Ap. last, viz. that the manage-
ment of the Bakhtiari Companies will
be practically one & the same with

3812
109



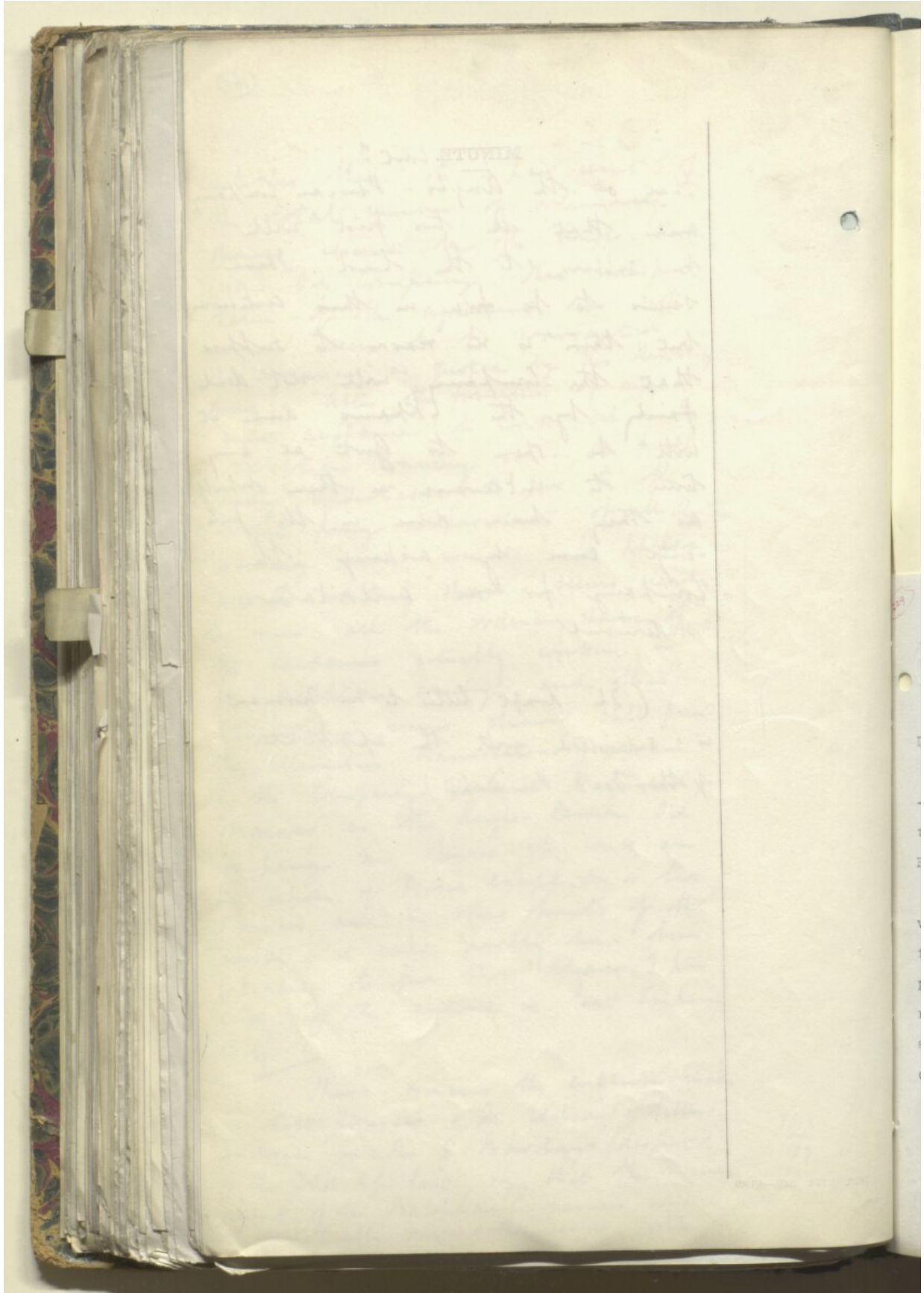
MINUTE. cont^d

that of the Anglo-Persian Company, and that the two first will be sellers to the last. There seems to be force in this criticism, but there is no reason to suppose that the Company will not deal fairly by the Khans and it will be open to Govt. at any time to intervene on their behalf, as they have done in the previous case by asking the Company for an "authoritative statement".

(The draft letter to Mr. Norman is submitted with the approval of the Secy, P.A. Dept.)

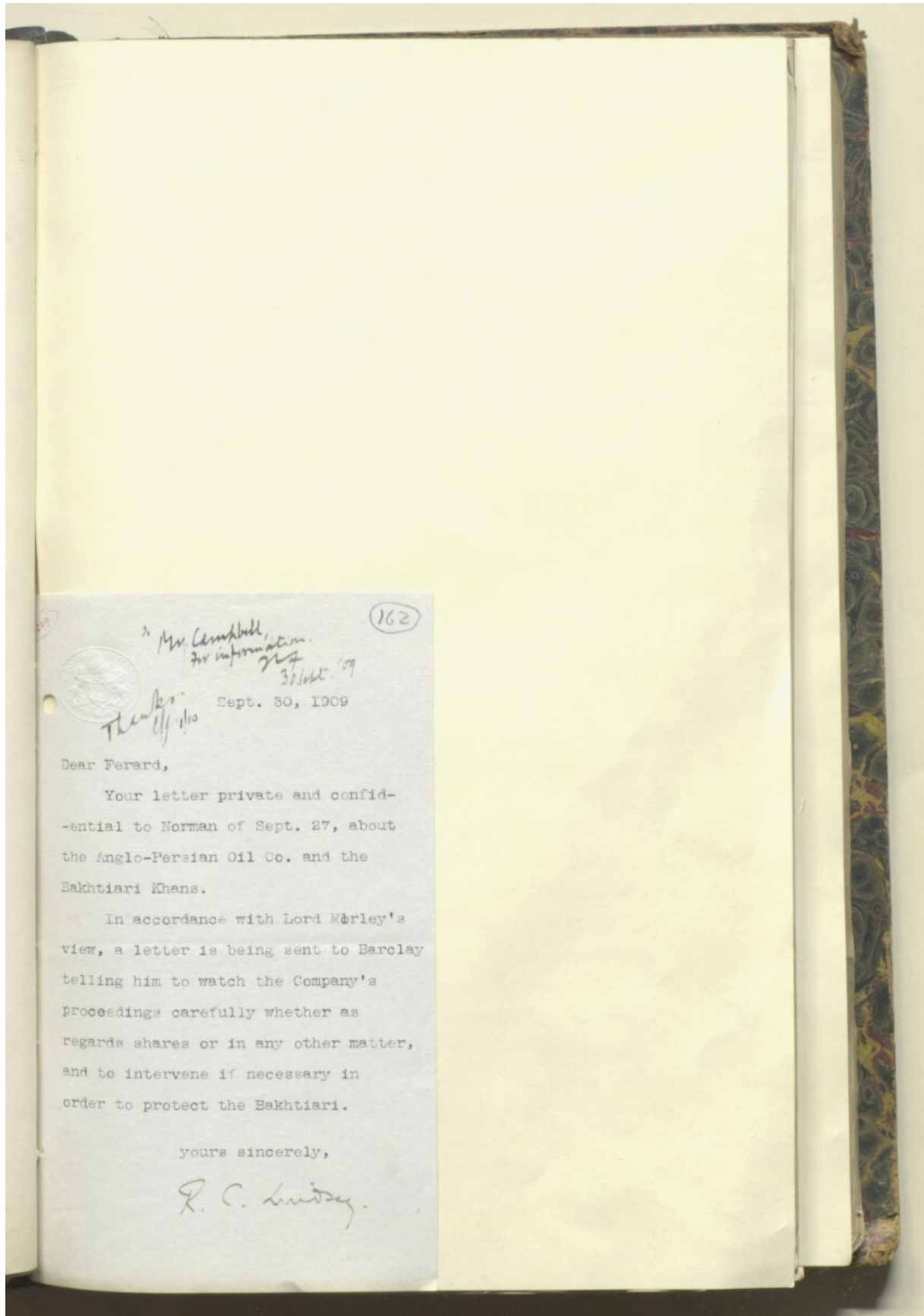


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦١ظ] (٢٩٢/١٨٠)

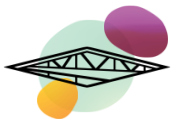




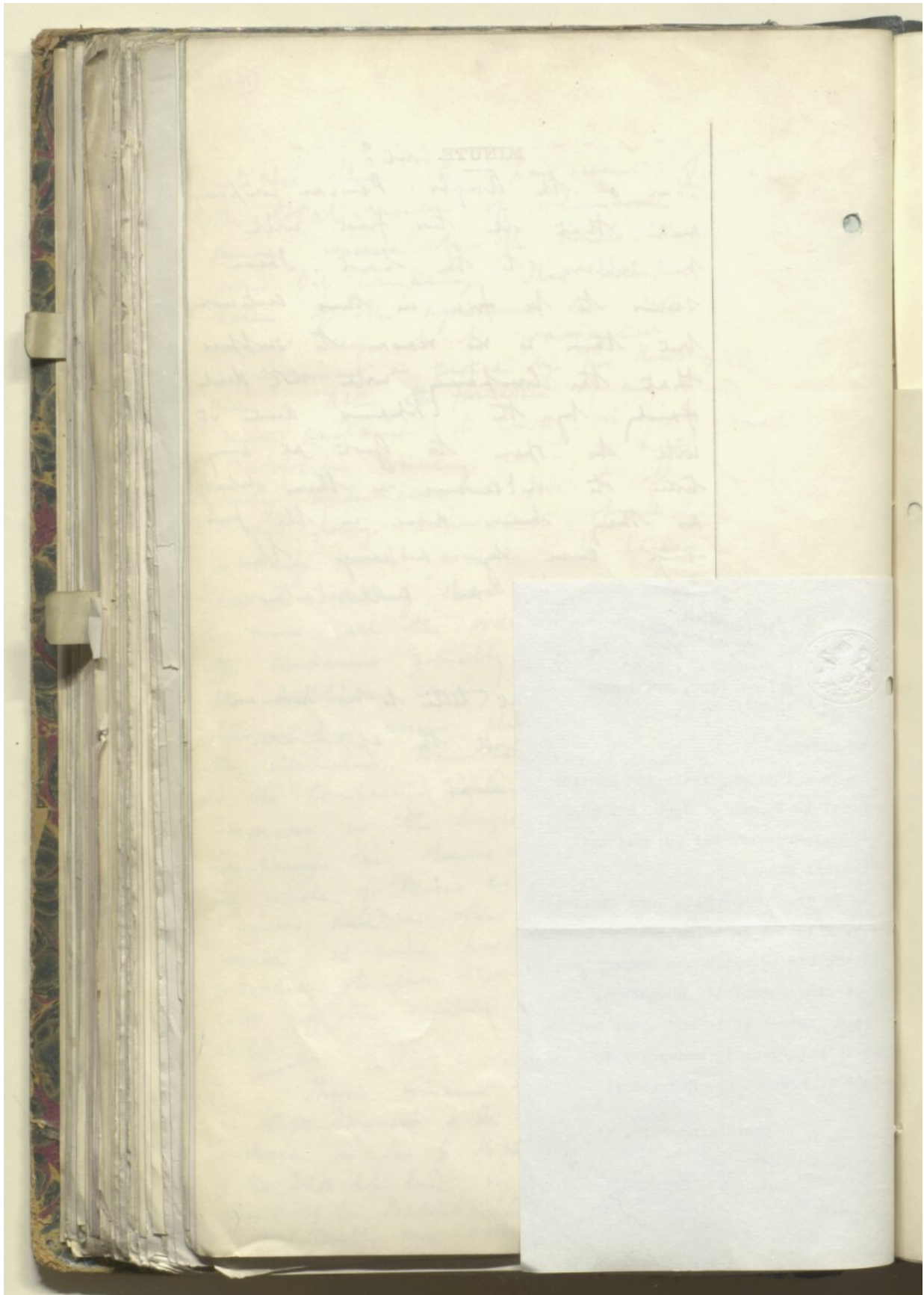
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٦٢و] (٢٩٢/١٨١)

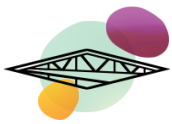


162
Mr. Campbell
for information
3/10/10
Sept. 30, 1909
Thanks
Dear Ferard,
Your letter private and confidential to Norman of Sept. 27, about the Anglo-Persian Oil Co. and the Bakhtiari Khans.
In accordance with Lord Morley's view, a letter is being sent to Barclay telling him to watch the Company's proceedings carefully whether as regards shares or in any other matter, and to intervene if necessary in order to protect the Bakhtiari.
yours sincerely,
R. C. Lindsey.

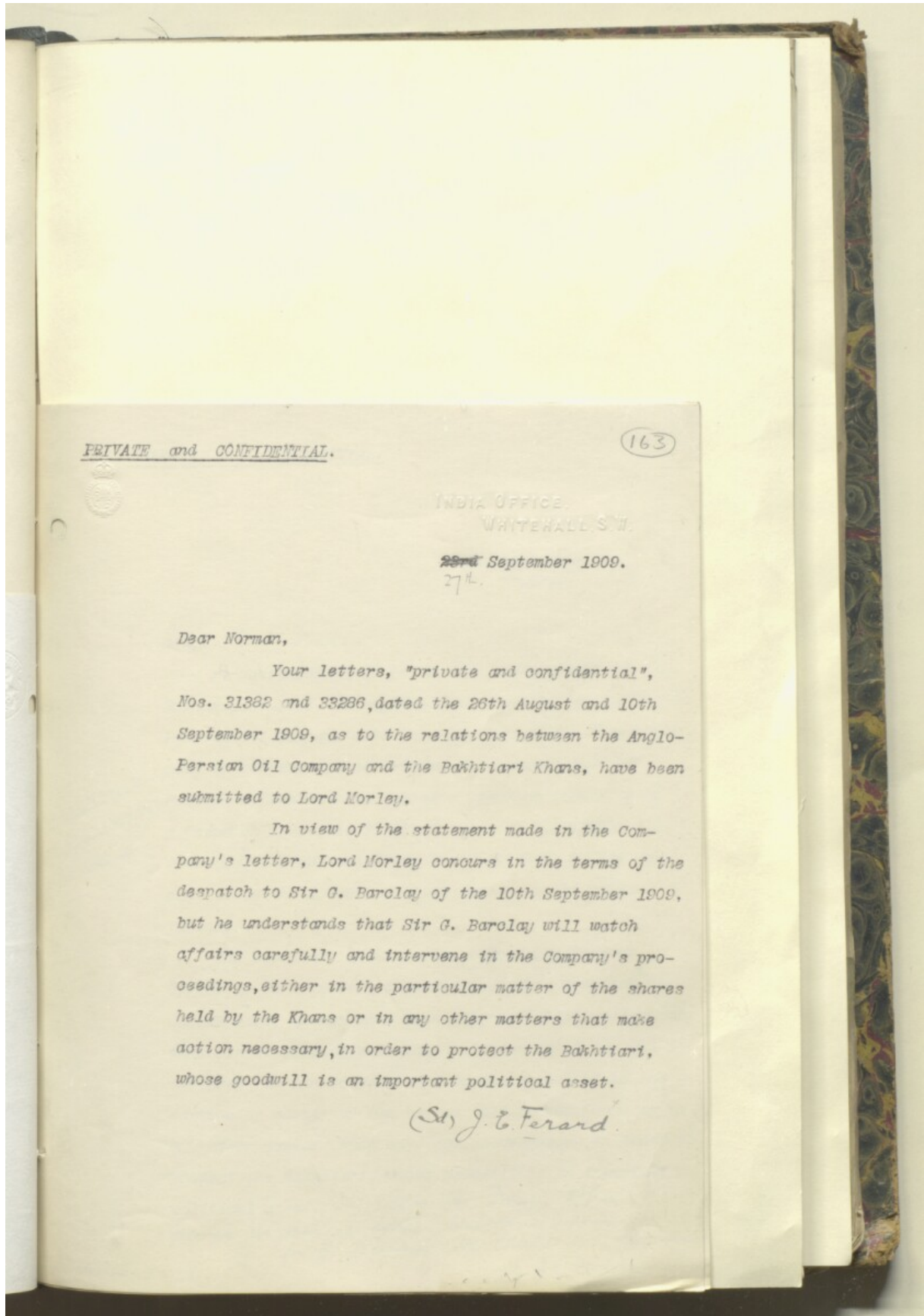


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٢ظ] (٢٩٢/١٨٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٣ و] (٢٩٢/١٨٣)



PRIVATE and CONFIDENTIAL.

163

INDIA OFFICE,
WHITEHALL S.W.

28th September 1909.

27th.

Dear Norman,

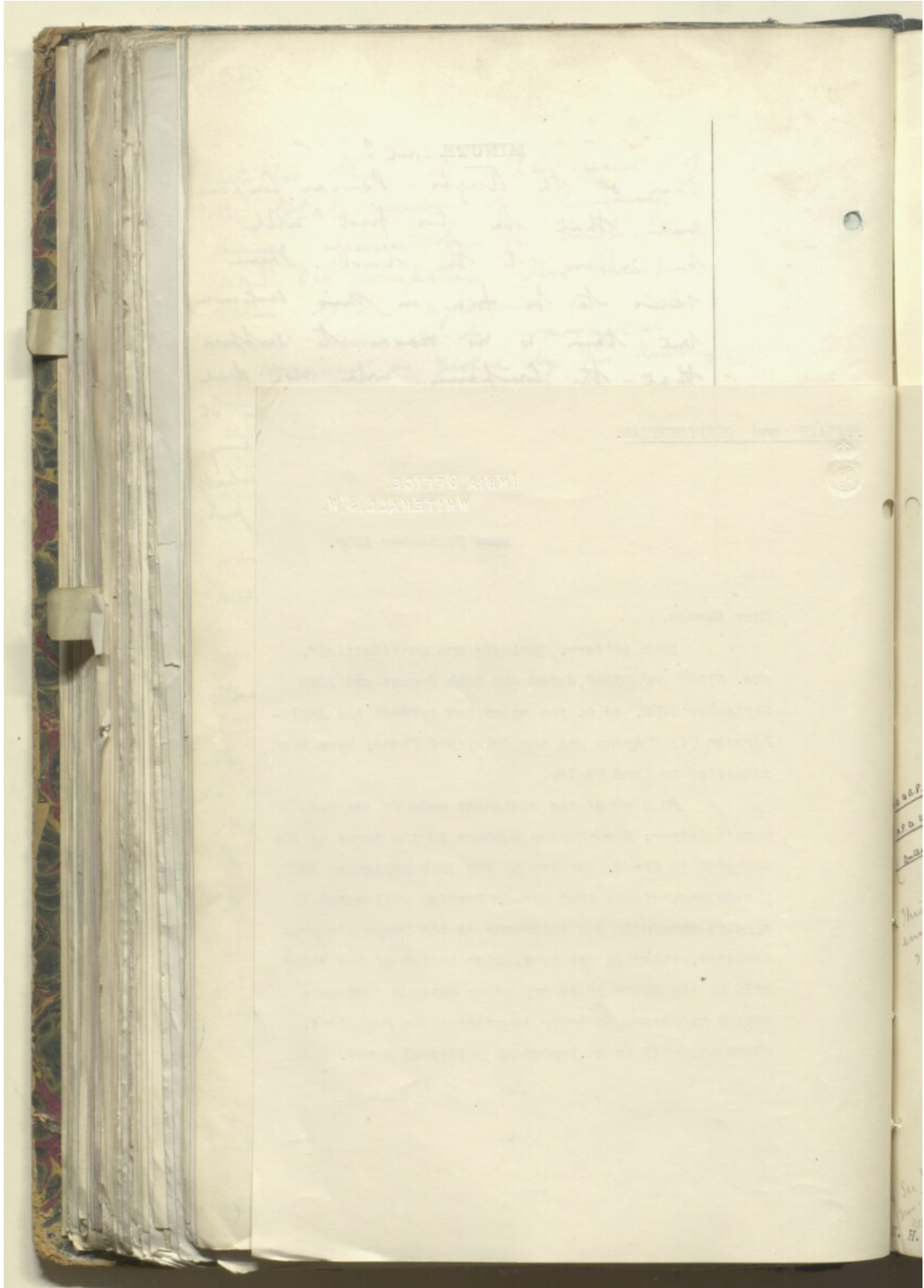
Your letters, "private and confidential", Nos. 31382 and 32286, dated the 26th August and 10th September 1909, as to the relations between the Anglo-Persian Oil Company and the Bakhtiari Khans, have been submitted to Lord Morley.

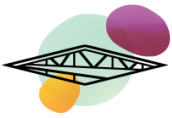
In view of the statement made in the Company's letter, Lord Morley concurs in the terms of the despatch to Sir G. Barclay of the 10th September 1909, but he understands that Sir G. Barclay will watch affairs carefully and intervene in the Company's proceedings, either in the particular matter of the shares held by the Khans or in any other matters that make action necessary, in order to protect the Bakhtiari, whose goodwill is an important political asset.

(St) J. G. Ferard.

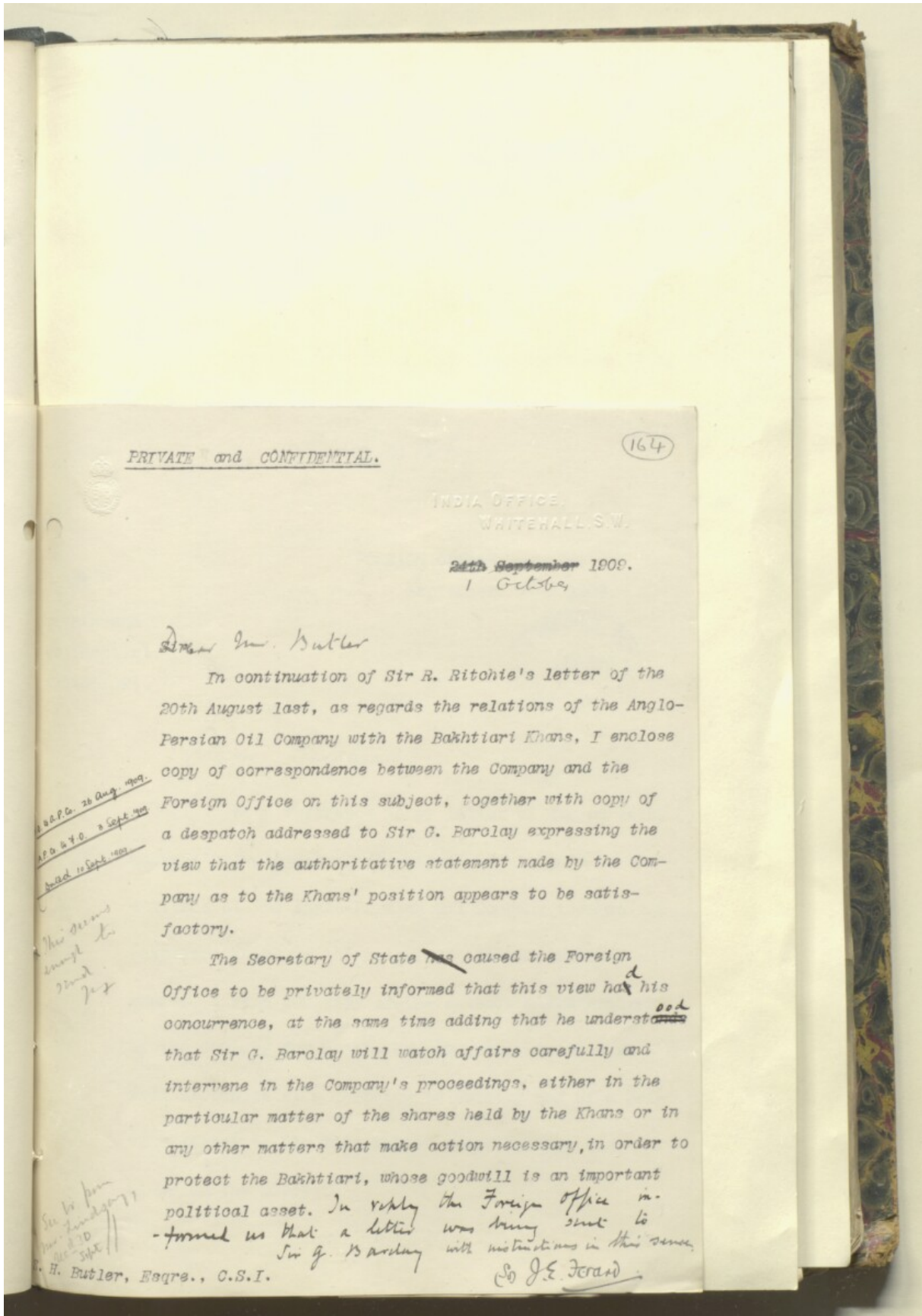


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦٣ظ] (٢٩٢/١٨٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٤ و] (٢٩٢/١٨٥)



PRIVATE and CONFIDENTIAL.

164

INDIA OFFICE,
WHITEHALL S.W.

24th September 1908.
1 October

Dear Mr. Butler

In continuation of Sir R. Ritchie's letter of the 20th August last, as regards the relations of the Anglo-Persian Oil Company with the Bakhtiari Khans, I enclose copy of correspondence between the Company and the Foreign Office on this subject, together with copy of a despatch addressed to Sir G. Barclay expressing the view that the authoritative statement made by the Company as to the Khans' position appears to be satisfactory.

The Secretary of State has caused the Foreign Office to be privately informed that this view has his concurrence, at the same time adding that he understood that Sir G. Barclay will watch affairs carefully and intervene in the Company's proceedings, either in the particular matter of the shares held by the Khans or in any other matters that make action necessary, in order to protect the Bakhtiari, whose goodwill is an important political asset. In reply the Foreign Office informed us that a letter was being sent to Sir G. Barclay with instructions in this sense.

J.E. Ferard

H. Butler, Esq., C.S.I.

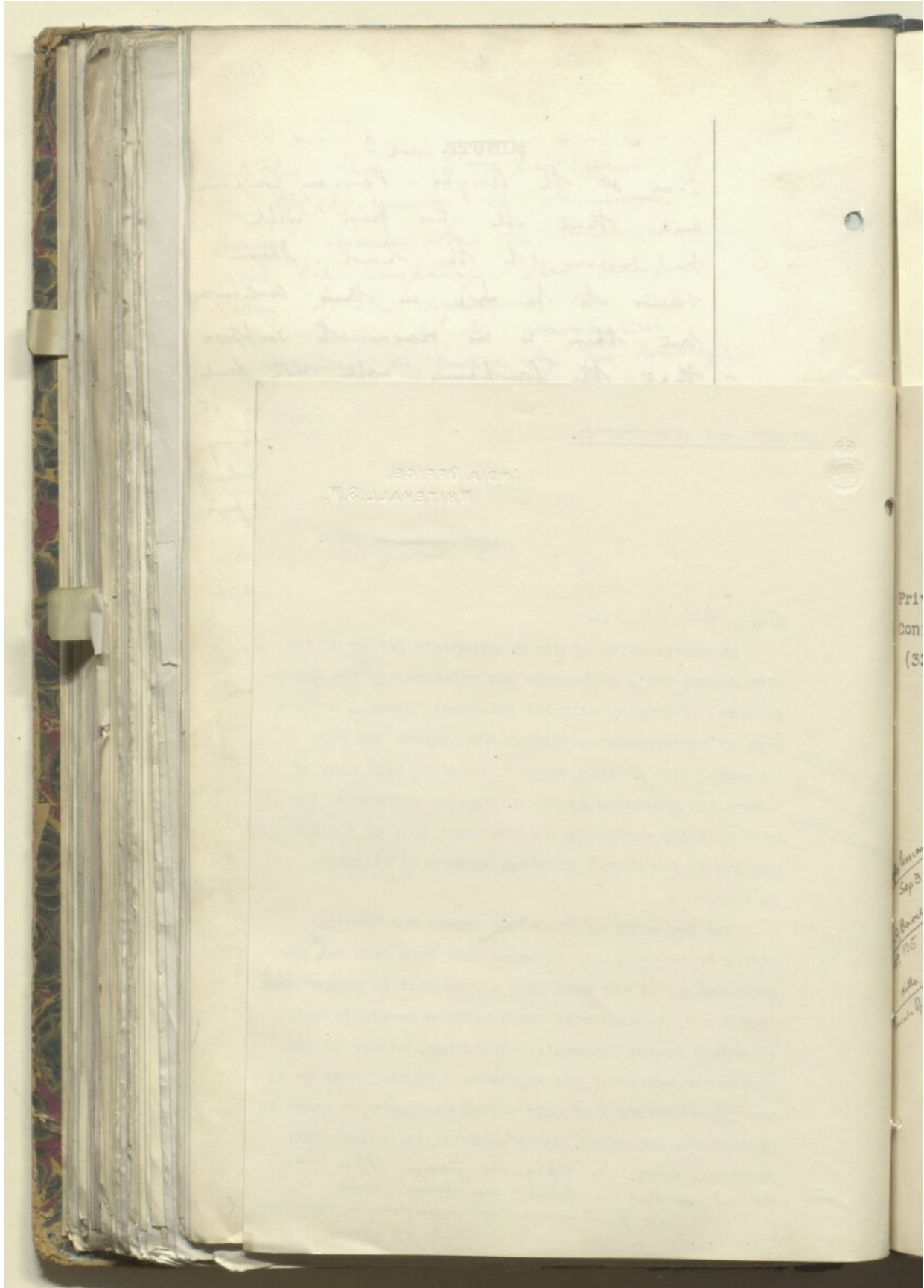
1884 P.C. 20 Aug. 1909.
1884 P.C. 2 Sept. 1908
1884 P.C. 10 Sept. 1908

This seems
correct to
send
per

See to form
H. Butler, Esq., C.S.I.
10 Sept 1908



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦٤ظ] (٢٩٢/١٨٦)

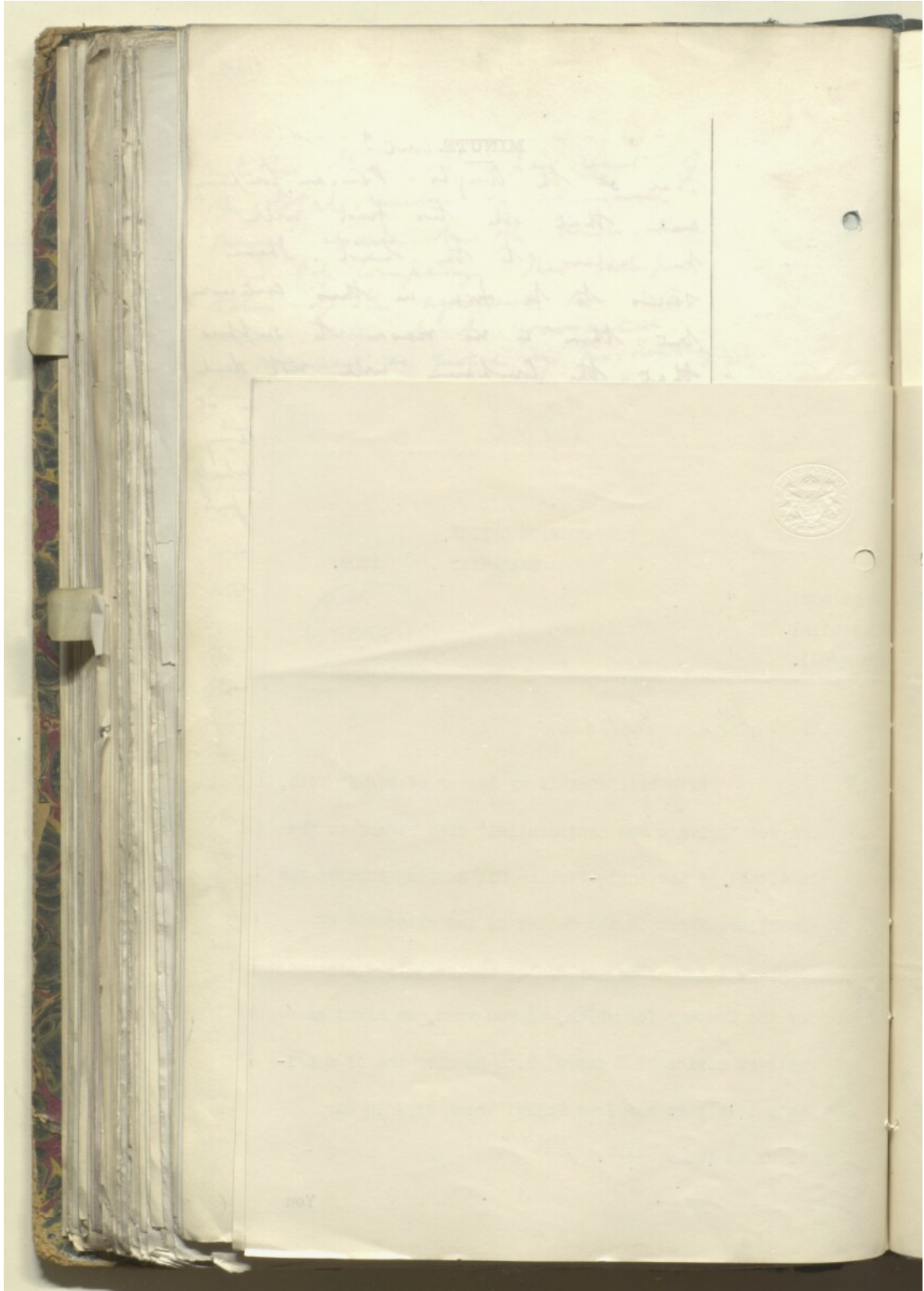


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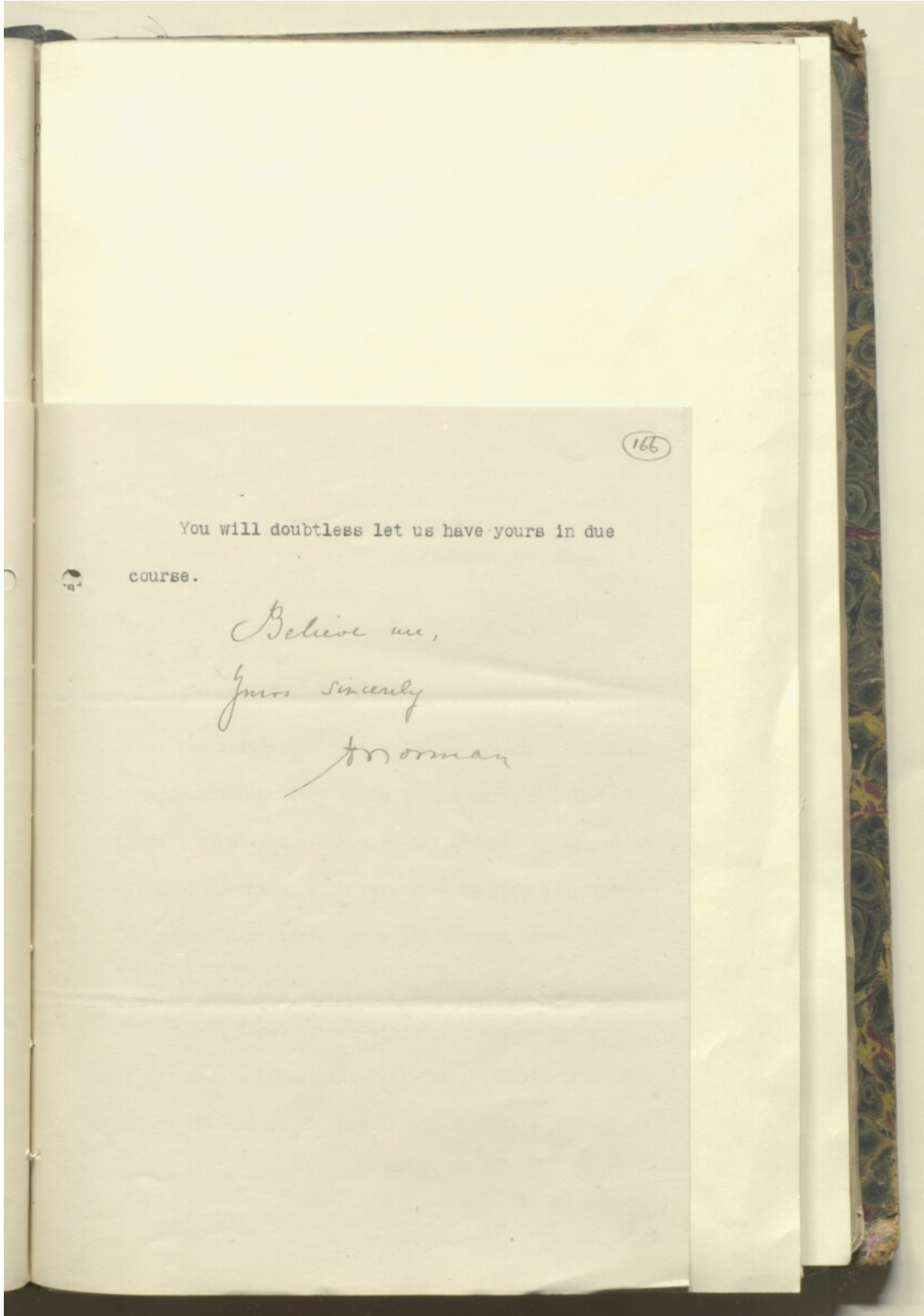


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦٥ظ] (٢٩٢/١٨٨)



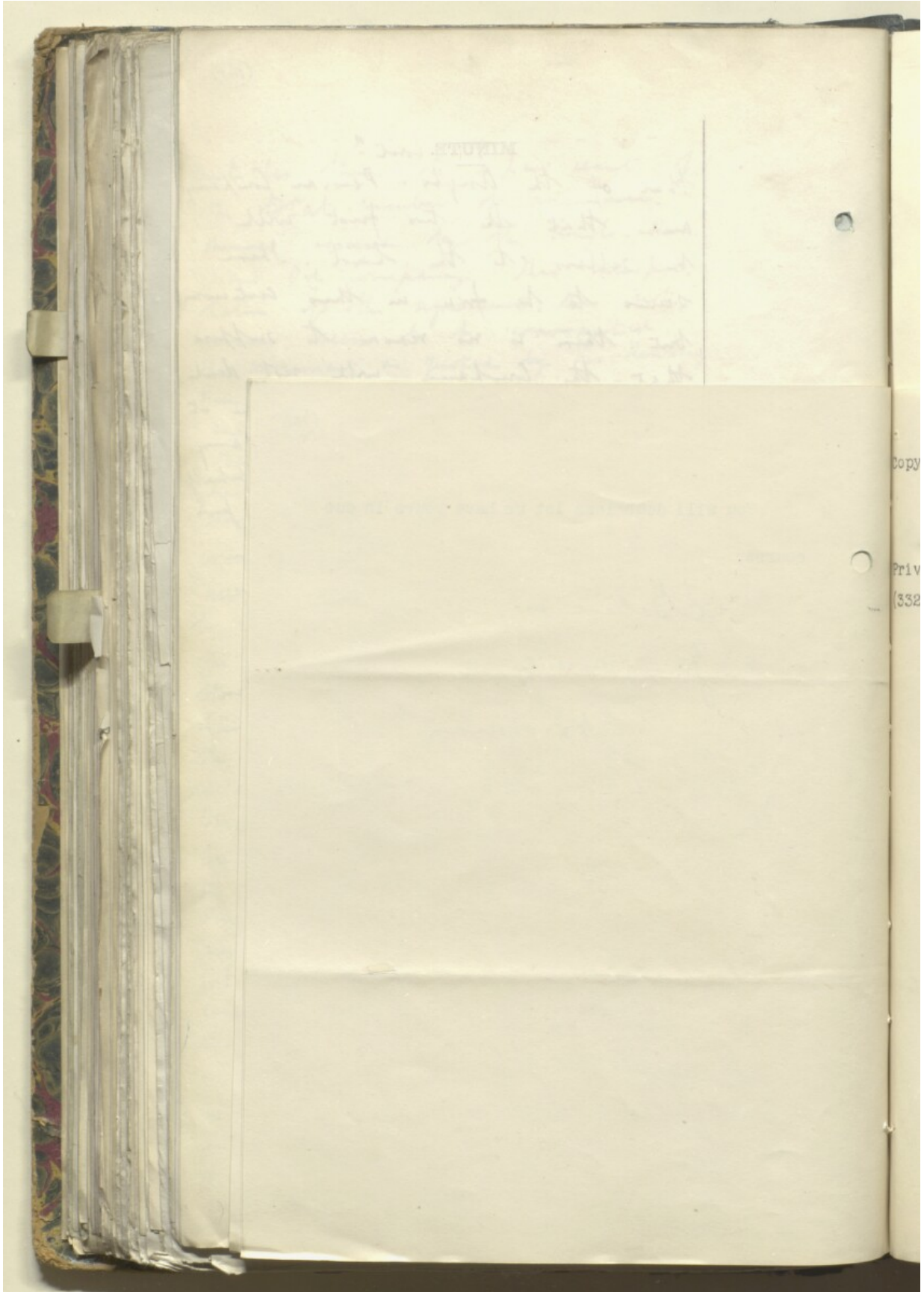


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦٦و] (٢٩٢/١٨٩)



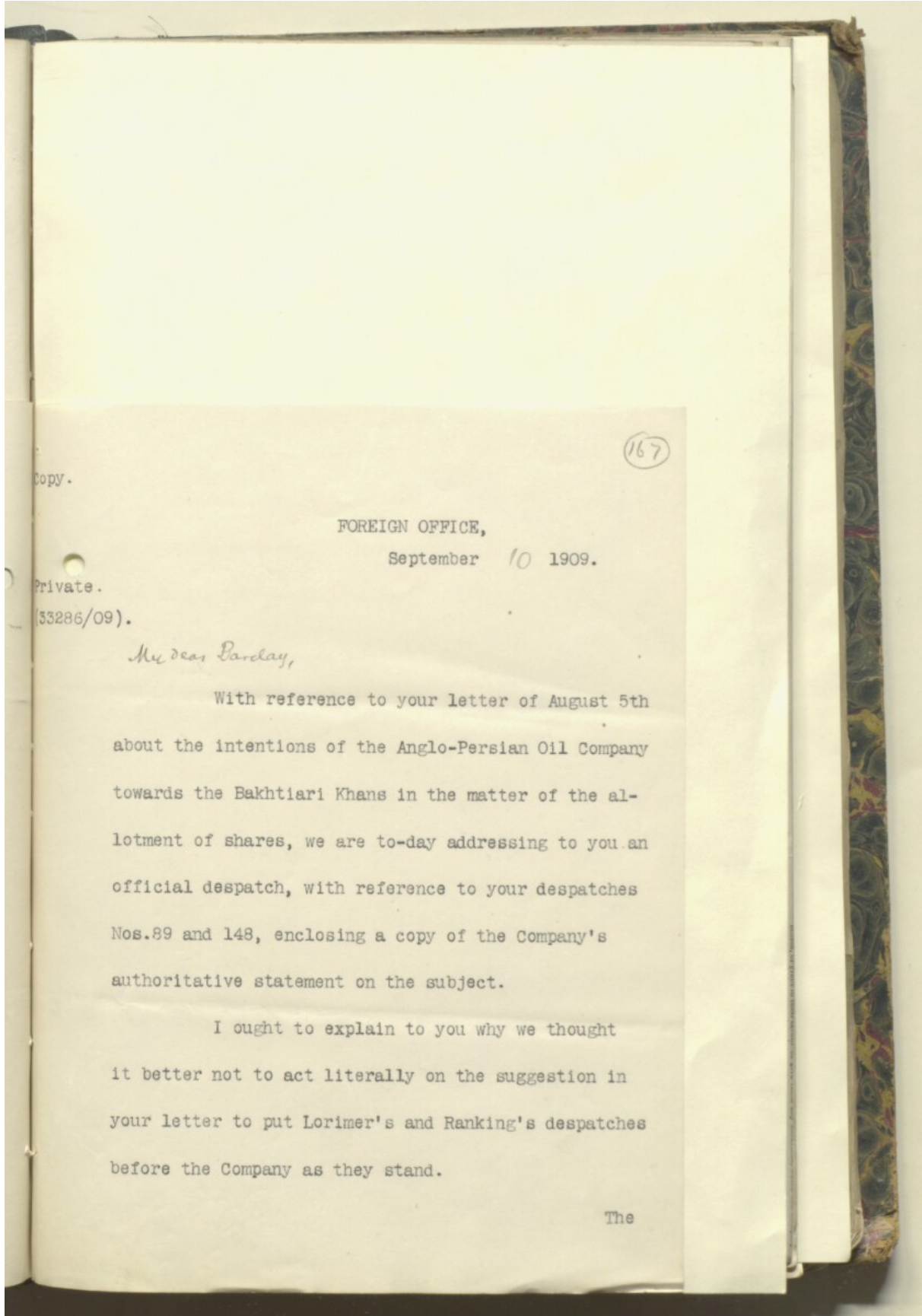


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٦ظ] (٢٩٢/١٩٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٧و] (٢٩٢/١٩١)



Copy.

FOREIGN OFFICE,
September 10 1909.

Private.
(33286/09).

My dear Barclay,

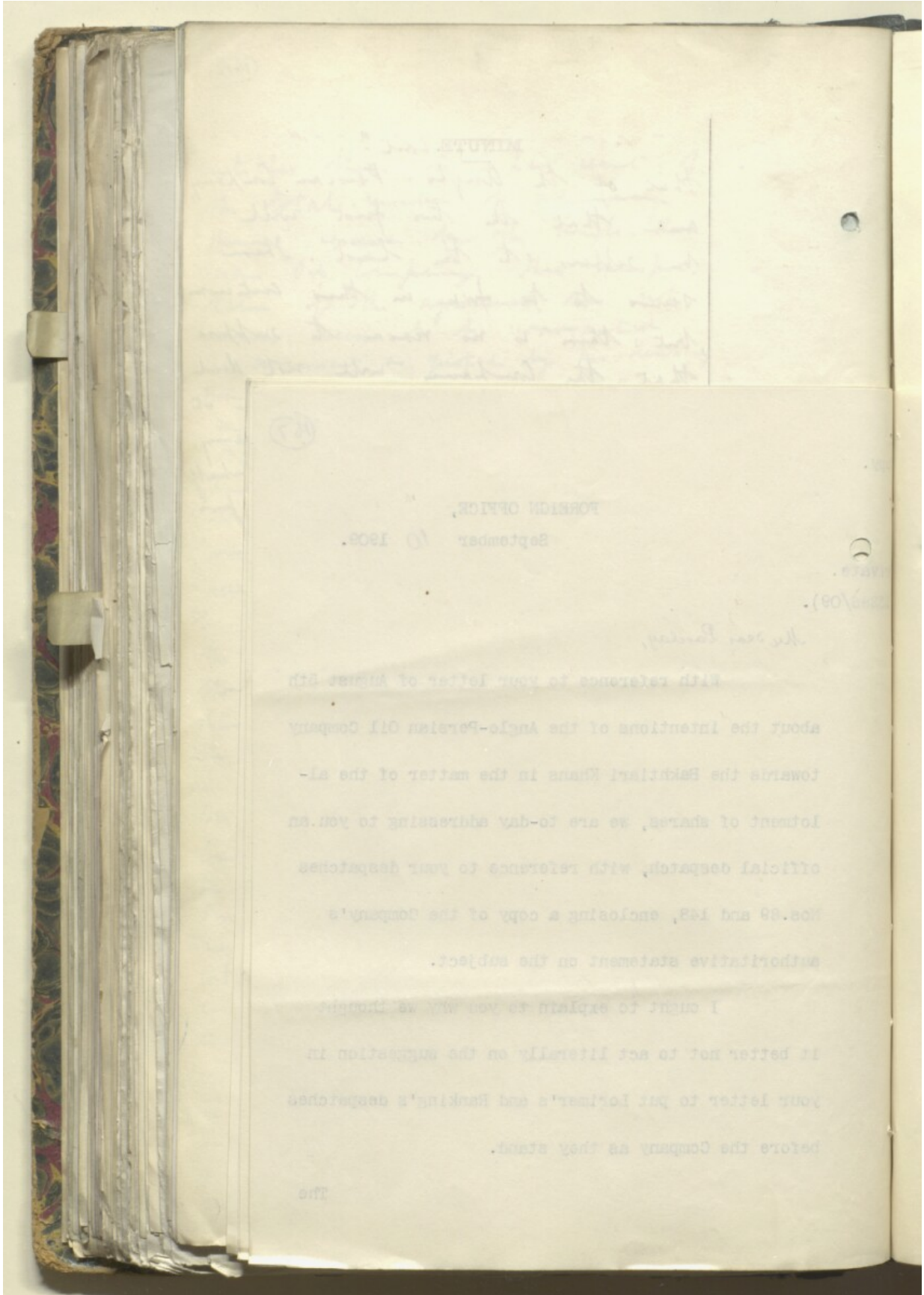
With reference to your letter of August 5th about the intentions of the Anglo-Persian Oil Company towards the Bakhtiari Khans in the matter of the allotment of shares, we are to-day addressing to you an official despatch, with reference to your despatches Nos.89 and 148, enclosing a copy of the Company's authoritative statement on the subject.

I ought to explain to you why we thought it better not to act literally on the suggestion in your letter to put Lorimer's and Ranking's despatches before the Company as they stand.

The

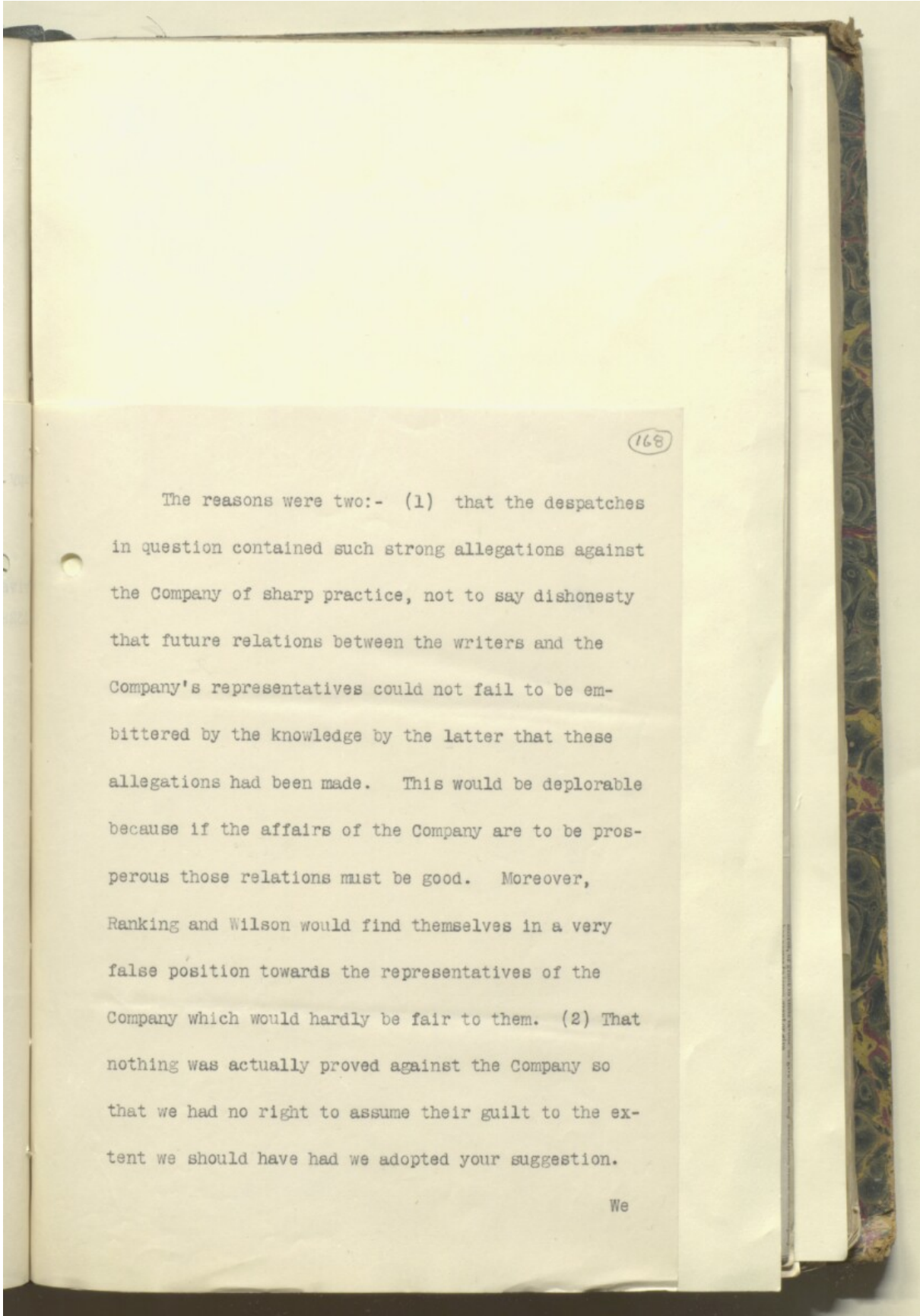


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٧ظ] (٢٩٢/١٩٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [١٦٨ و] (٢٩٢/١٩٣)



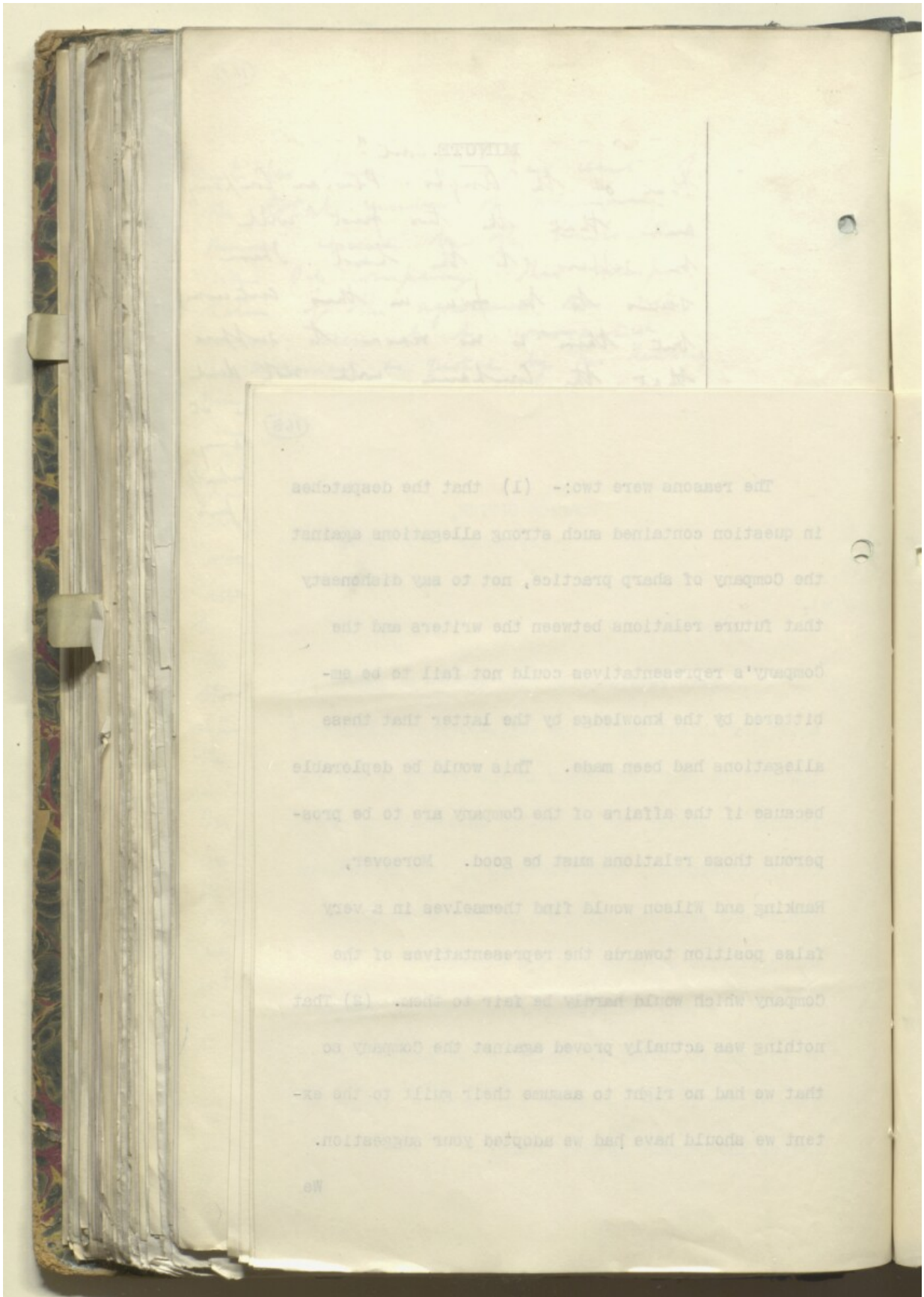
(168)

The reasons were two:- (1) that the despatches in question contained such strong allegations against the Company of sharp practice, not to say dishonesty that future relations between the writers and the Company's representatives could not fail to be embittered by the knowledge by the latter that these allegations had been made. This would be deplorable because if the affairs of the Company are to be prosperous those relations must be good. Moreover, Ranking and Wilson would find themselves in a very false position towards the representatives of the Company which would hardly be fair to them. (2) That nothing was actually proved against the Company so that we had no right to assume their guilt to the extent we should have had we adopted your suggestion.

We

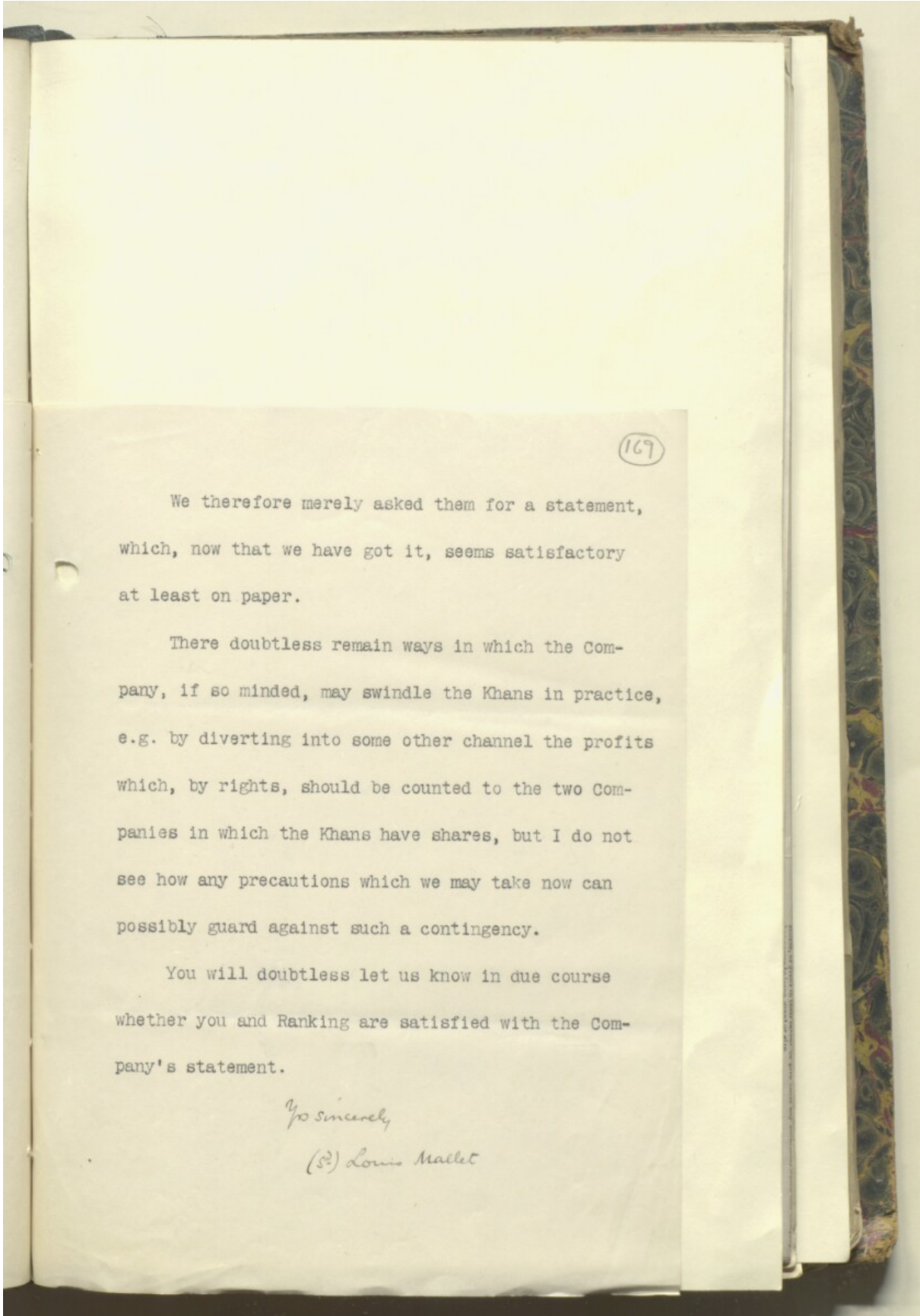


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦٨ظ] (٢٩٢/١٩٤)



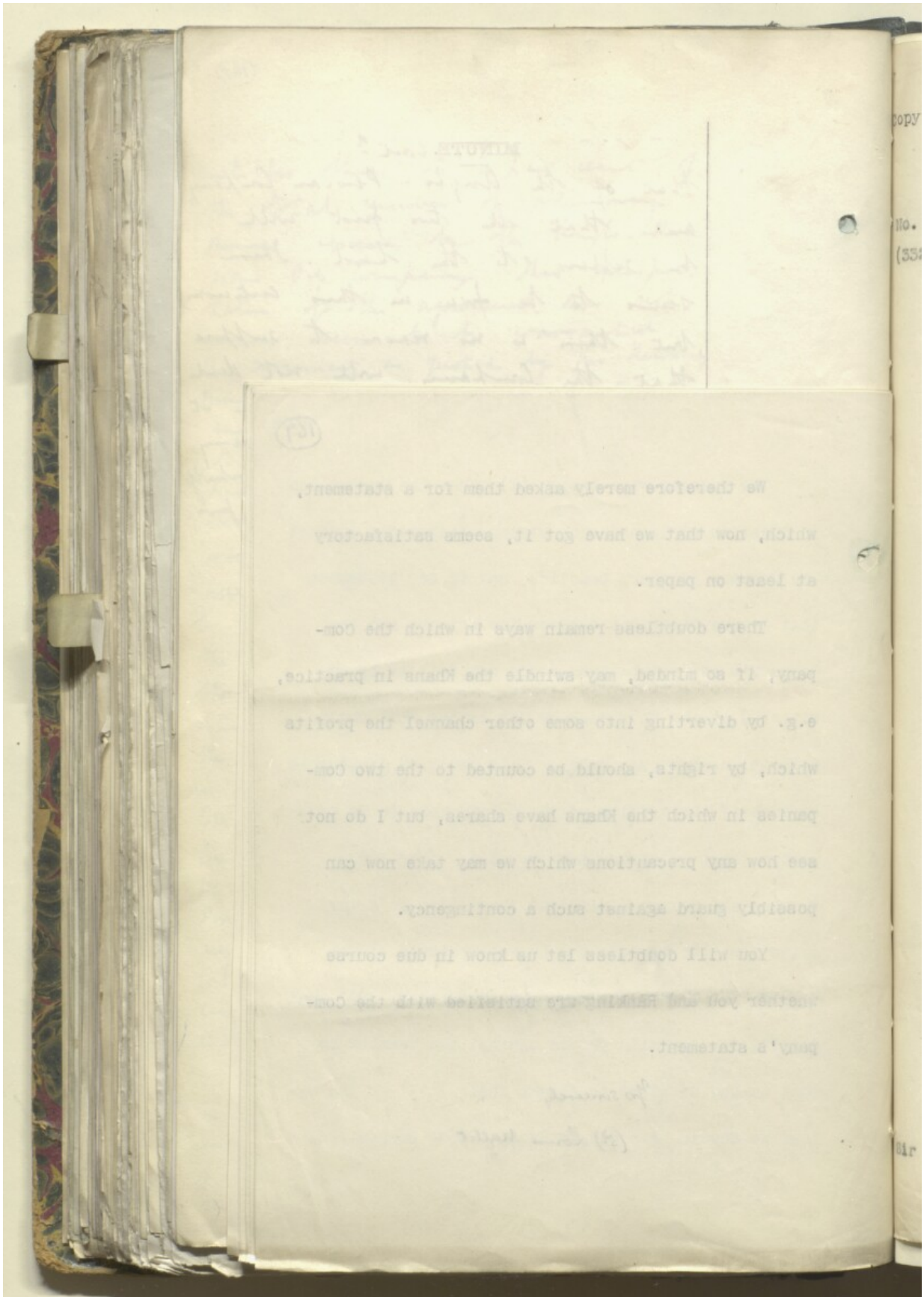


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٦٩و] (٢٩٢/١٩٥)



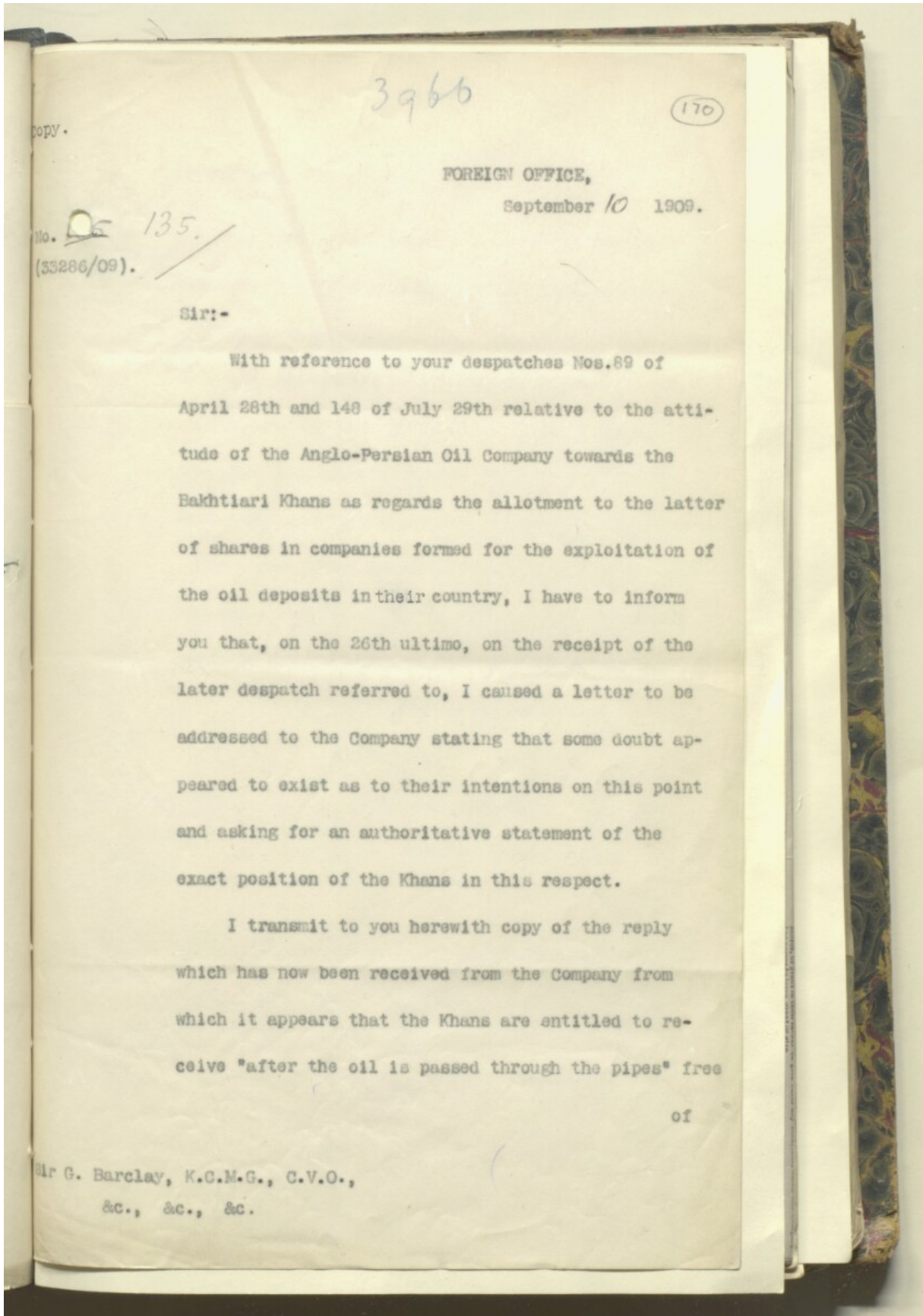


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٦٩ظ] (٢٩٢/١٩٦)



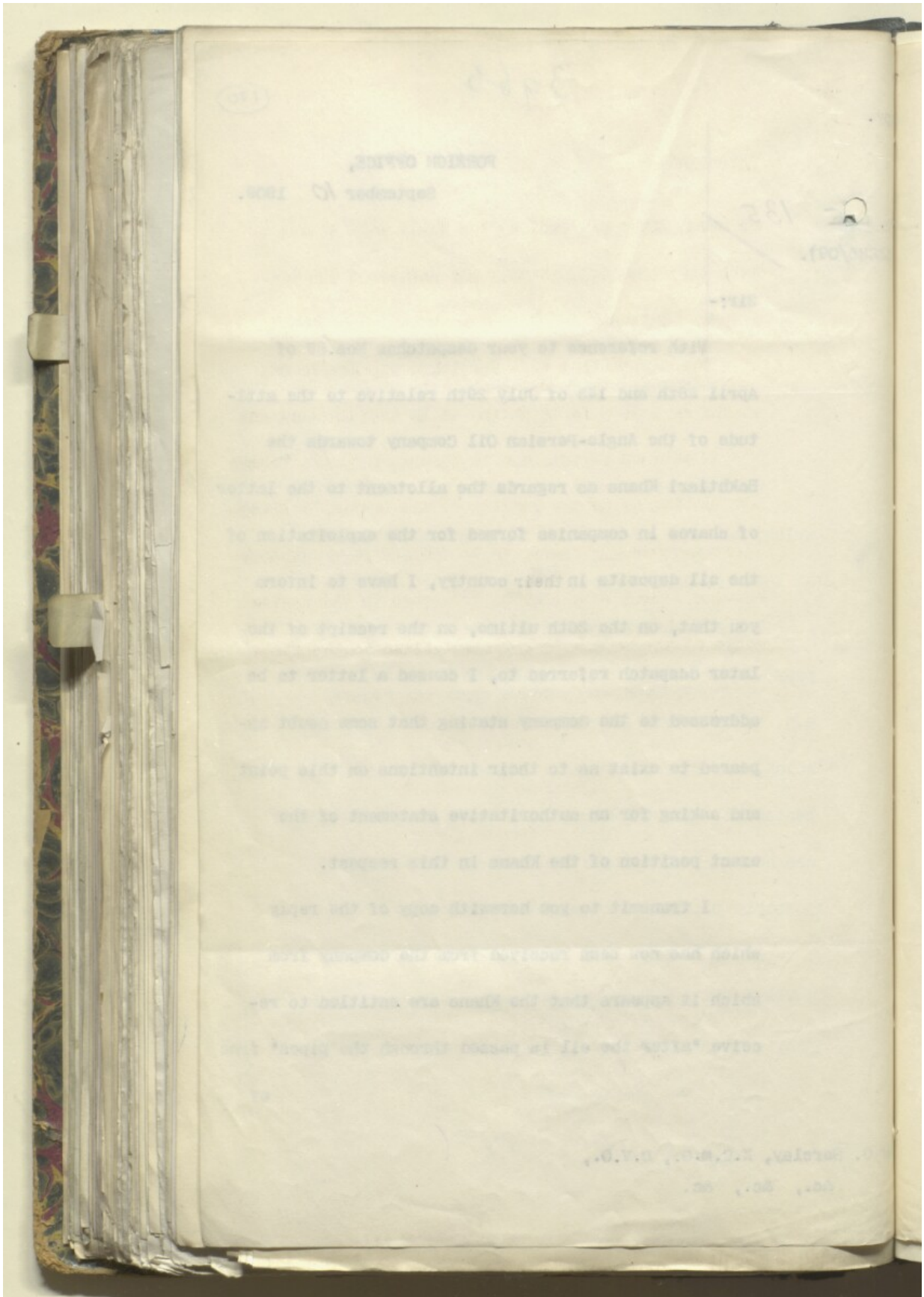


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٠] (٢٩٢/١٩٧)



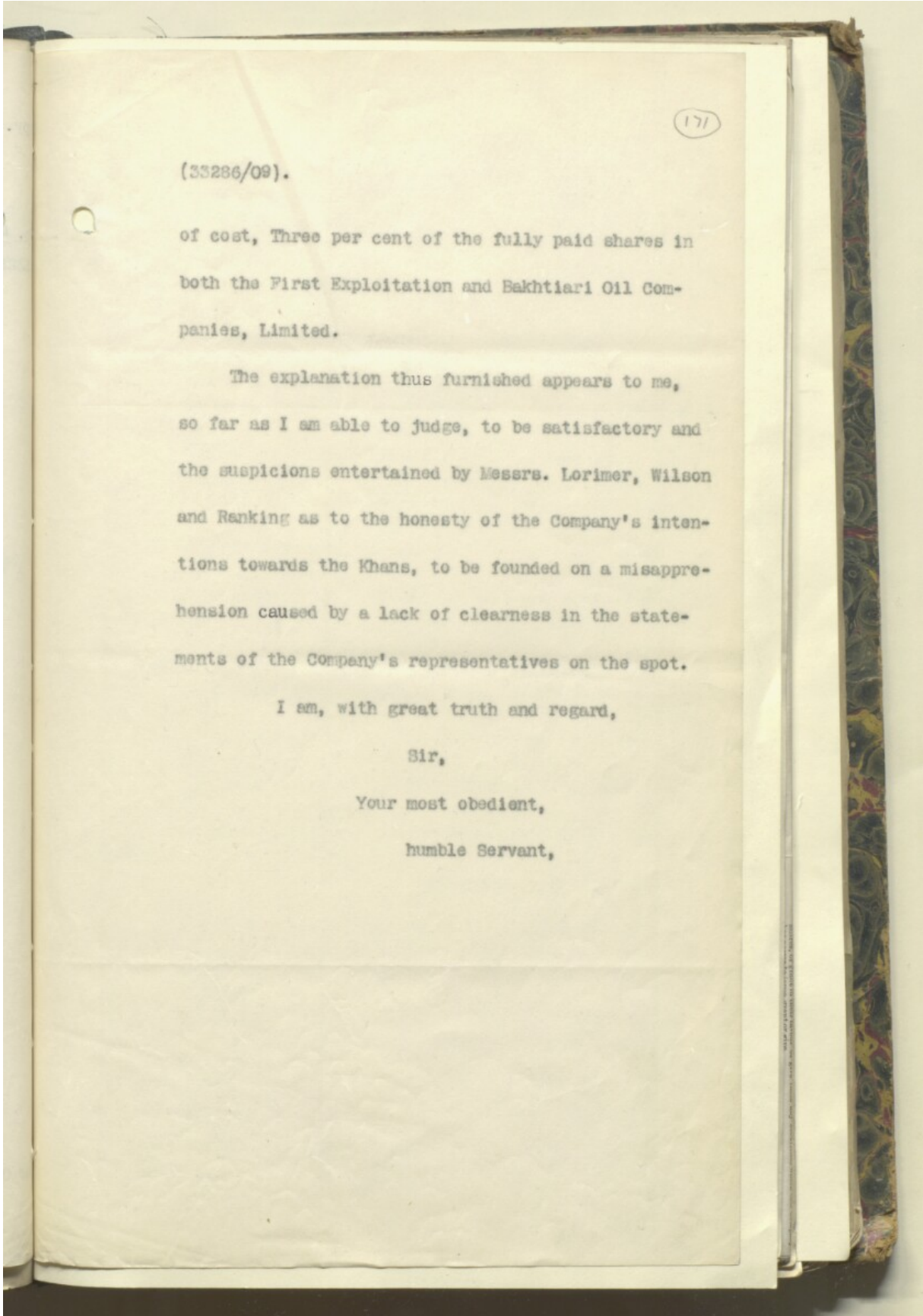


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٠ظ] (٢٩٢/١٩٨)



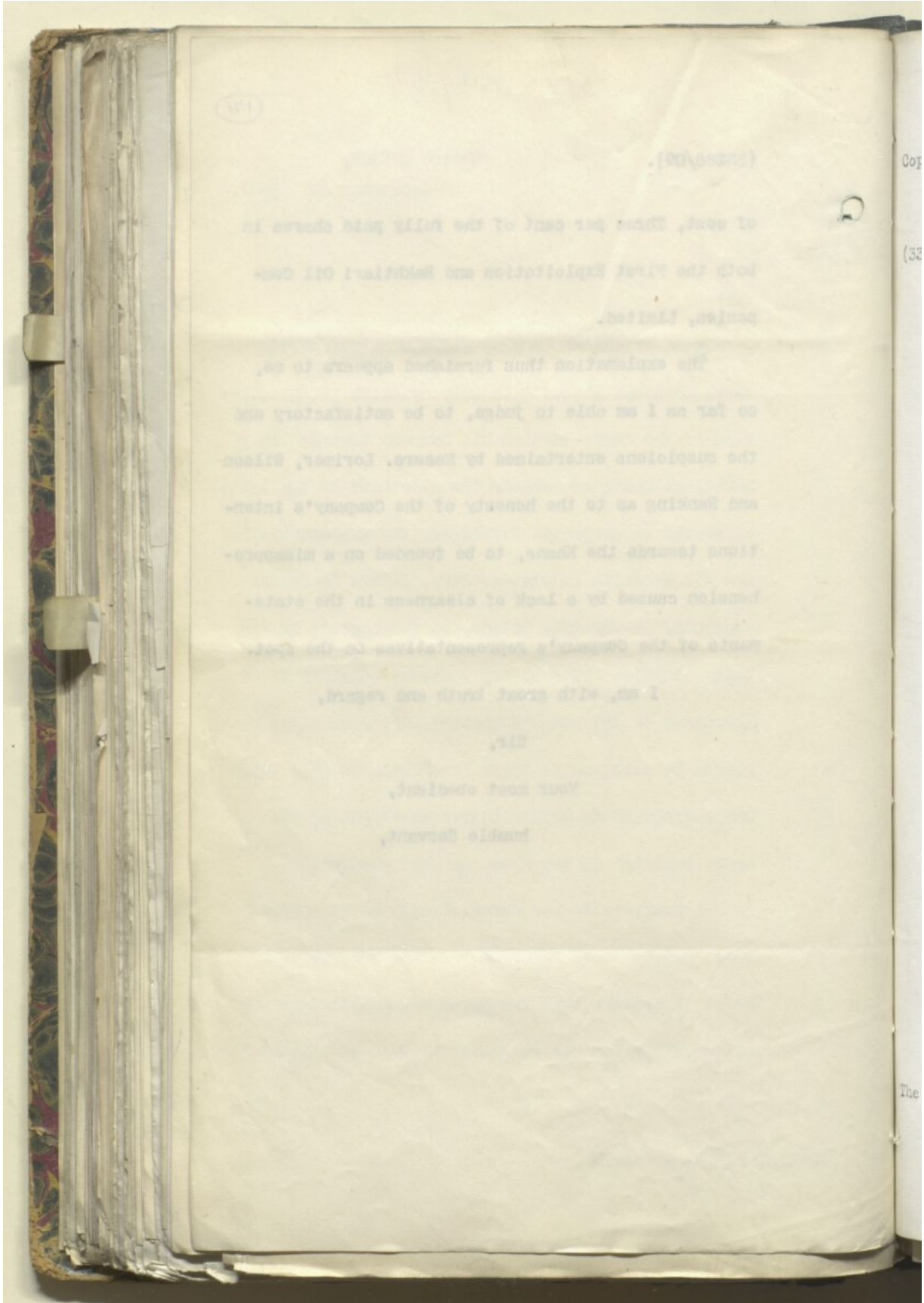


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٧١و] (٢٩٢/١٩٩)



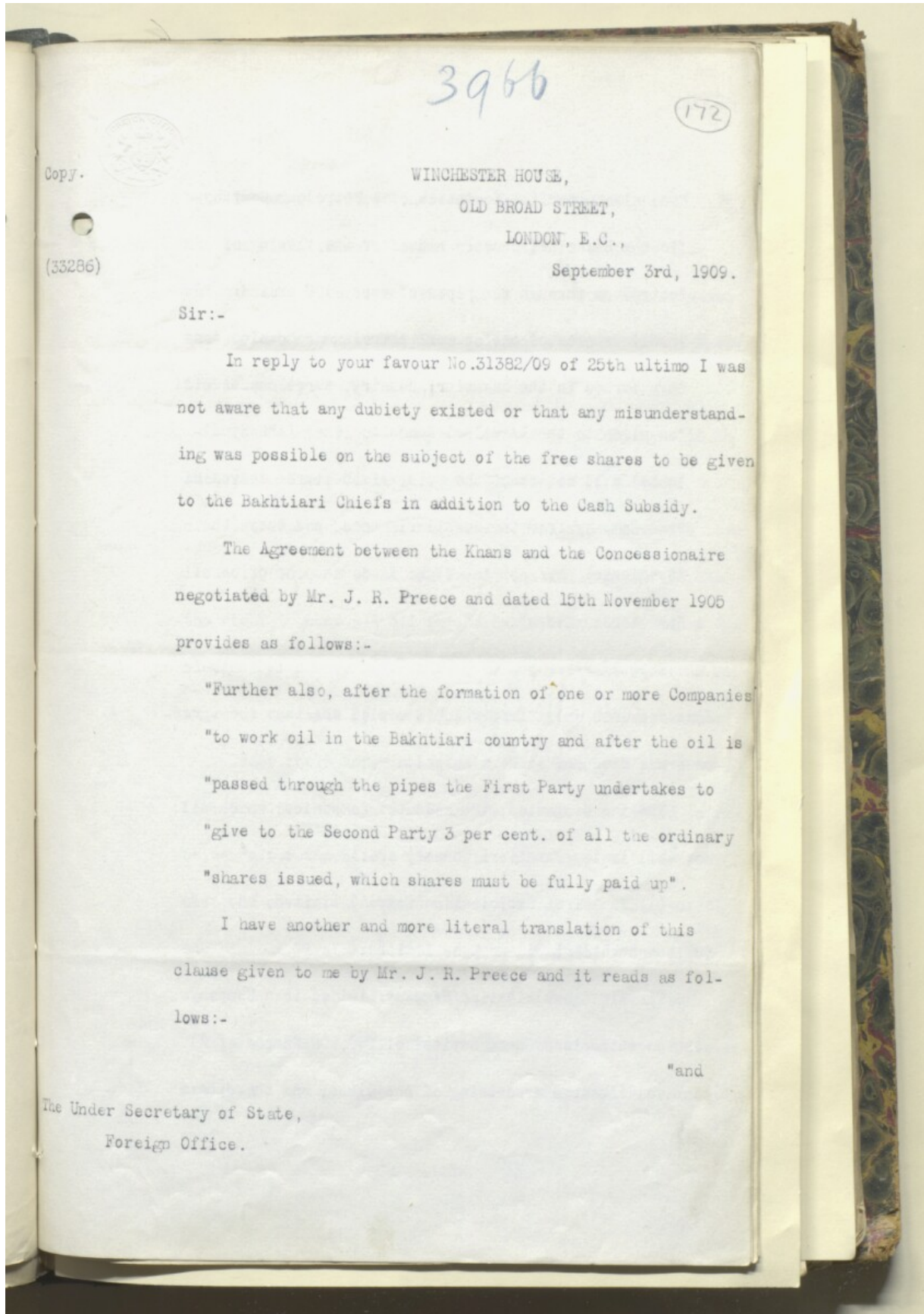


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧١ظ] (٢٩٢/٢٠٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٢و] (٢٩٢/٢٠١)



Copy.

(33286)

WINCHESTER HOUSE,
OLD BROAD STREET,
LONDON, E.C.,

September 3rd, 1909.

Sir:-

In reply to your favour No.31382/09 of 25th ultimo I was not aware that any dubiety existed or that any misunderstanding was possible on the subject of the free shares to be given to the Bakhtiari Chiefs in addition to the Cash Subsidy.

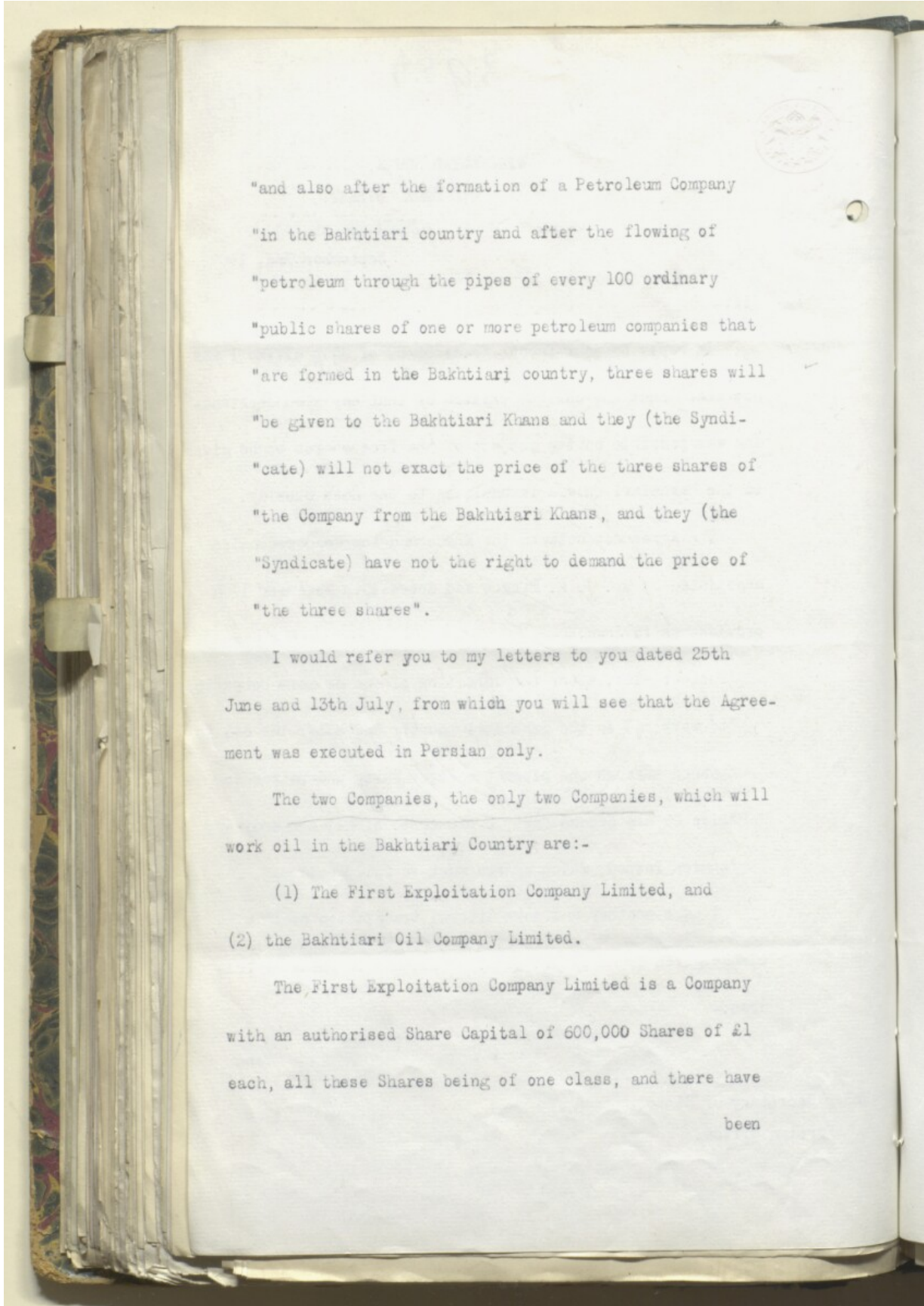
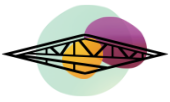
The Agreement between the Khans and the Concessionaire negotiated by Mr. J. R. Preece and dated 15th November 1905 provides as follows:-

"Further also, after the formation of one or more Companies
"to work oil in the Bakhtiari country and after the oil is
"passed through the pipes the First Party undertakes to
"give to the Second Party 3 per cent. of all the ordinary
"shares issued, which shares must be fully paid up".

I have another and more literal translation of this clause given to me by Mr. J. R. Preece and it reads as follows:-

"and

The Under Secretary of State,
Foreign Office.



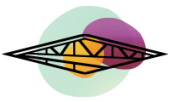
"and also after the formation of a Petroleum Company
"in the Bakhtiari country and after the flowing of
"petroleum through the pipes of every 100 ordinary
"public shares of one or more petroleum companies that
"are formed in the Bakhtiari country, three shares will
"be given to the Bakhtiari Khans and they (the Syndi-
"cate) will not exact the price of the three shares of
"the Company from the Bakhtiari Khans, and they (the
"Syndicate) have not the right to demand the price of
"the three shares".

I would refer you to my letters to you dated 25th
June and 13th July, from which you will see that the Agree-
ment was executed in Persian only.

The two Companies, the only two Companies, which will
work oil in the Bakhtiari Country are:-

- (1) The First Exploitation Company Limited, and
- (2) the Bakhtiari Oil Company Limited.

The First Exploitation Company Limited is a Company
with an authorised Share Capital of 600,000 Shares of £1
each, all these Shares being of one class, and there have
been



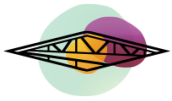
173

been issued 500,000 of these Shares all now fully paid. It has the right to work blocks aggregating one square mile which blocks were to be selected by it, and it has selected the whole of them at Masjid-i-Suleiman which is in the Bakhtiari Country.

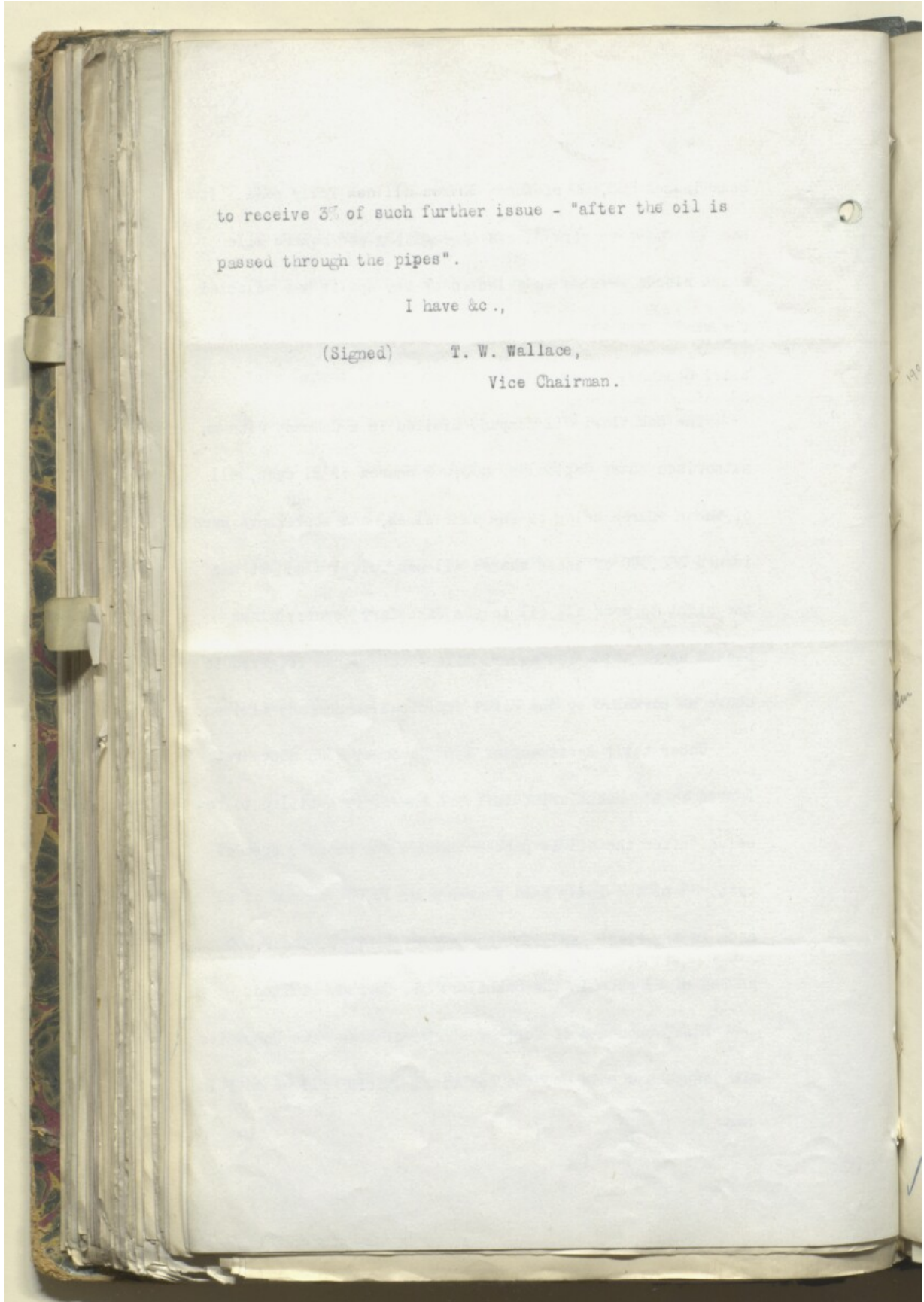
The Bakhtiari Oil Company Limited is a Company with an authorised Share Capital of 400,000 Shares of £1 each, all of these shares being of the same class, and there have been issued 300,000 of these shares all now fully paid. It has the right to work all oil in the Bakhtiari Country minus blocks aggregating one square mile - the blocks referred to above as workable by the First Exploitation Company Limited.

Under their Agreement of 15th November 1905 above referred to the Bakhtiari Chiefs are therefore entitled to receive "after the oil is passed through the pipes", free of cost, 3% of the fully paid shares i.e. 15,000 shares of £1 each in the First Exploitation Company Limited, and 9,000 shares of £1 each in the Bakhtiari Oil Company Limited.

Also, when and if further shares of these two Companies are issued and paid up, the Bakhtiari Chiefs will be entitled to



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٧٣ظ] (٢٩٢/٢٠٤)

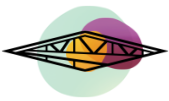


to receive 3% of such further issue - "after the oil is
passed through the pipes".

I have &c.,

(Signed) T. W. Wallace,
Vice Chairman.

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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٧٤و] (٢٩٢/٢٠٥)

174

Register No. 3891

Minute Paper. **Secret Department.**

Letter from F.O. Dated 26 Aug 1907.
Rec. - -

	Date.	Initials.	SUBJECT.
Under Secretary.....	20 Aug	MS	Persia.
Secretary of State....	30	GF.	The Anglo-Persian Oil Co. Enquiry made by the F.O. after consideration of Sir G. Barclay's & Mr. Rankings views "as to the exact position of the Bakhtiari Khans with regard to the different Companies"
Committee			
Under Secretary.....			
Secretary of State....			

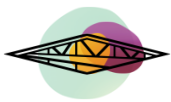
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Copy to
(Nothing to do in India 7/07)
& (See 3988/07)

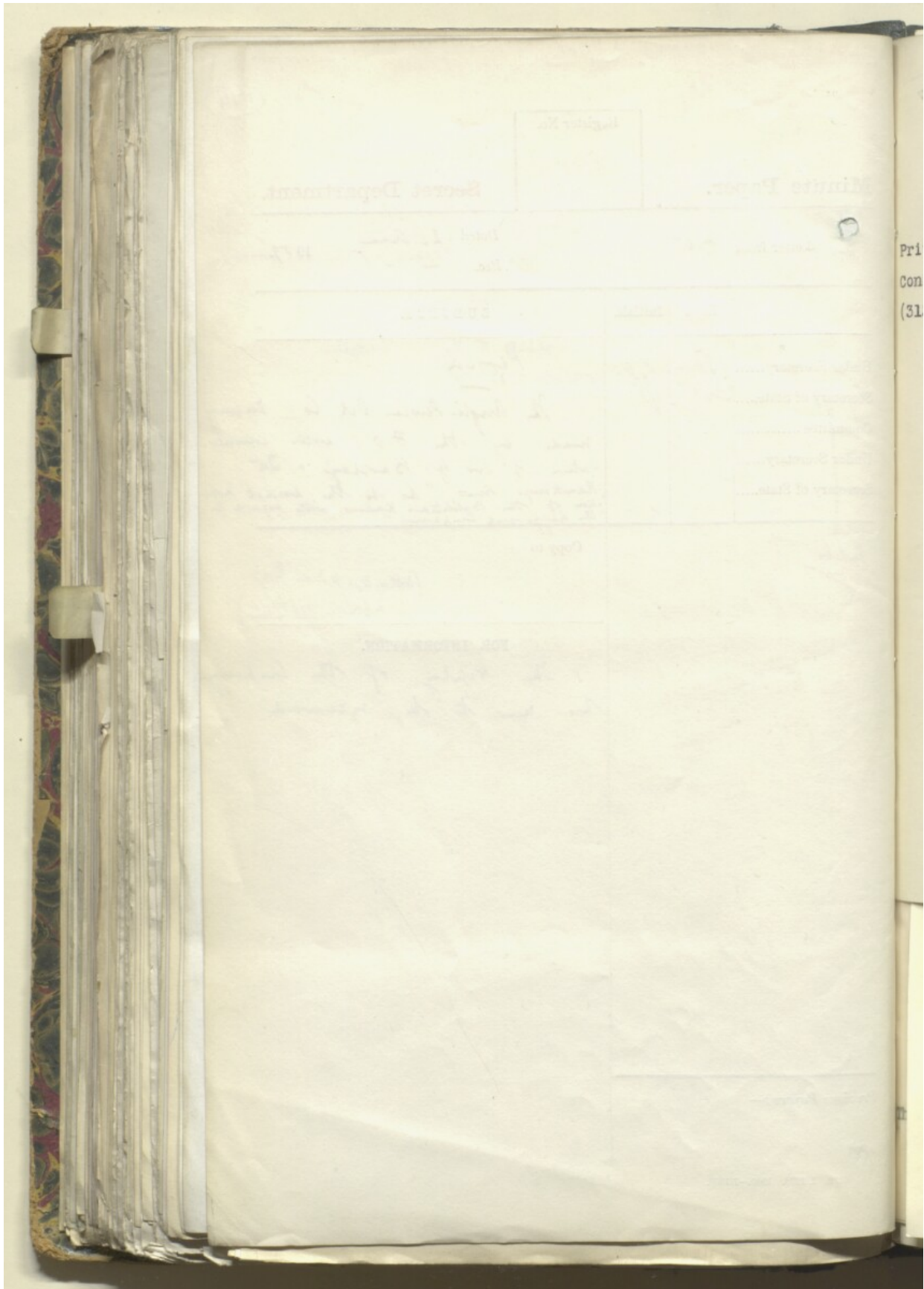
FOR INFORMATION.
The reply of the Company has now to be received.

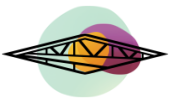
Previous Papers :-

6172. I. 1278. 1000.-7/1900.

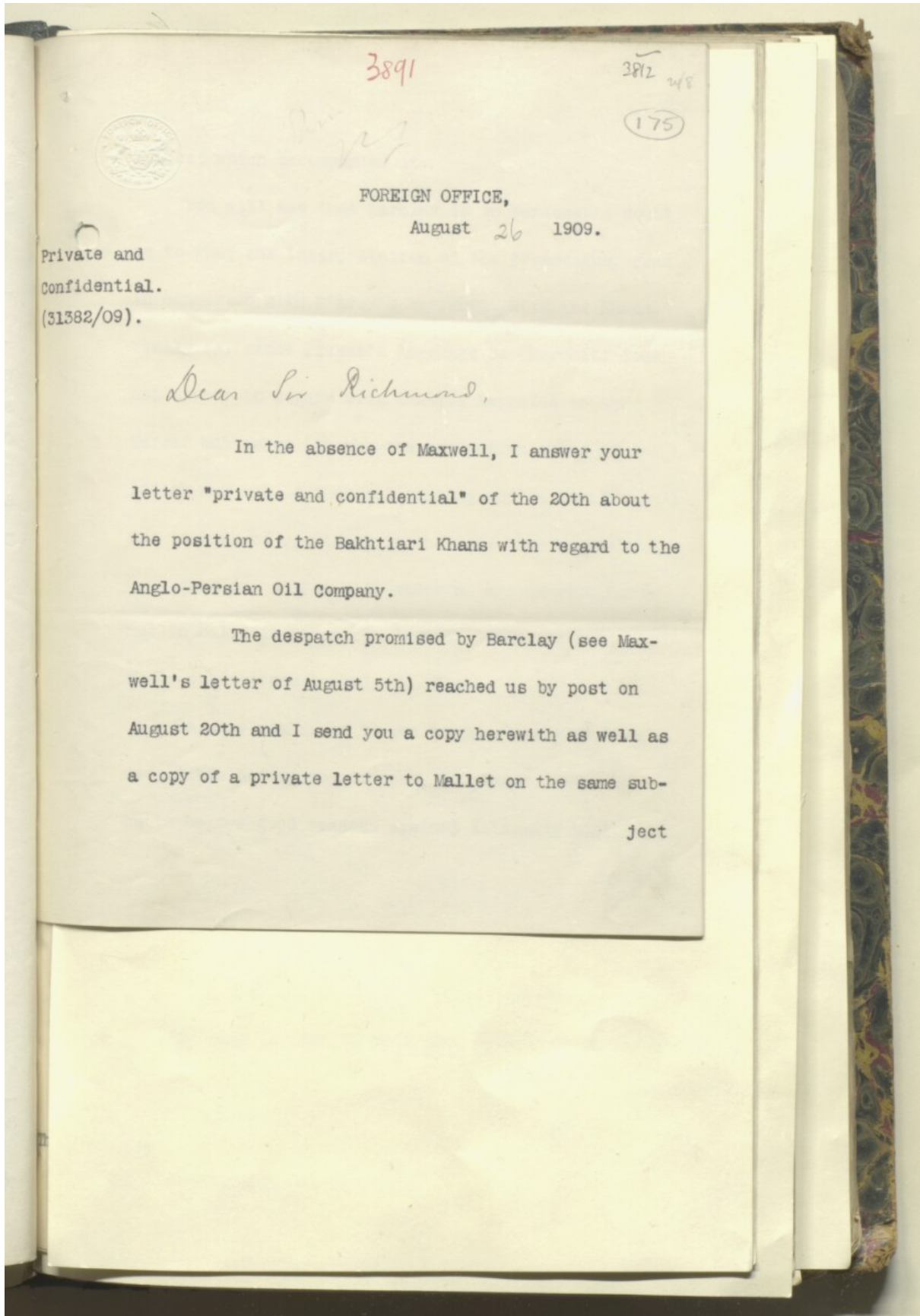


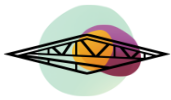
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٤ظ] (٢٩٢/٢٠٦)



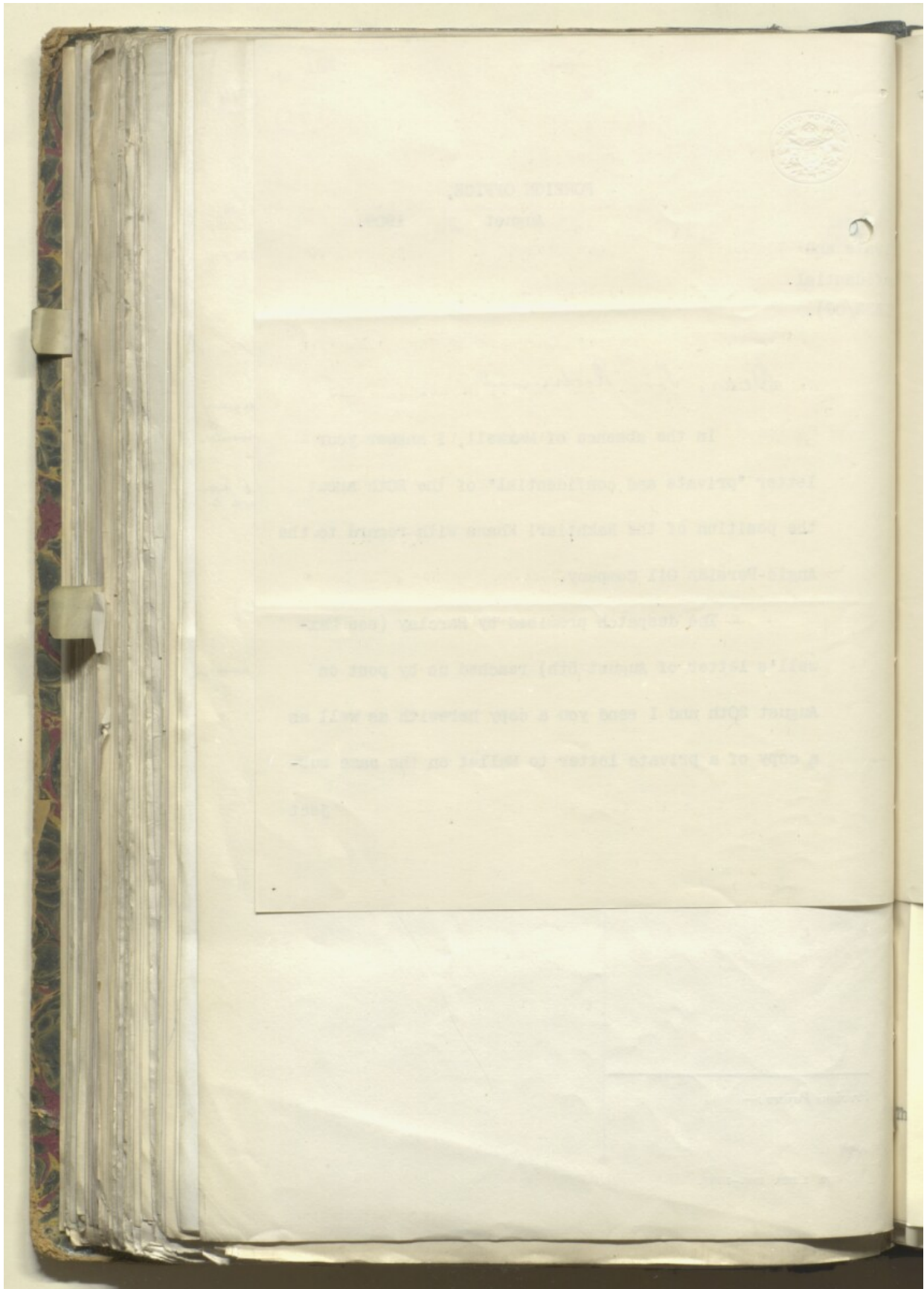


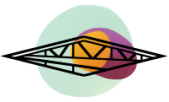
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٥ و] (٢٩٢/٢٠٧)



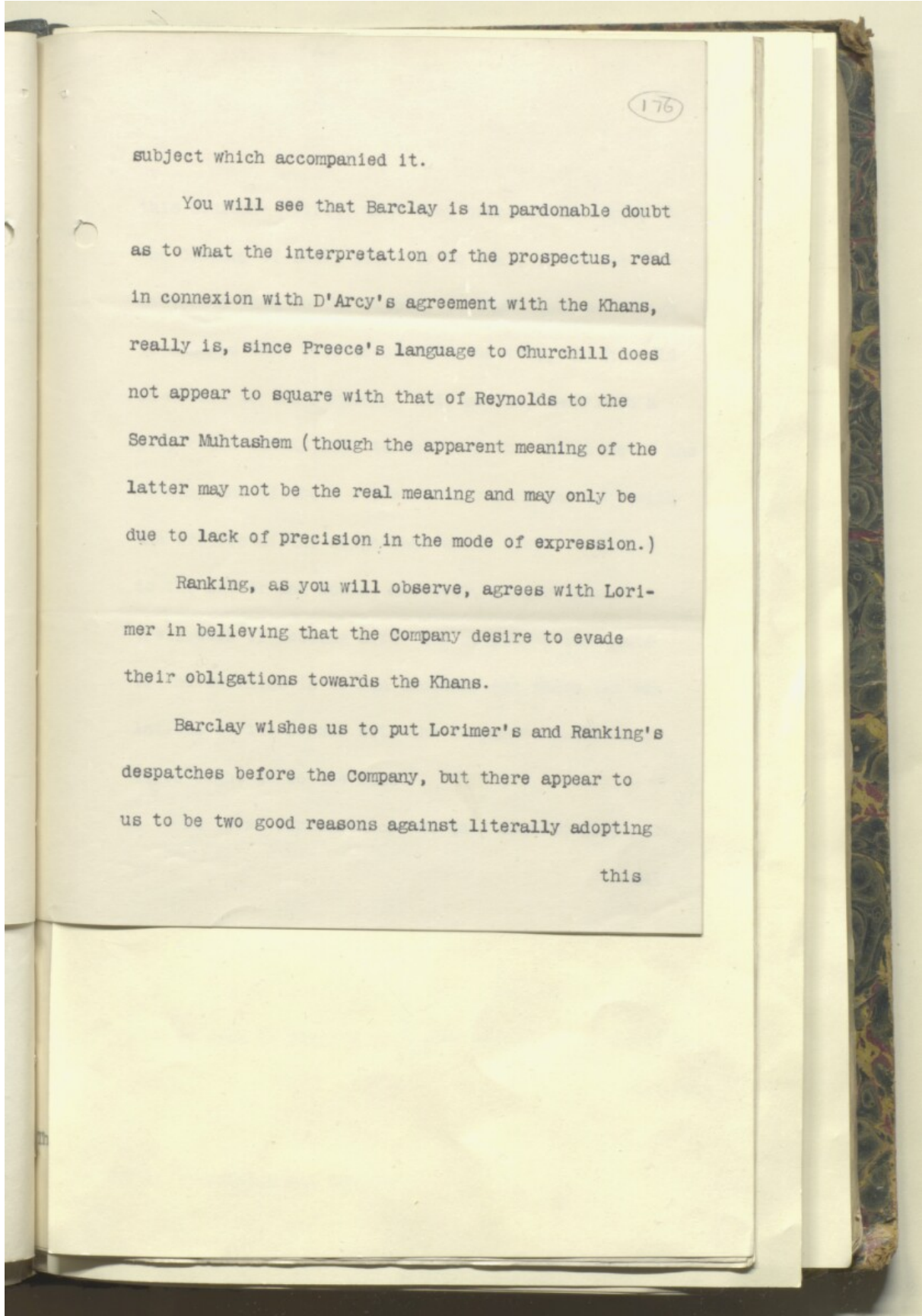


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٧٥ظ] (٢٩٢/٢٠٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٦و] (٢٩٢/٢٠٩)



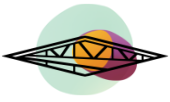
176

subject which accompanied it.

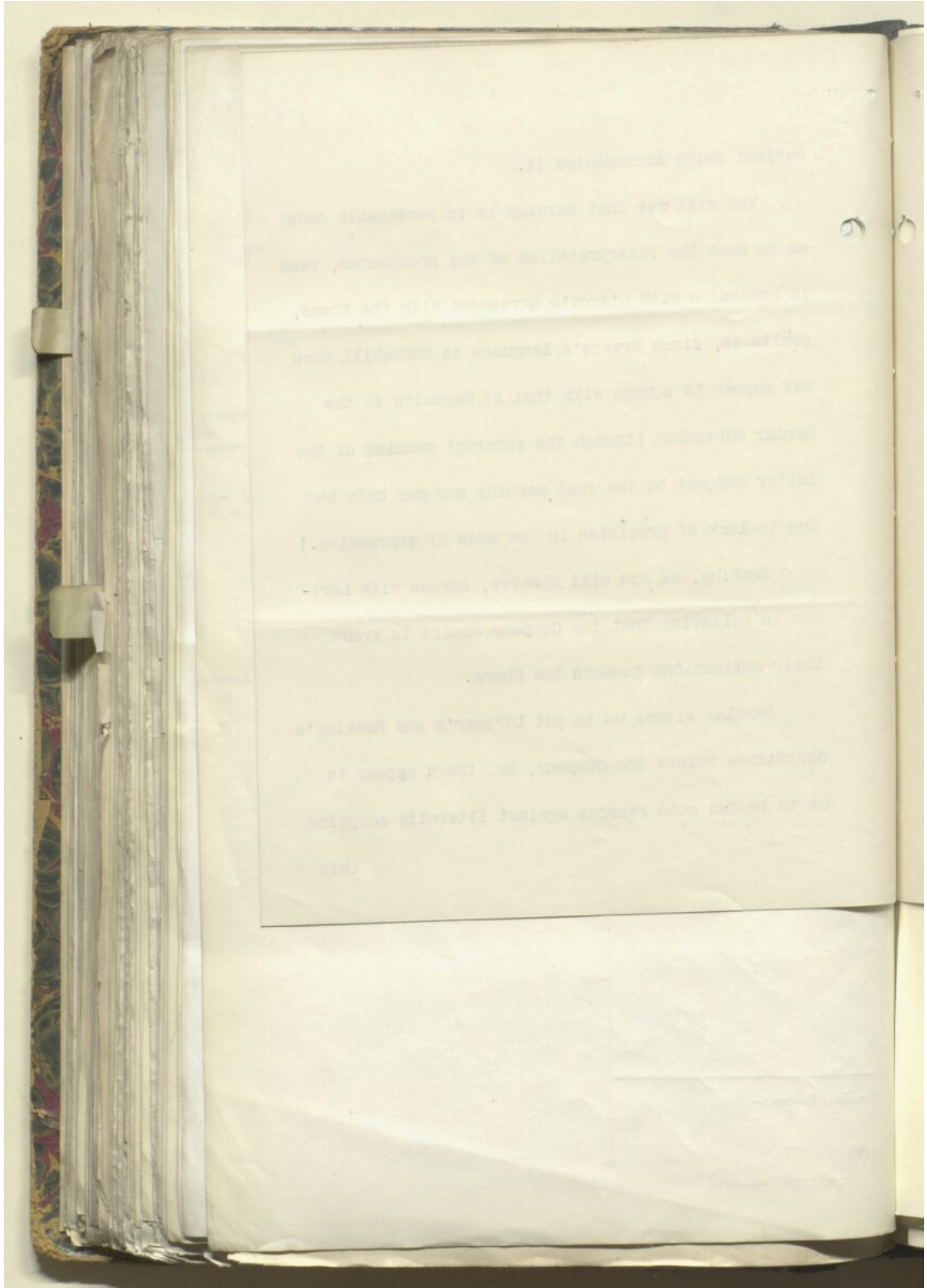
You will see that Barclay is in pardonable doubt as to what the interpretation of the prospectus, read in connexion with D'Arcy's agreement with the Khans, really is, since Preece's language to Churchill does not appear to square with that of Reynolds to the Serdar Muhtashem (though the apparent meaning of the latter may not be the real meaning and may only be due to lack of precision in the mode of expression.)

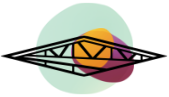
Ranking, as you will observe, agrees with Lorimer in believing that the Company desire to evade their obligations towards the Khans.

Barclay wishes us to put Lorimer's and Ranking's despatches before the Company, but there appear to us to be two good reasons against literally adopting
this

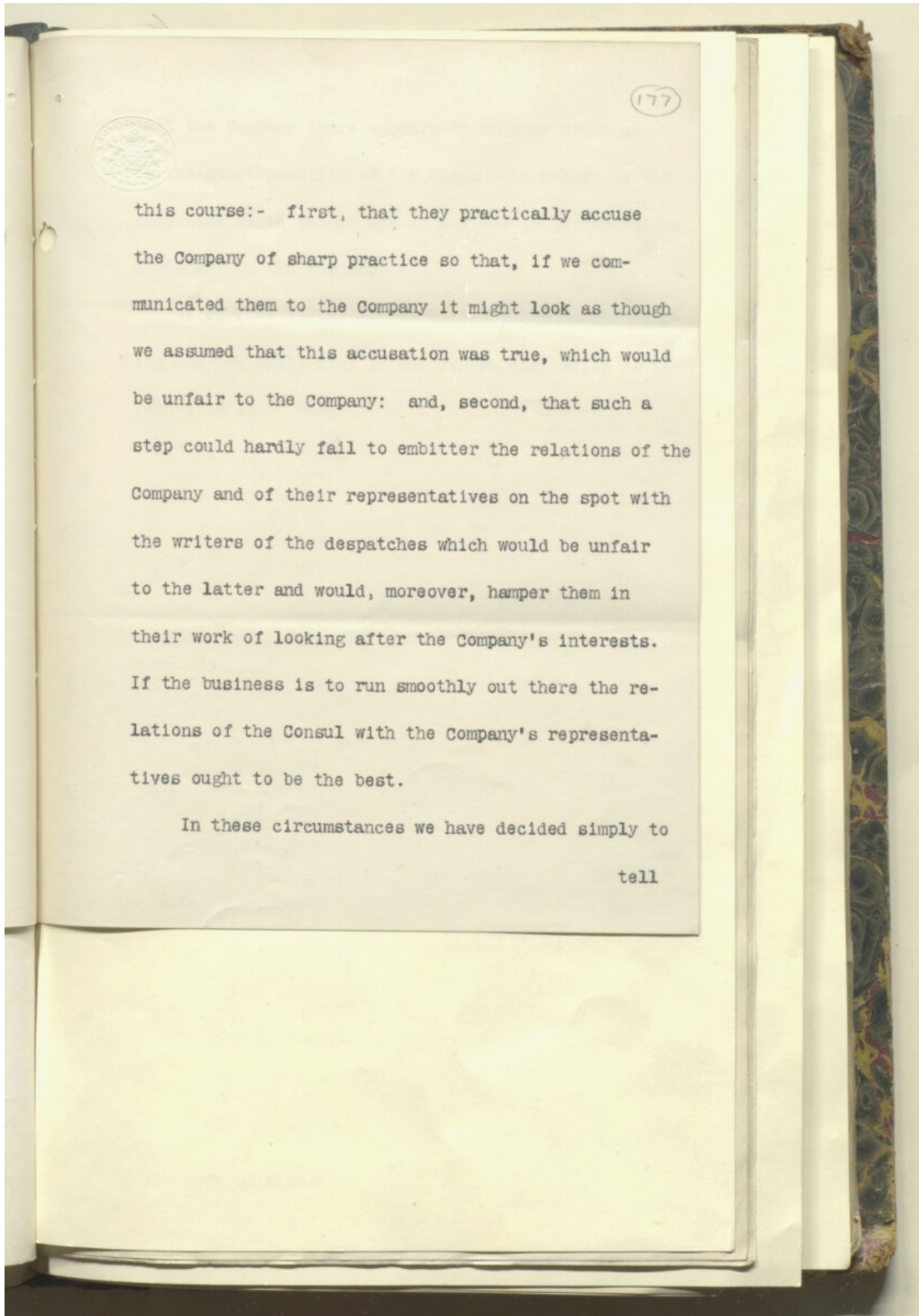


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٦ظ] (٢٩٢/٢١٠)





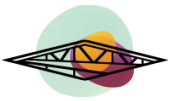
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [١٧٧و] (٢٩٢/٢١١)



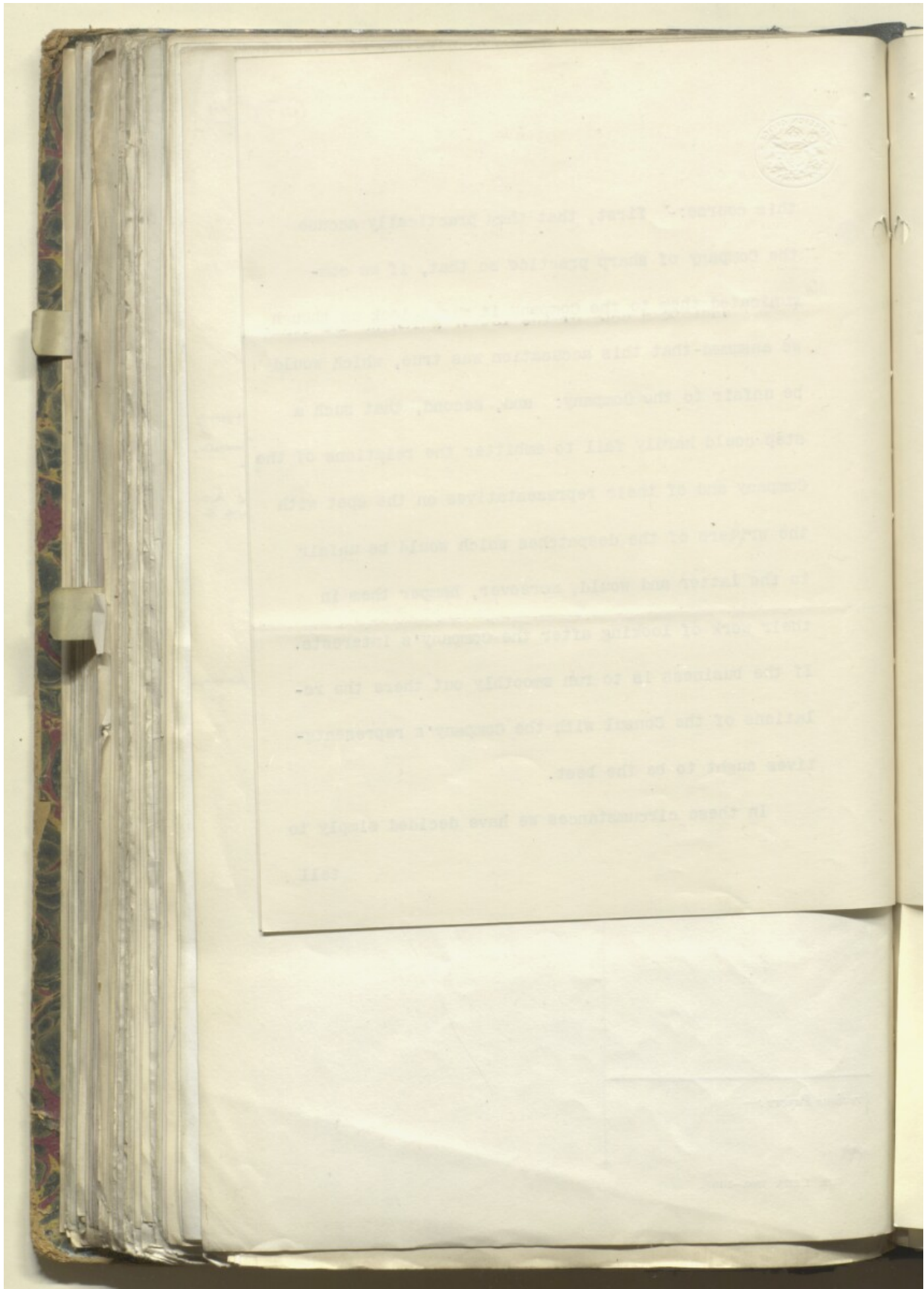
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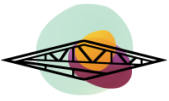
this course:- first, that they practically accuse the Company of sharp practice so that, if we communicated them to the Company it might look as though we assumed that this accusation was true, which would be unfair to the Company: and, second, that such a step could hardly fail to embitter the relations of the Company and of their representatives on the spot with the writers of the despatches which would be unfair to the latter and would, moreover, hamper them in their work of looking after the Company's interests. If the business is to run smoothly out there the relations of the Consul with the Company's representatives ought to be the best.

In these circumstances we have decided simply to
tell

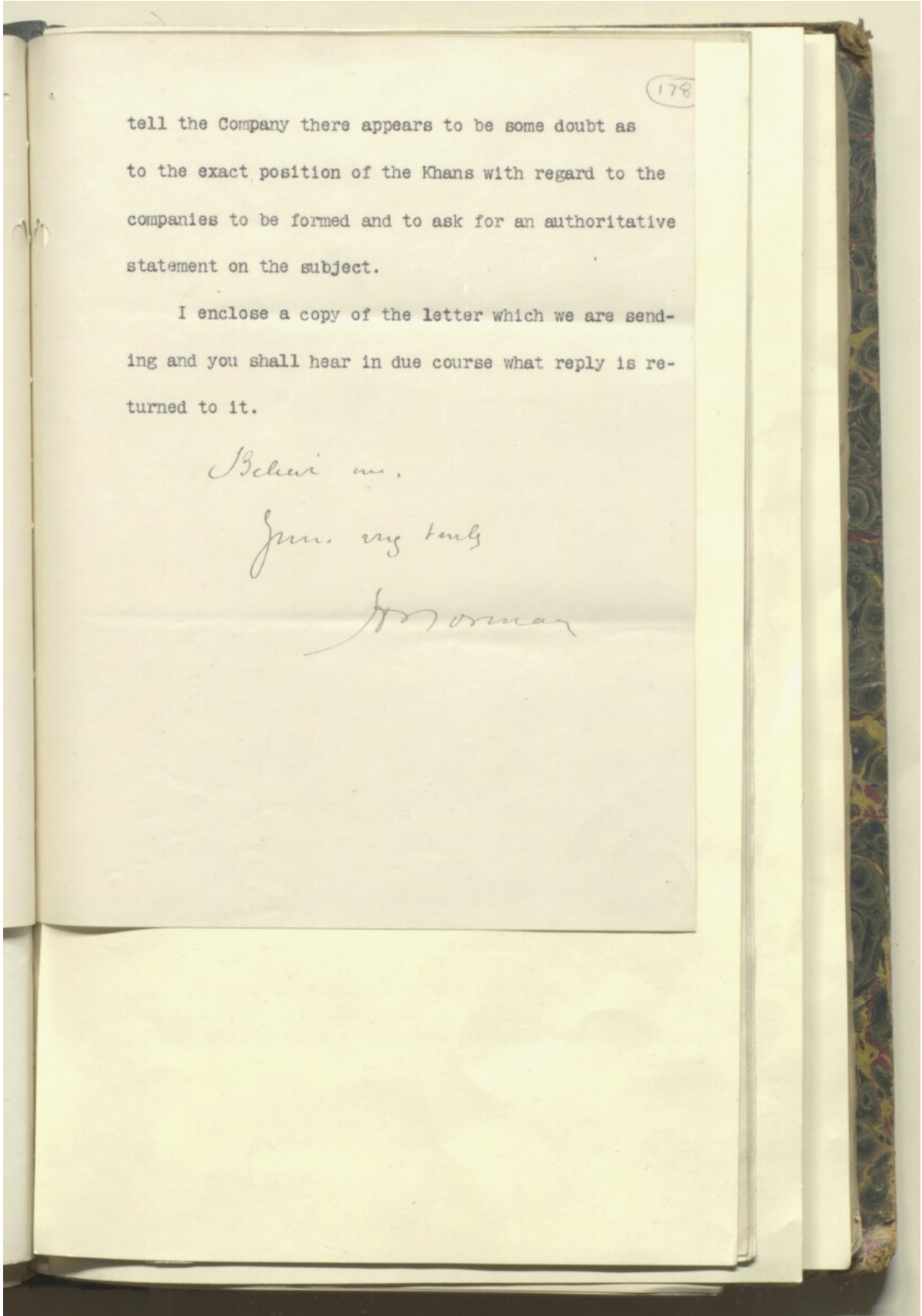


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٧٧ظ] (٢٩٢/٢١٢)



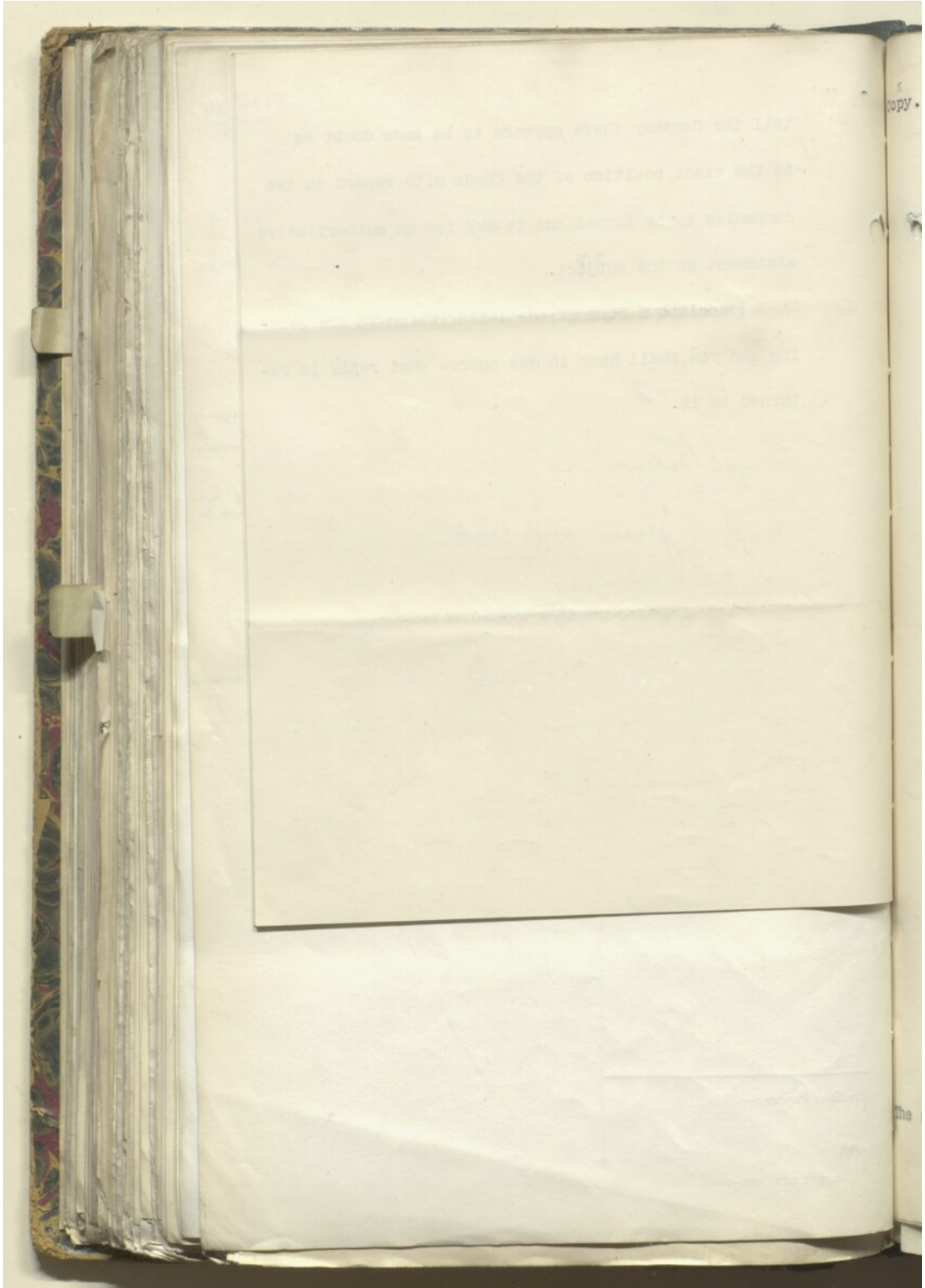


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٨ و] (٢٩٢/٢١٣)



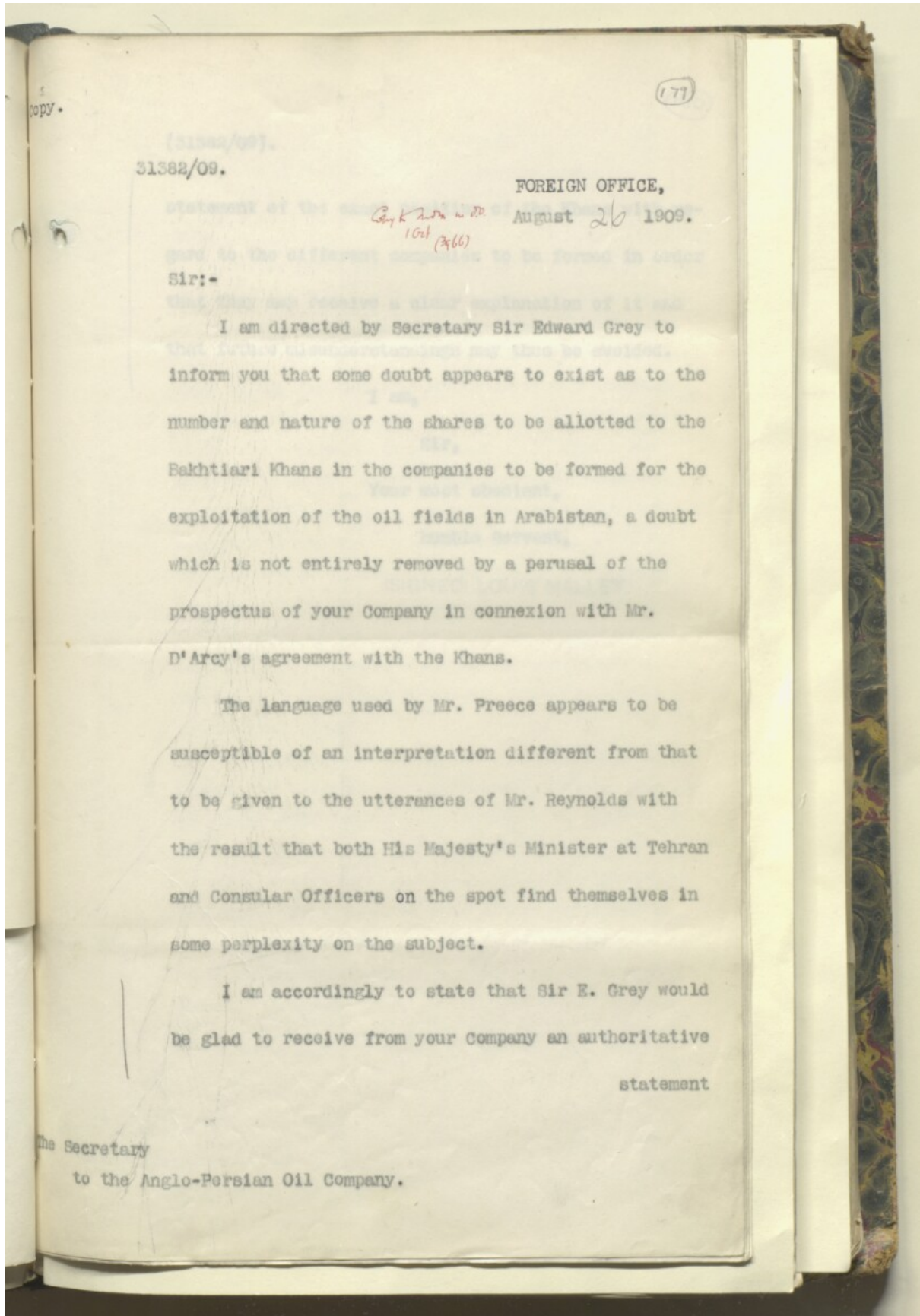


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٧٨ظ] (٢٩٢/٢١٤)



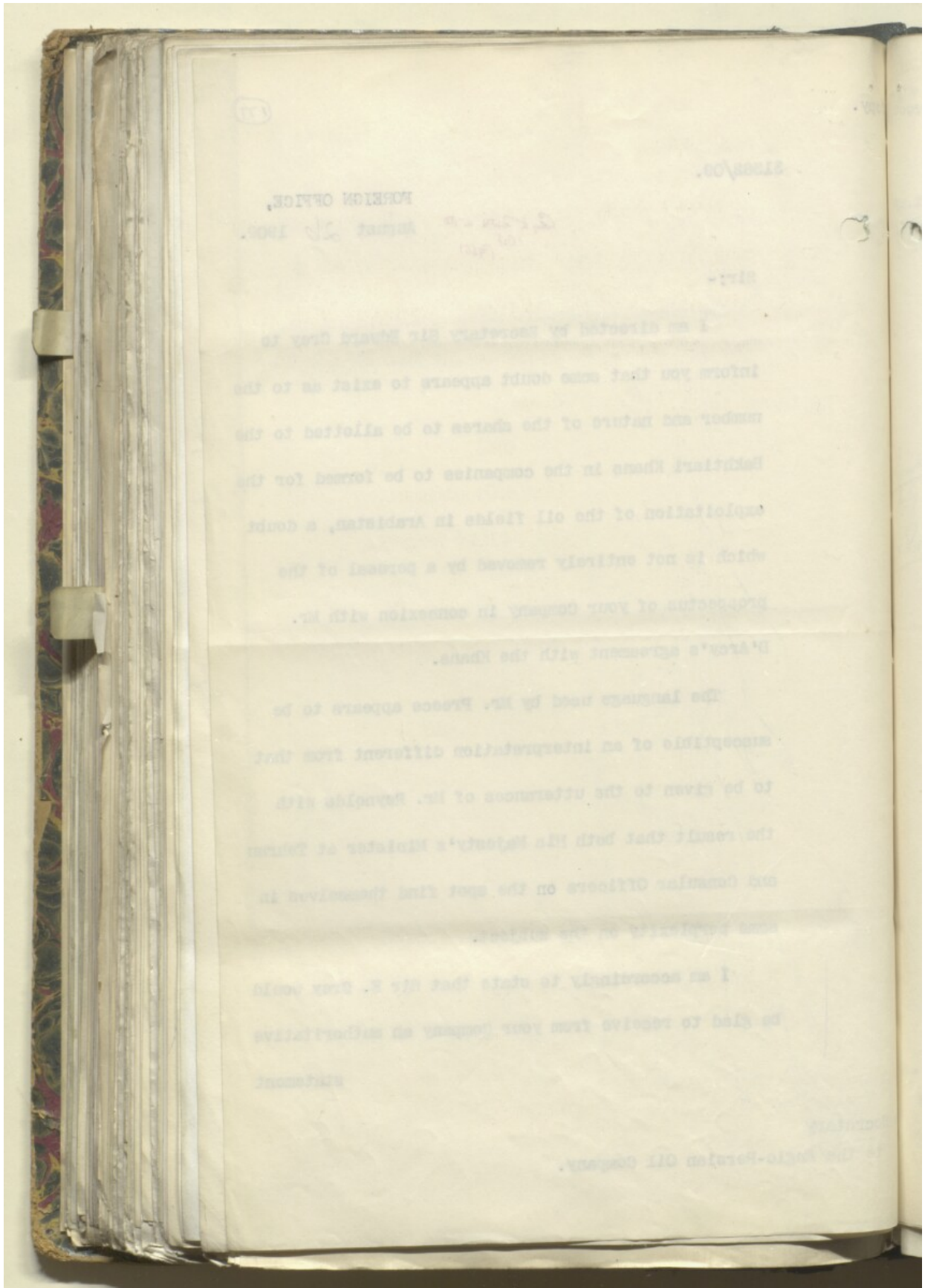


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٩و] (٢٩٢/٢١٥)



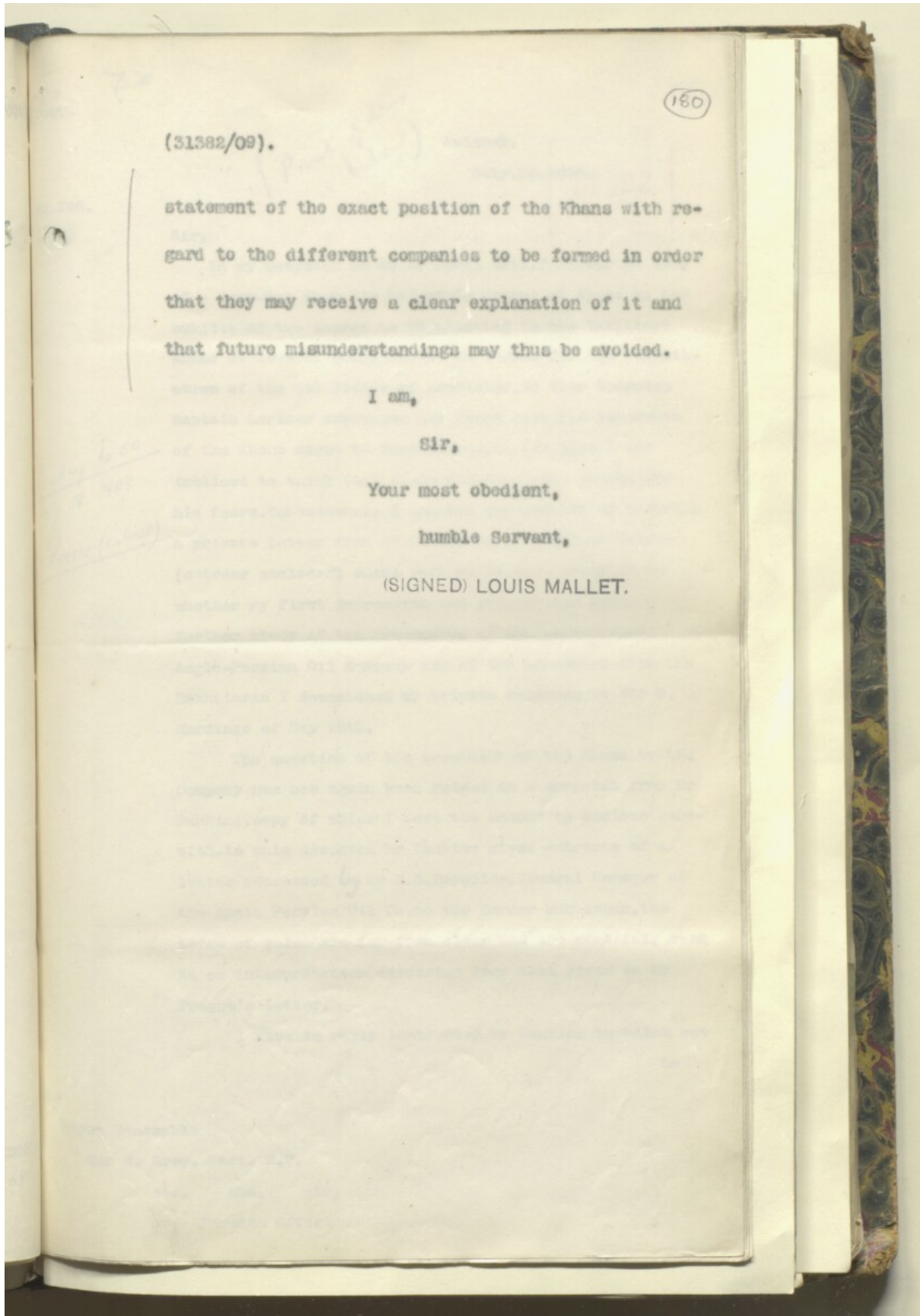


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٧٩ظ] (٢٩٢/٢١٦)



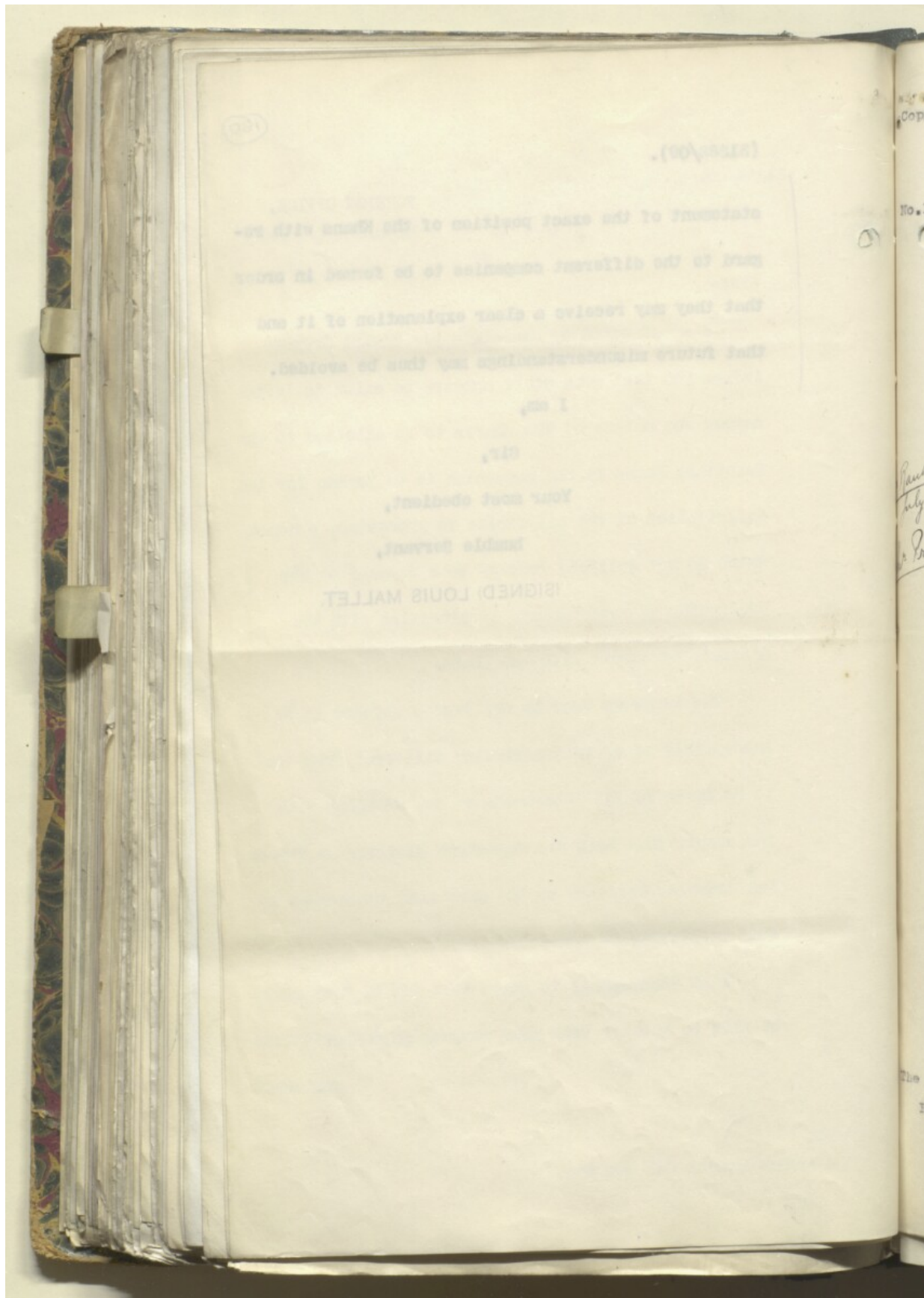


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٠و] (٢٩٢/٢١٧)



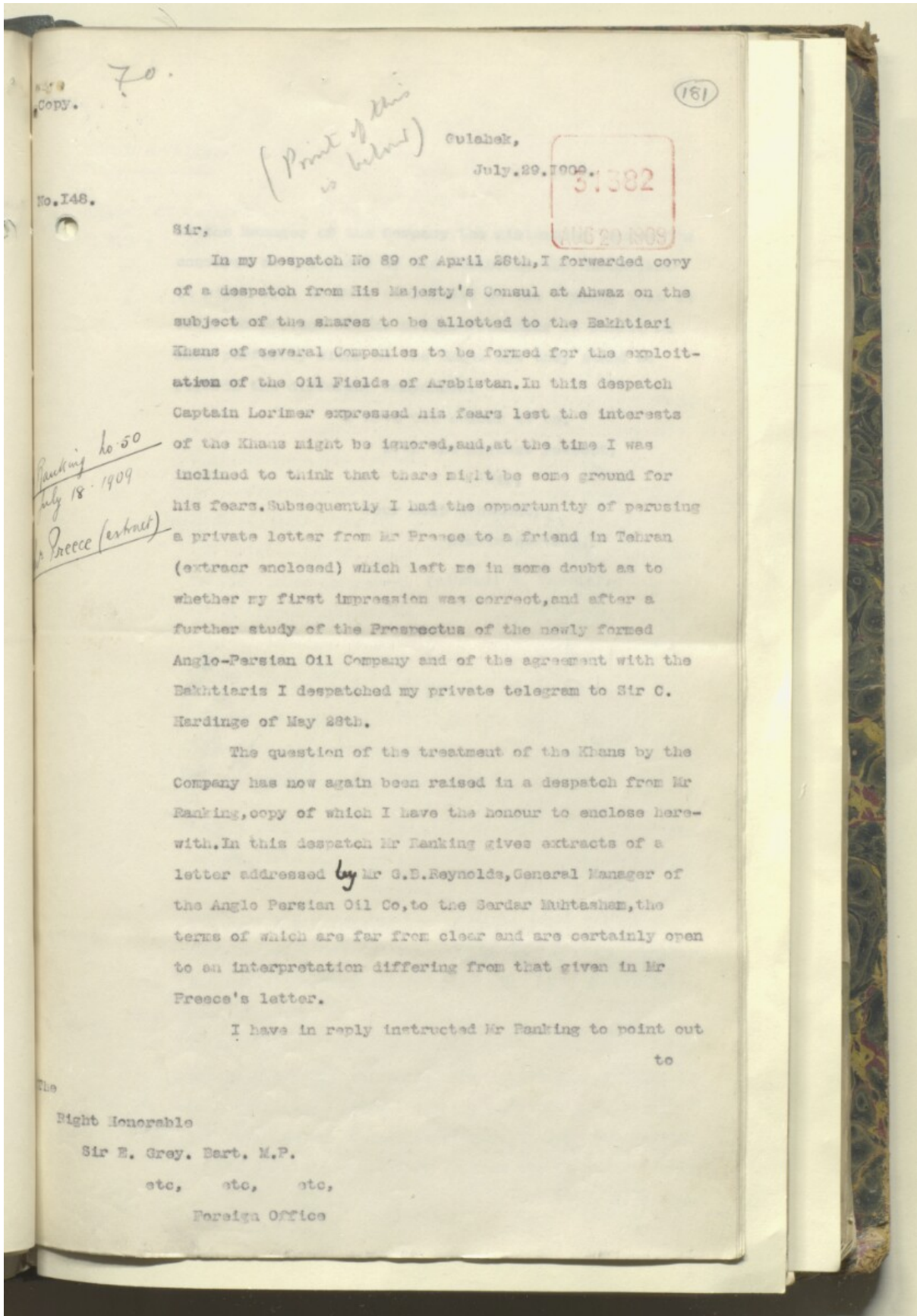


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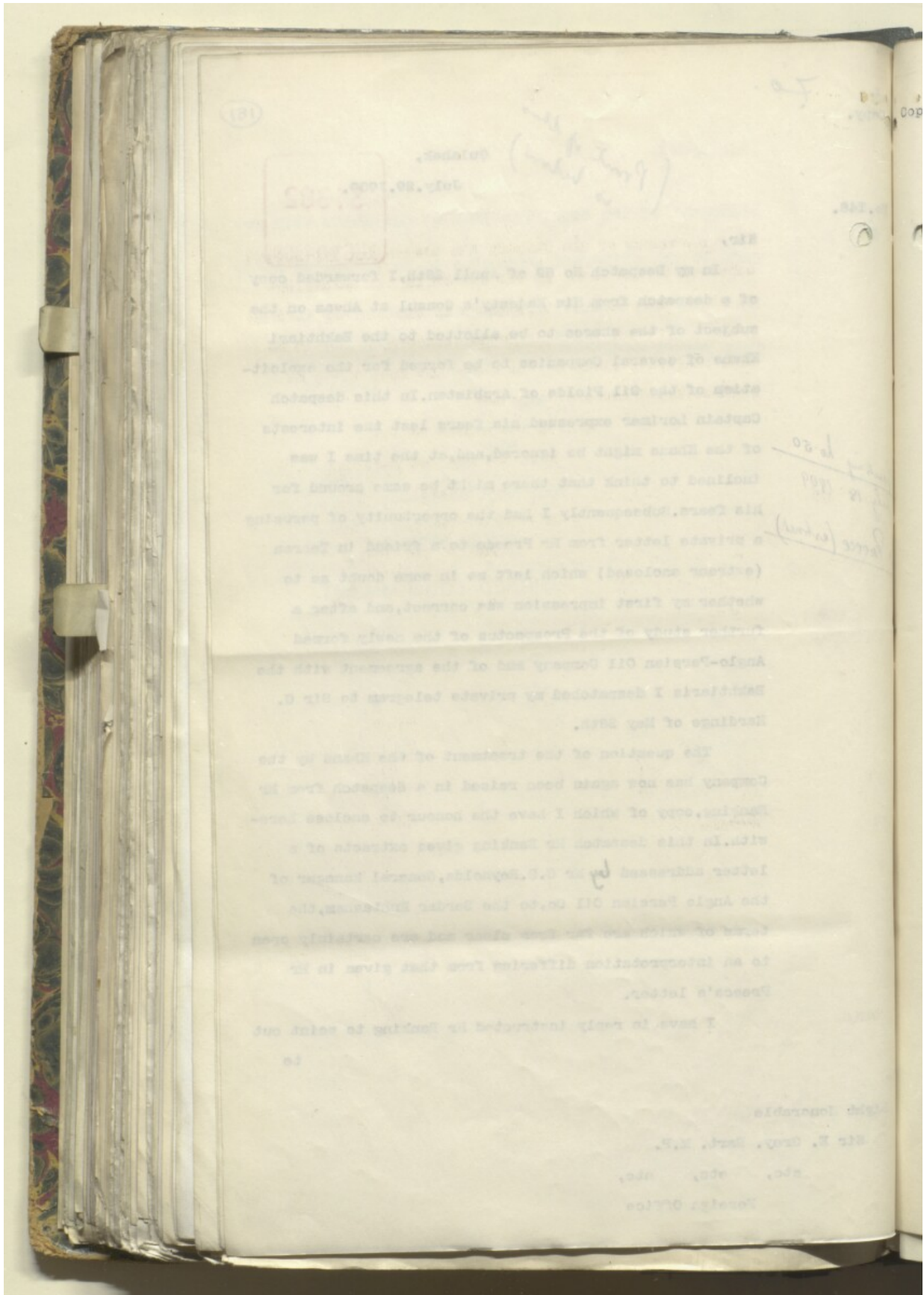


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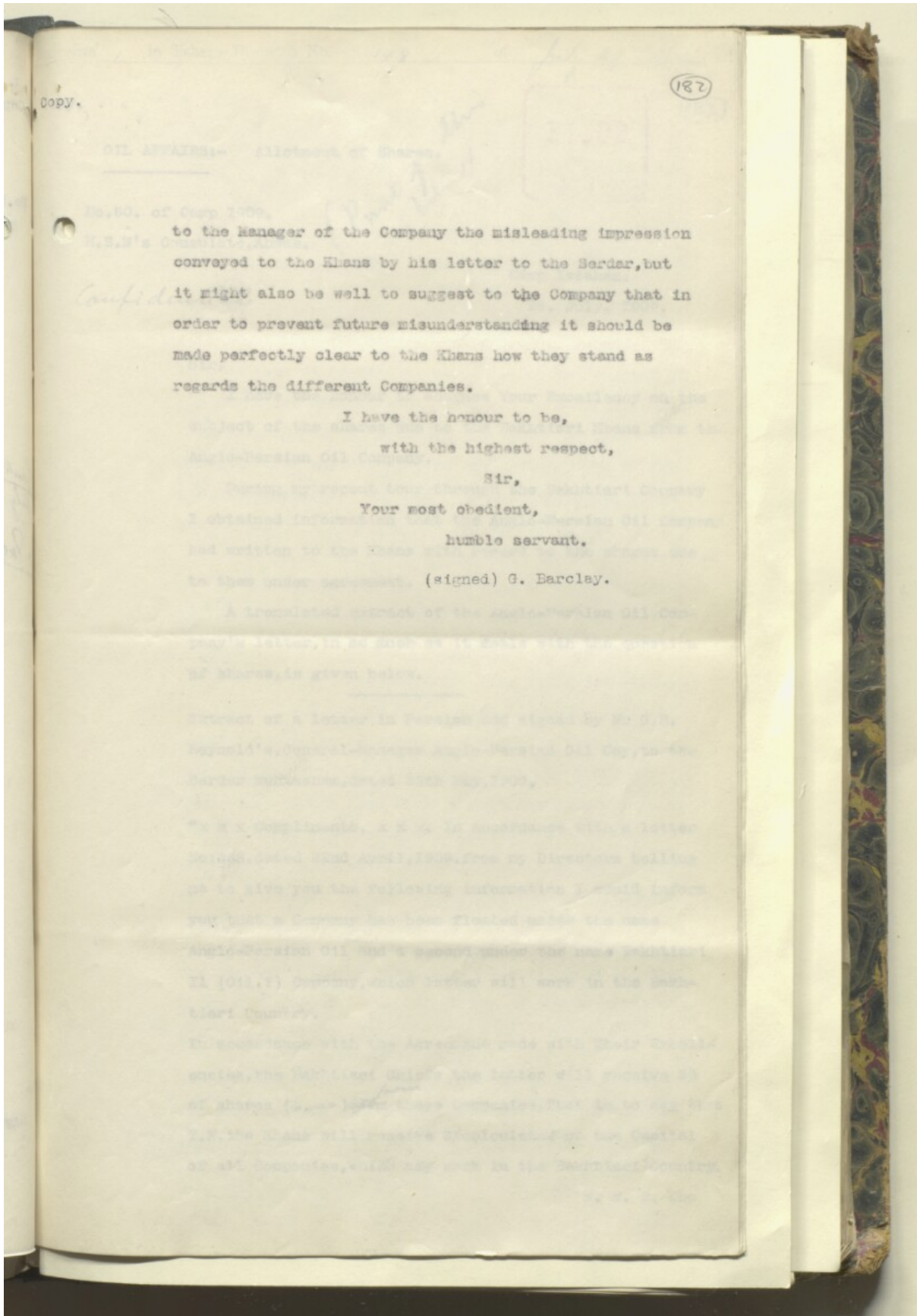


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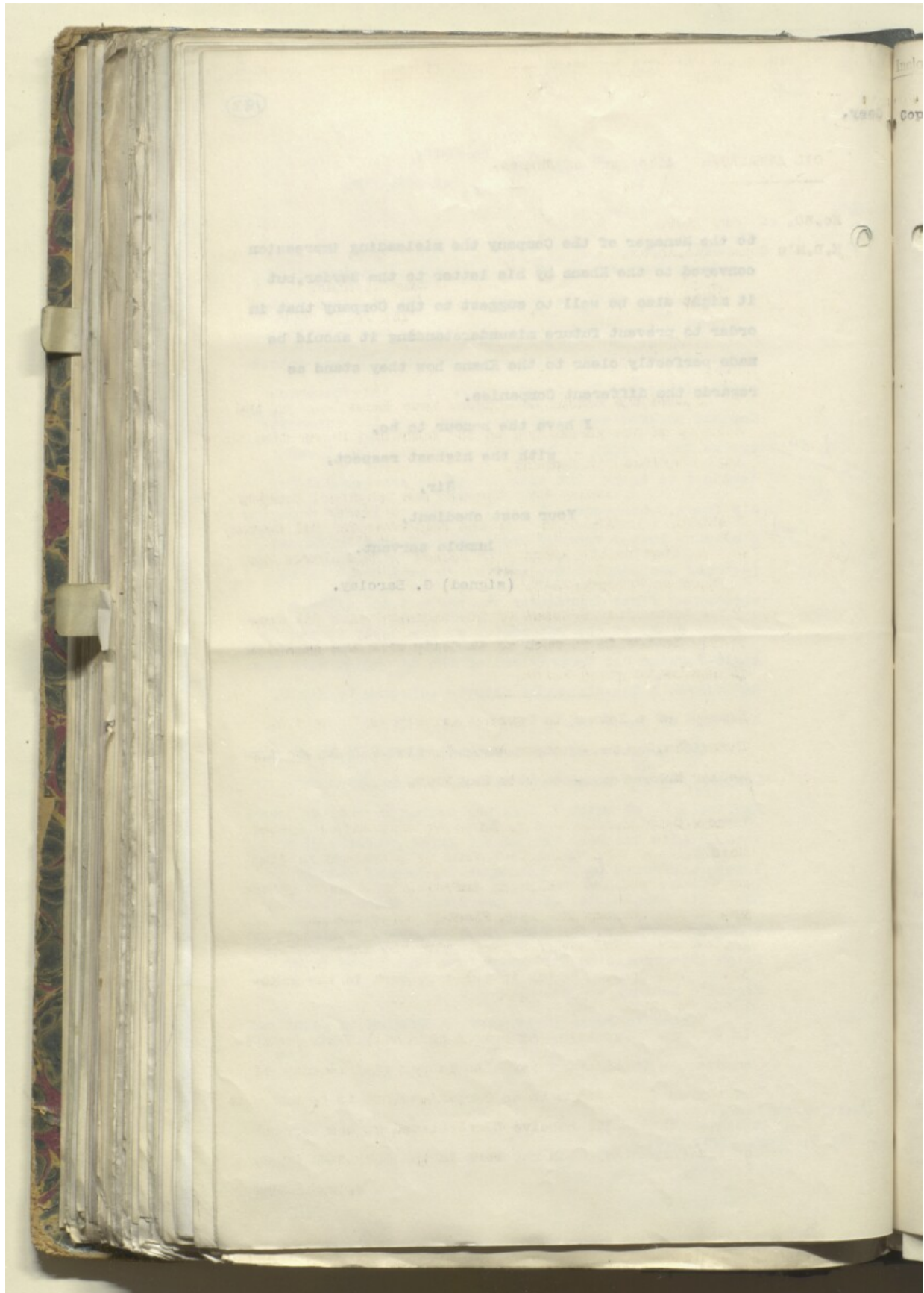


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٢و] (٢٩٢/٢٢١)



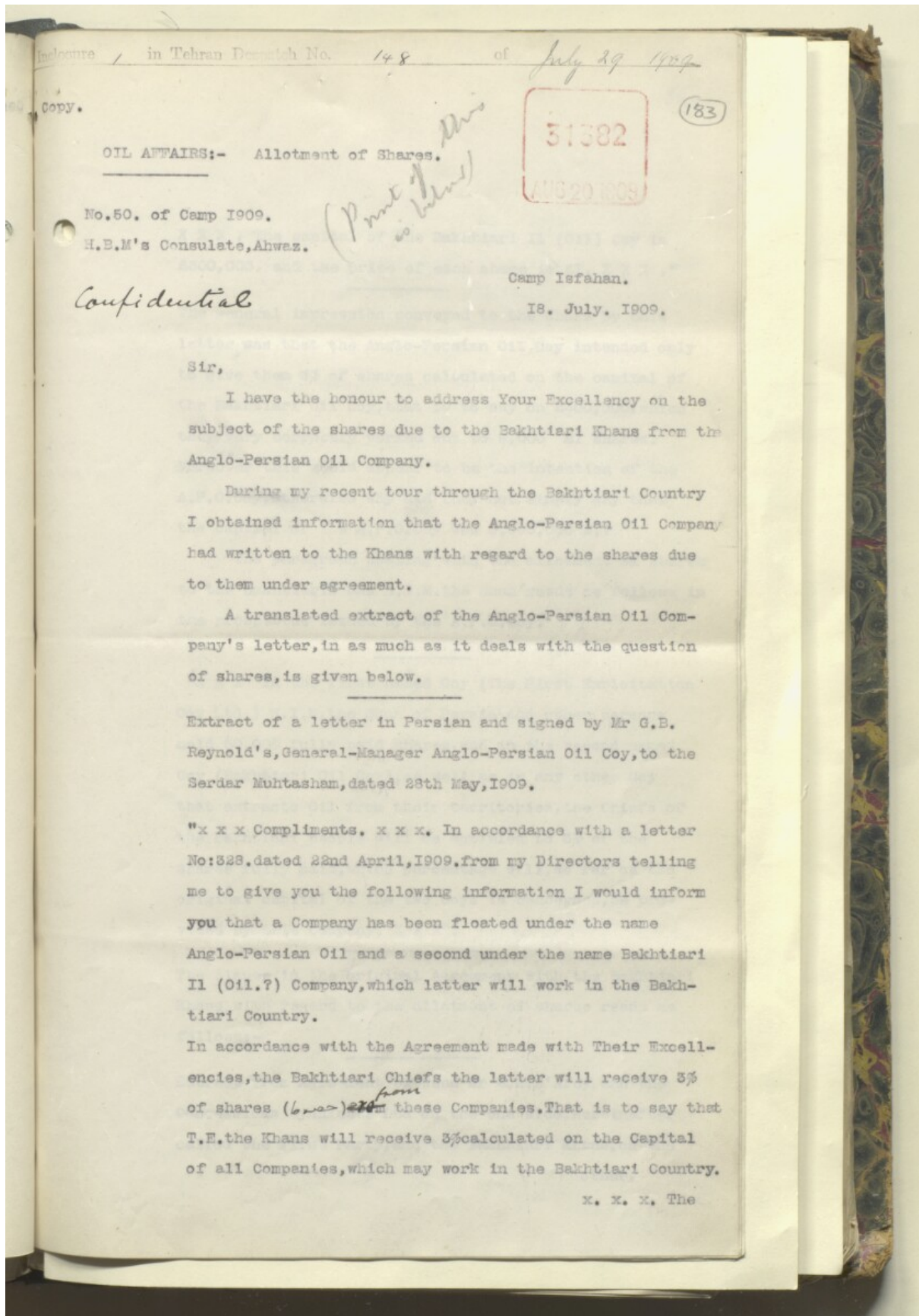


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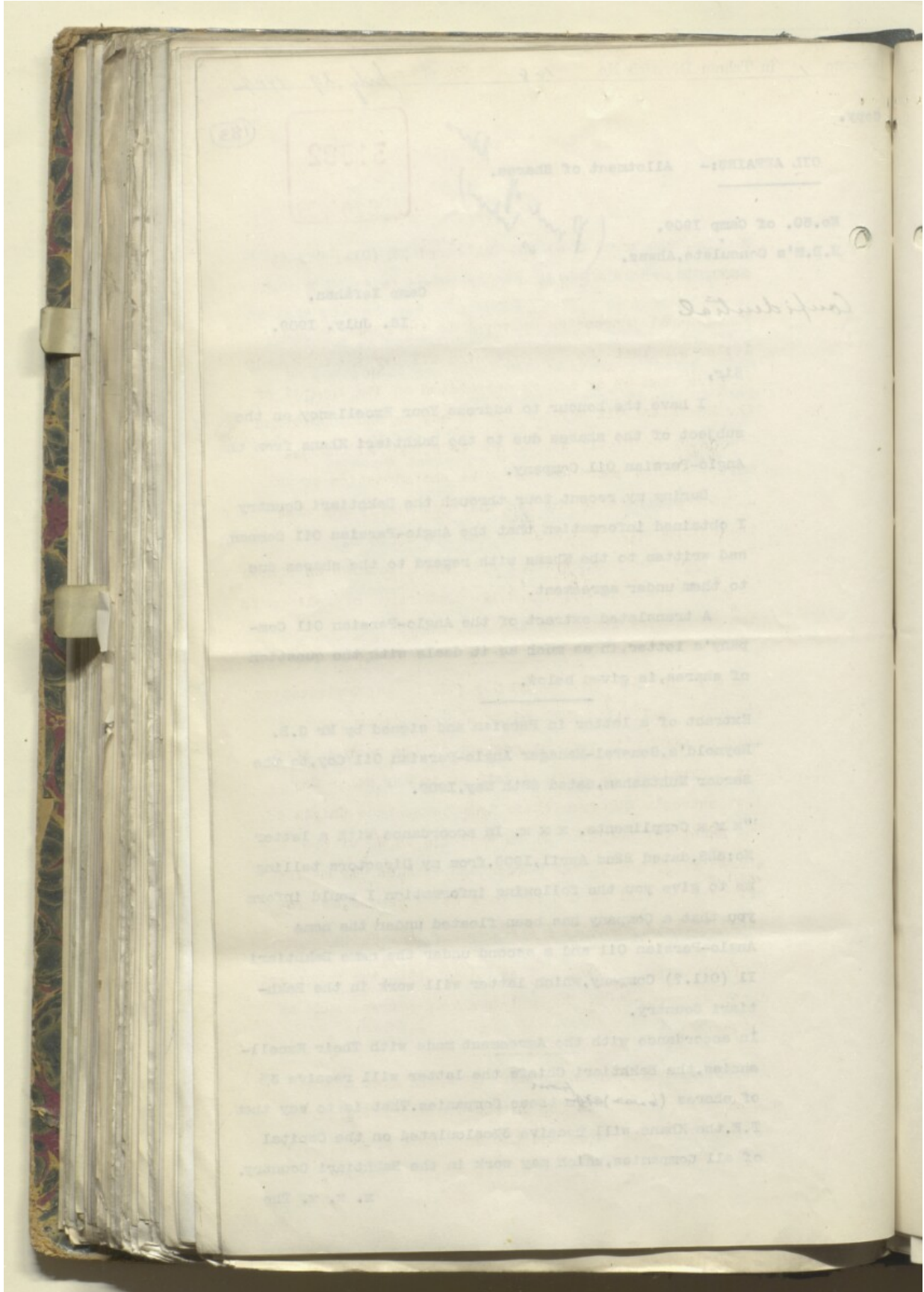


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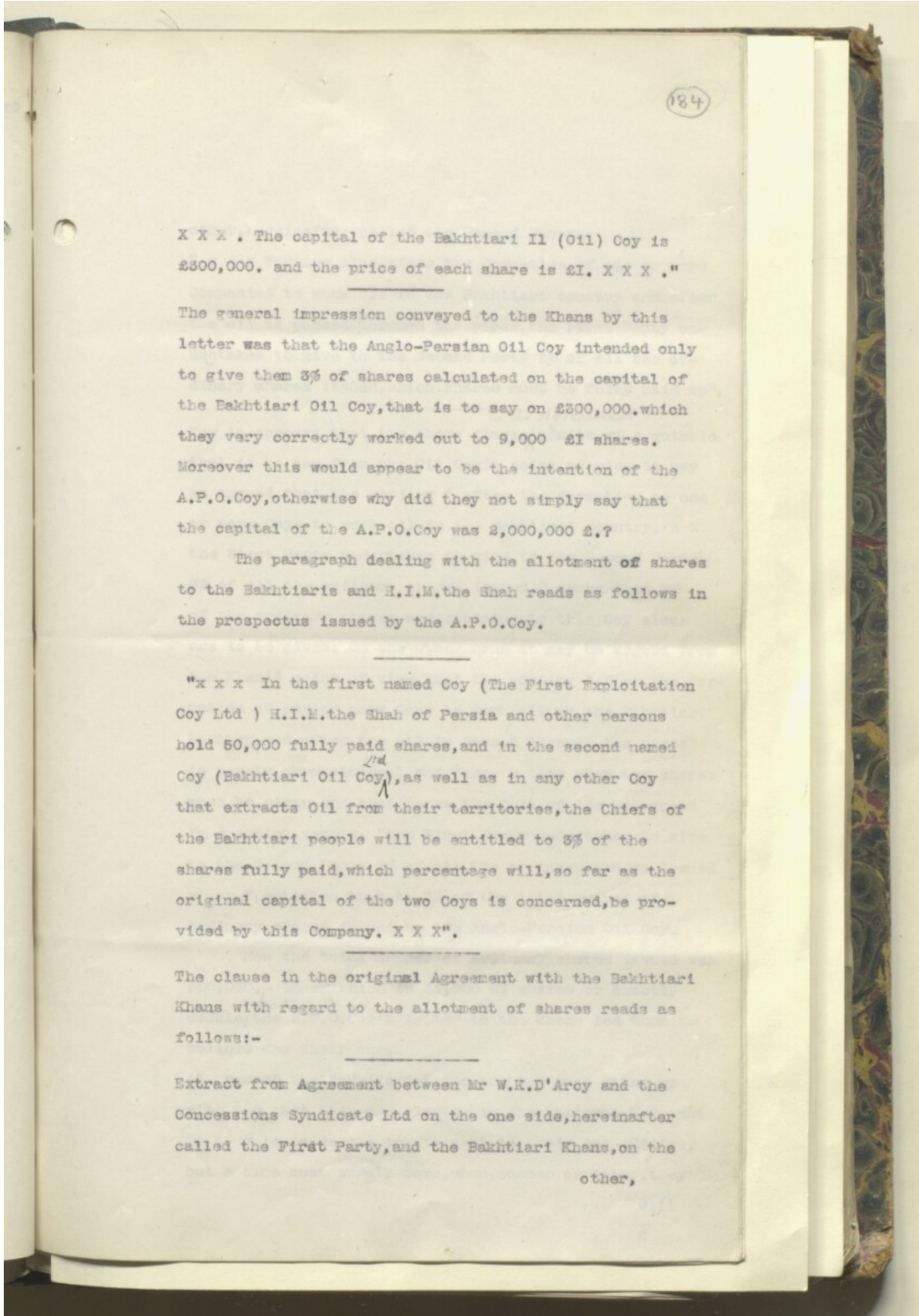


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٣ظ] (٢٩٢/٢٢٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٤و] (٢٩٢/٢٢٥)



X X X . The capital of the Bakhtiari Oil Coy is £300,000. and the price of each share is £1. X X X ."

The general impression conveyed to the Khans by this letter was that the Anglo-Persian Oil Coy intended only to give them 3% of shares calculated on the capital of the Bakhtiari Oil Coy, that is to say on £300,000, which they very correctly worked out to 9,000 £1 shares. Moreover this would appear to be the intention of the A.P.O.Coy, otherwise why did they not simply say that the capital of the A.P.O.Coy was £3,000,000 £.?

The paragraph dealing with the allotment of shares to the Bakhtiaris and H.I.M. the Shah reads as follows in the prospectus issued by the A.P.O.Coy.

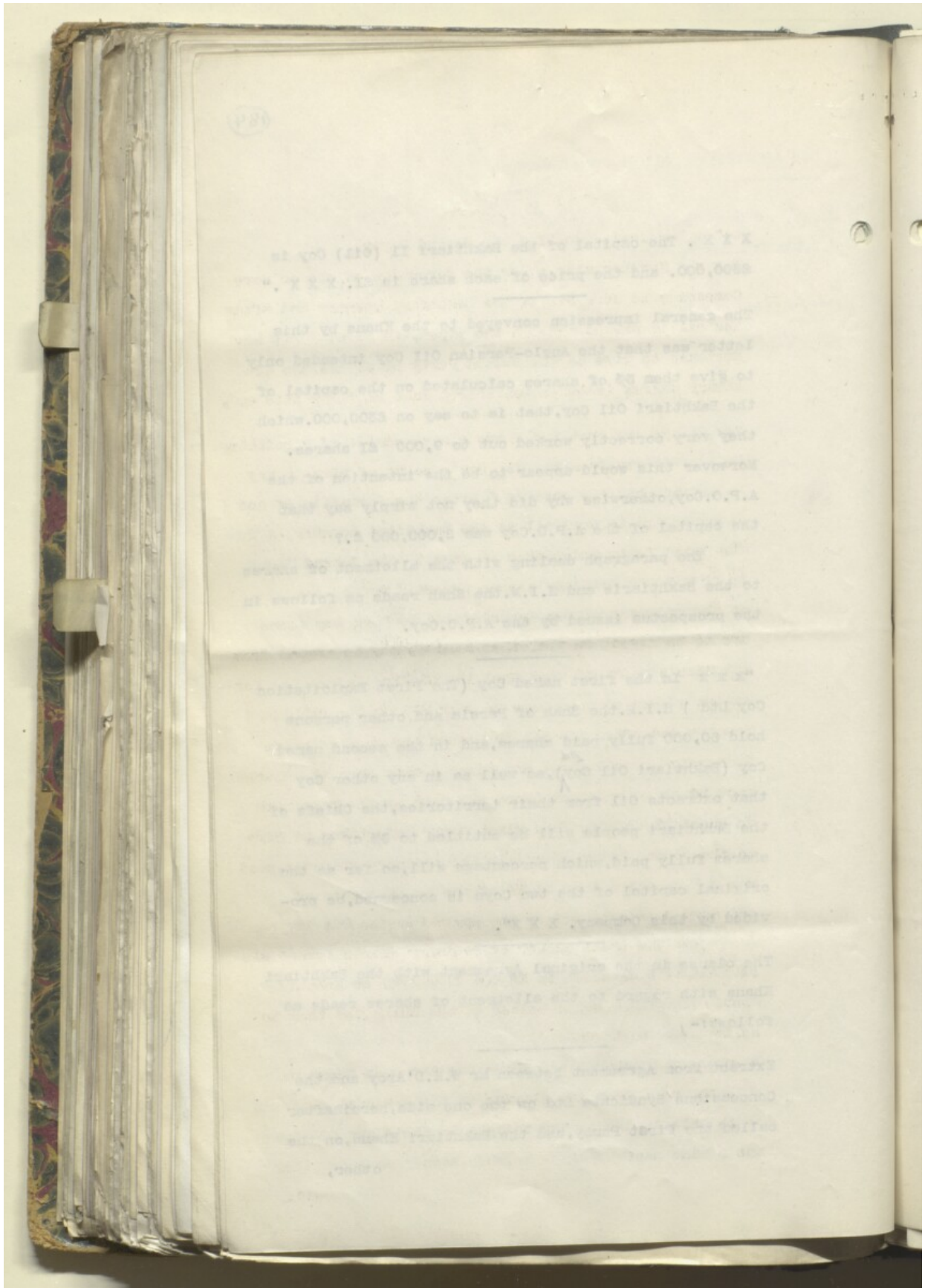
"x x x In the first named Coy (The First Exploitation Coy Ltd) H.I.M. the Shah of Persia and other persons hold 50,000 fully paid shares, and in the second named Coy (Bakhtiari Oil Coy), as well as in any other Coy that extracts Oil from their territories, the Chiefs of the Bakhtiari people will be entitled to 3% of the shares fully paid, which percentage will, so far as the original capital of the two Coys is concerned, be provided by this Company. X X X".

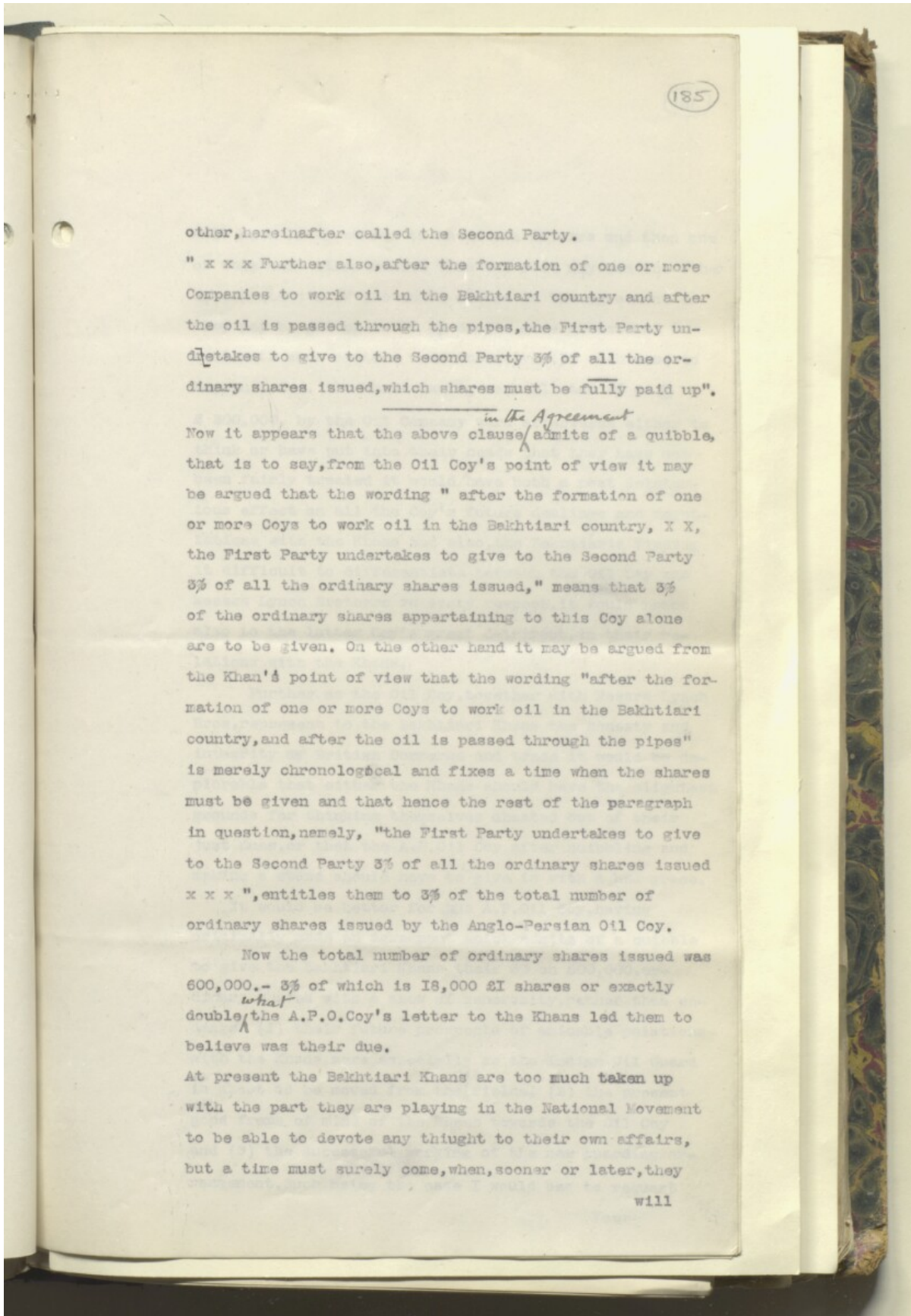
The clause in the original Agreement with the Bakhtiari Khans with regard to the allotment of shares reads as follows:-

Extract from Agreement between Mr W.K.D'Arcy and the Concessions Syndicate Ltd on the one side, hereinafter called the First Party, and the Bakhtiari Khans, on the other,



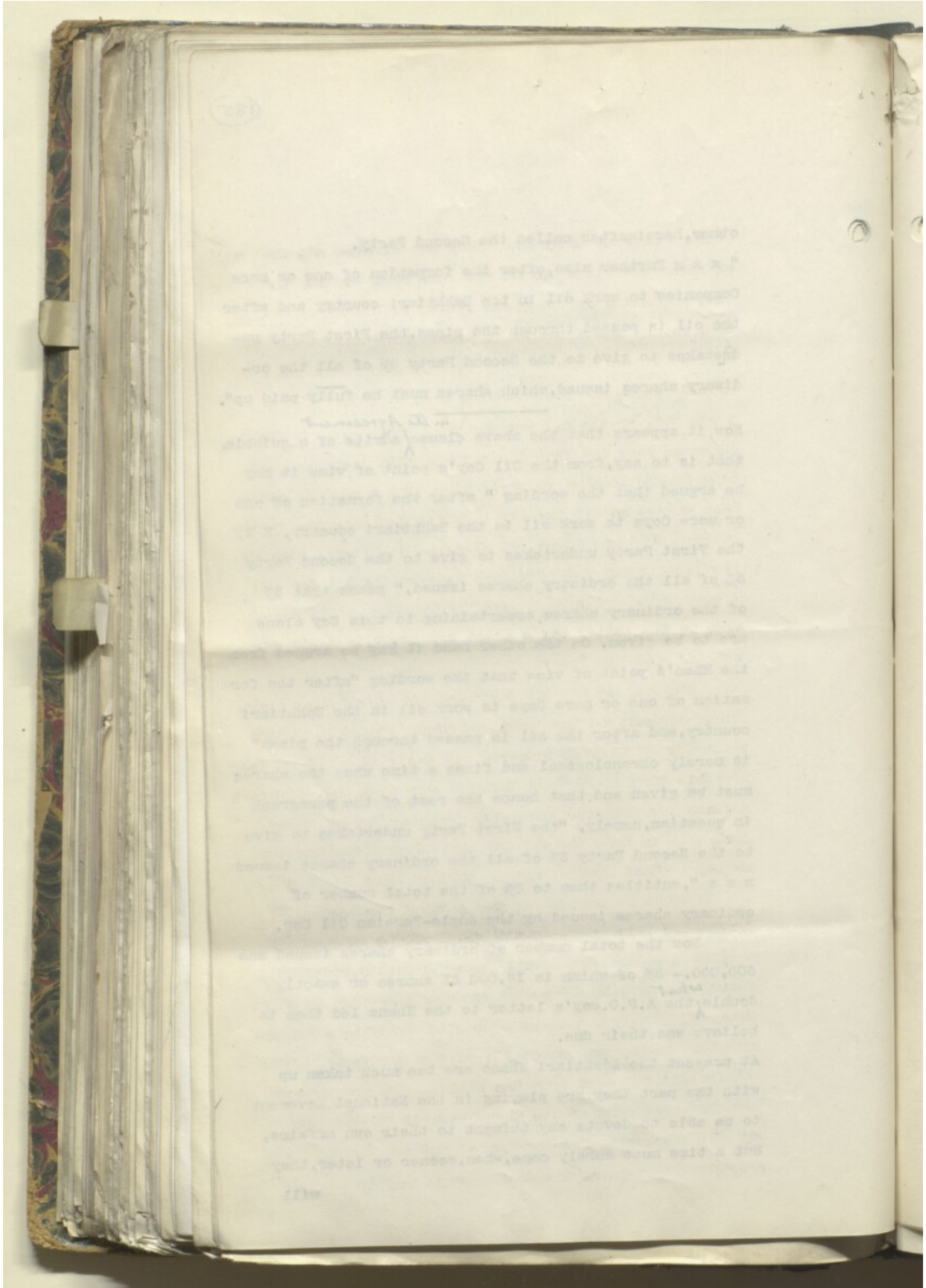
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٤ظ] (٢٩٢/٢٢٦)





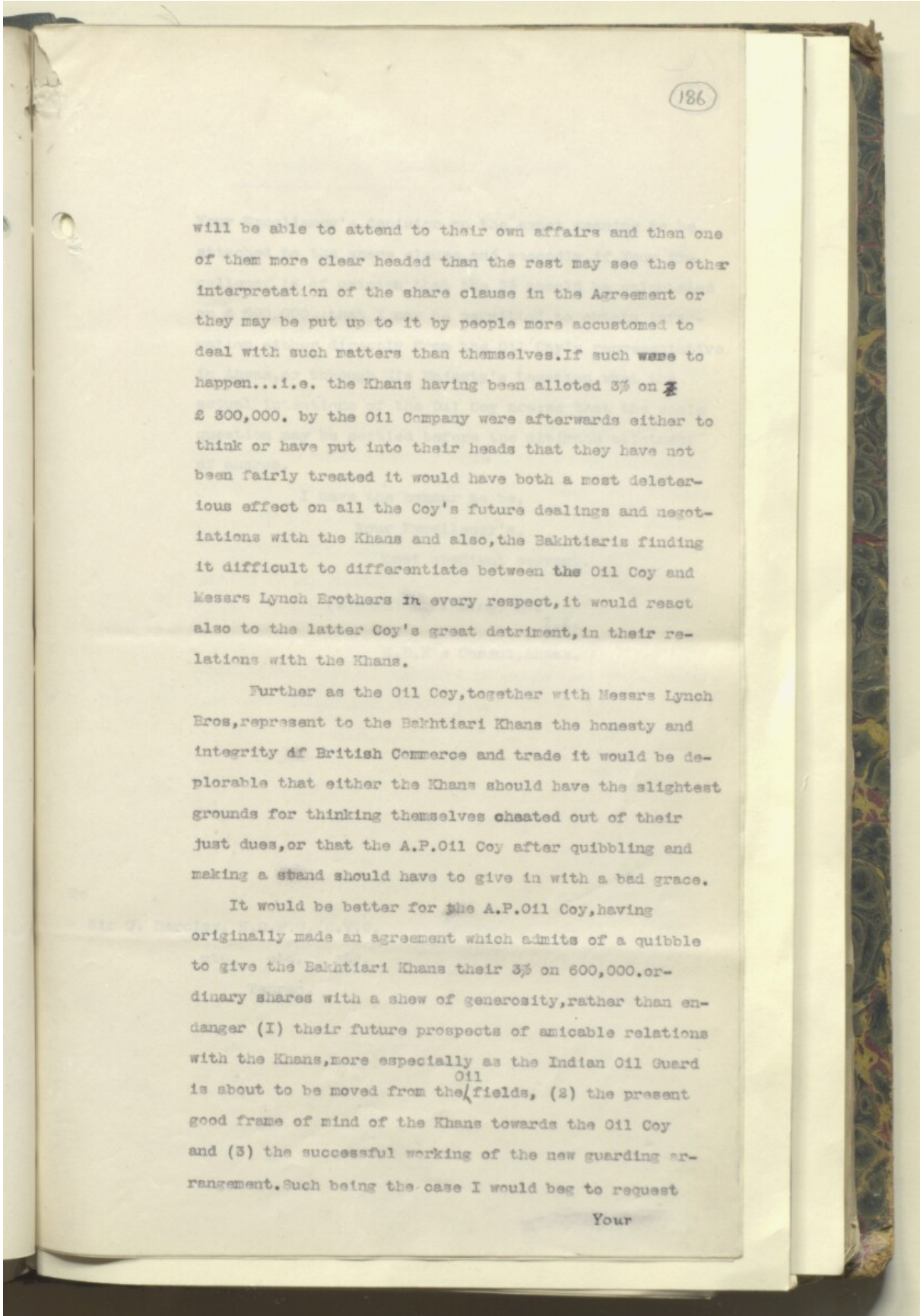


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٥ظ] (٢٩٢/٢٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٦و] (٢٩٢/٢٢٩)



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will be able to attend to their own affairs and then one of them more clear headed than the rest may see the other interpretation of the share clause in the Agreement or they may be put up to it by people more accustomed to deal with such matters than themselves. If such ~~were~~ to happen...i.e. the Khans having been allotted 3% on £ 300,000. by the Oil Company were afterwards either to think or have put into their heads that they have not been fairly treated it would have both a most deleterious effect on all the Coy's future dealings and negotiations with the Khans and also, the Bakhtiaris finding it difficult to differentiate between the Oil Coy and Messrs Lynch Brothers in every respect, it would react also to the latter Coy's great detriment, in their relations with the Khans.

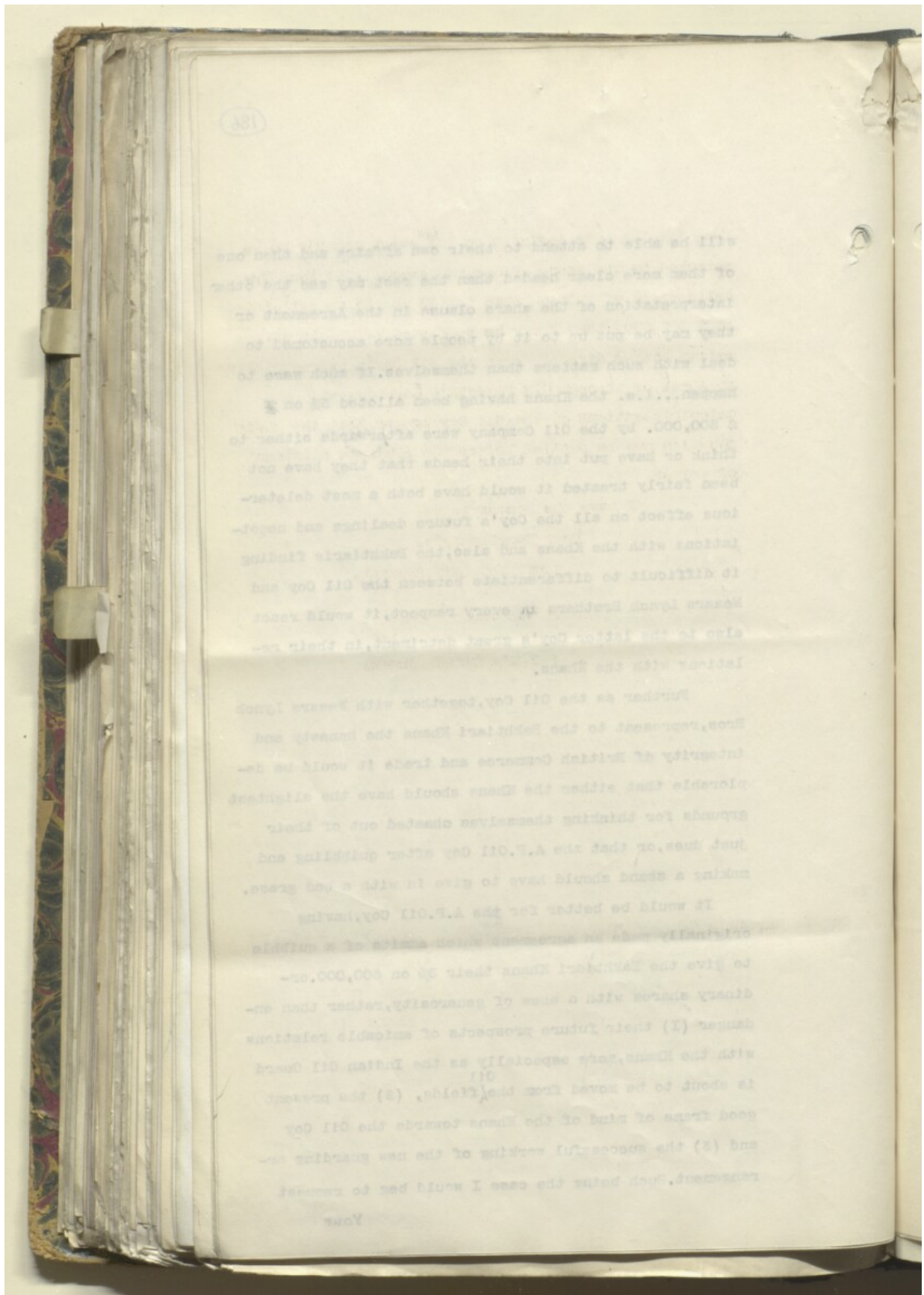
Further as the Oil Coy, together with Messrs Lynch Bros, represent to the Bakhtiaris Khans the honesty and integrity of British Commerce and trade it would be deplorable that either the Khans should have the slightest grounds for thinking themselves cheated out of their just dues, or that the A.P. Oil Coy after quibbling and making a stand should have to give in with a bad grace.

It would be better for the A.P. Oil Coy, having originally made an agreement which admits of a quibble to give the Bakhtiaris Khans their 3% on 600,000. ordinary shares with a show of generosity, rather than endanger (1) their future prospects of amicable relations with the Khans, more especially as the Indian Oil Guard is about to be moved from the ^{Oil} fields, (2) the present good frame of mind of the Khans towards the Oil Coy and (3) the successful working of the new guarding arrangement. Such being the case I would beg to request

Your

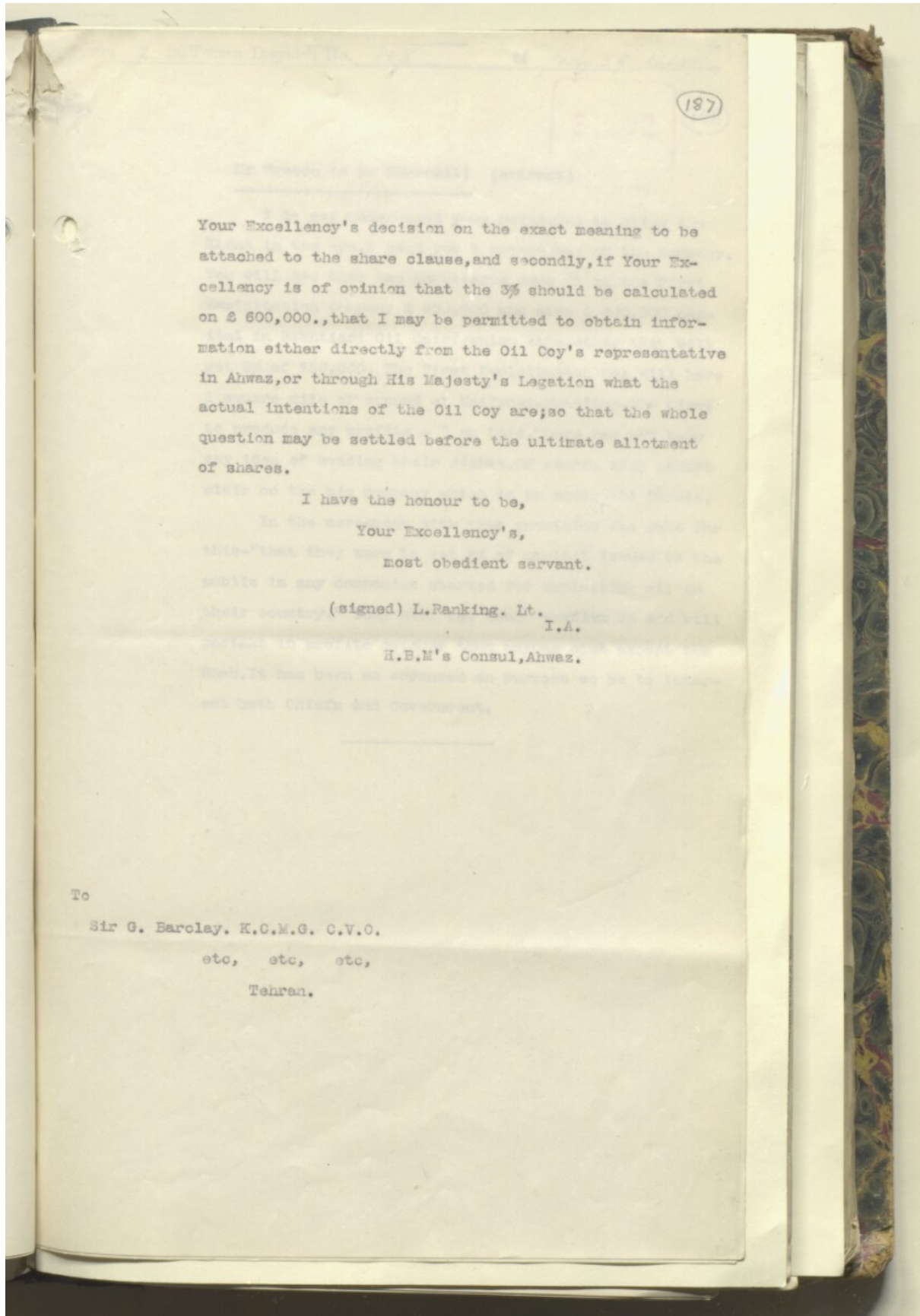


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٦ظ] (٢٩٢/٢٣٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٧و] (٢٩٢/٢٣١)



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Your Excellency's decision on the exact meaning to be attached to the share clause, and secondly, if Your Excellency is of opinion that the 3% should be calculated on £ 600,000., that I may be permitted to obtain information either directly from the Oil Coy's representative in Ahwaz, or through His Majesty's Legation what the actual intentions of the Oil Coy are; so that the whole question may be settled before the ultimate allotment of shares.

I have the honour to be,

Your Excellency's,

most obedient servant.

(signed) L. Ranking. Lt.

I.A.

H.B.M.'s Consul, Ahwaz.

To

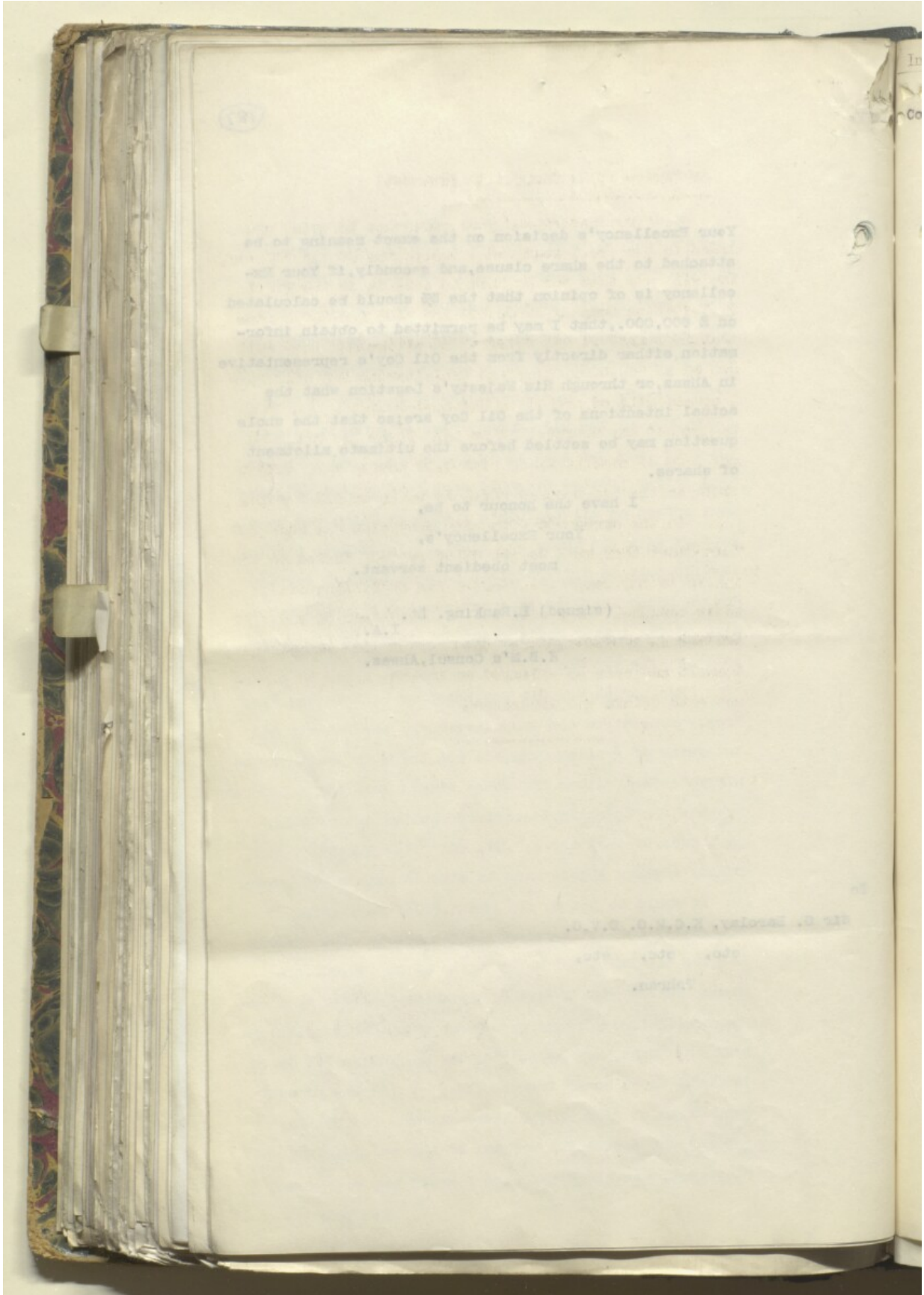
Sir G. Barclay, K.C.M.G. C.V.O.

etc, etc, etc,

Tehran.

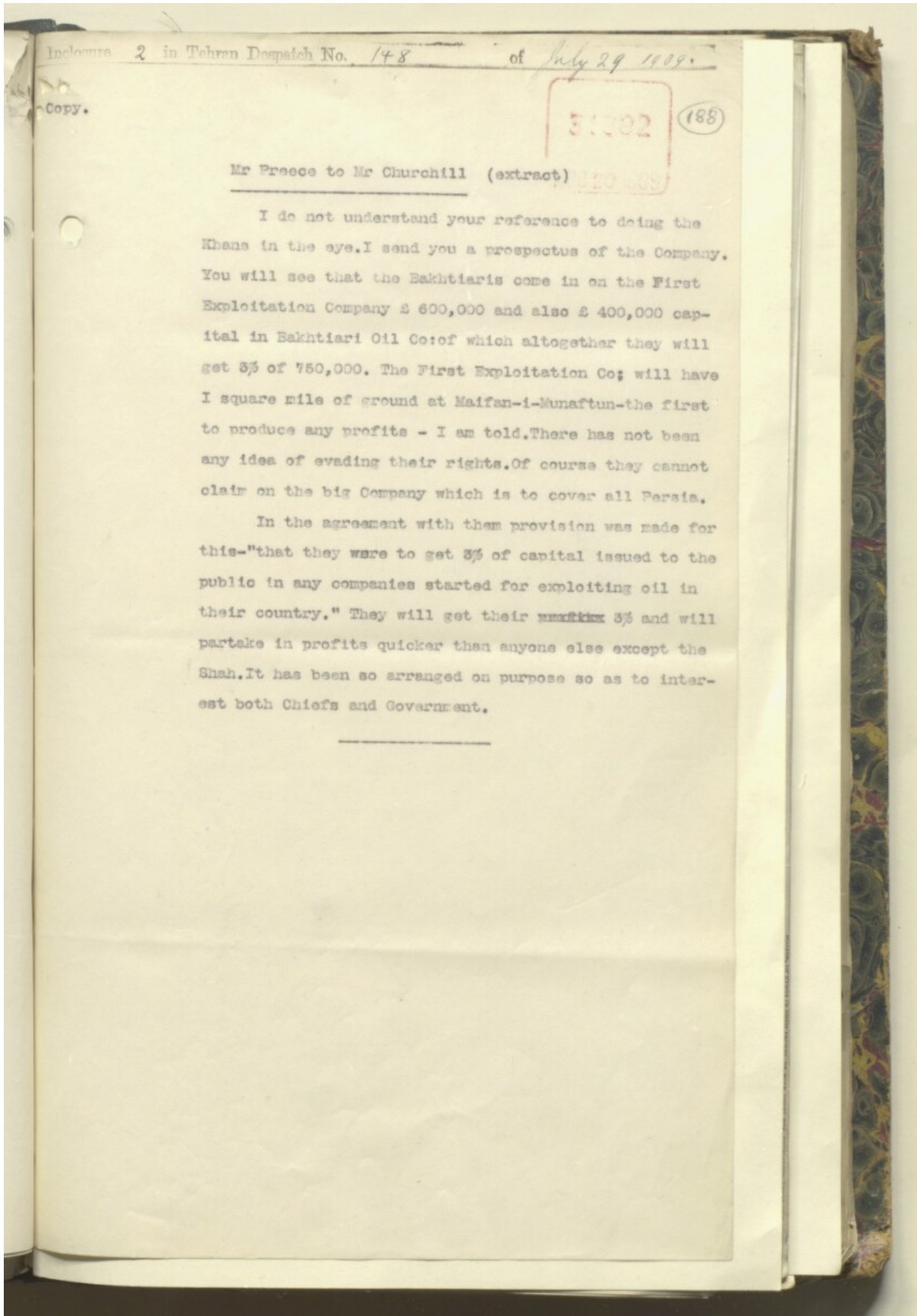


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٧ظ] (٢٩٢/٢٣٢)



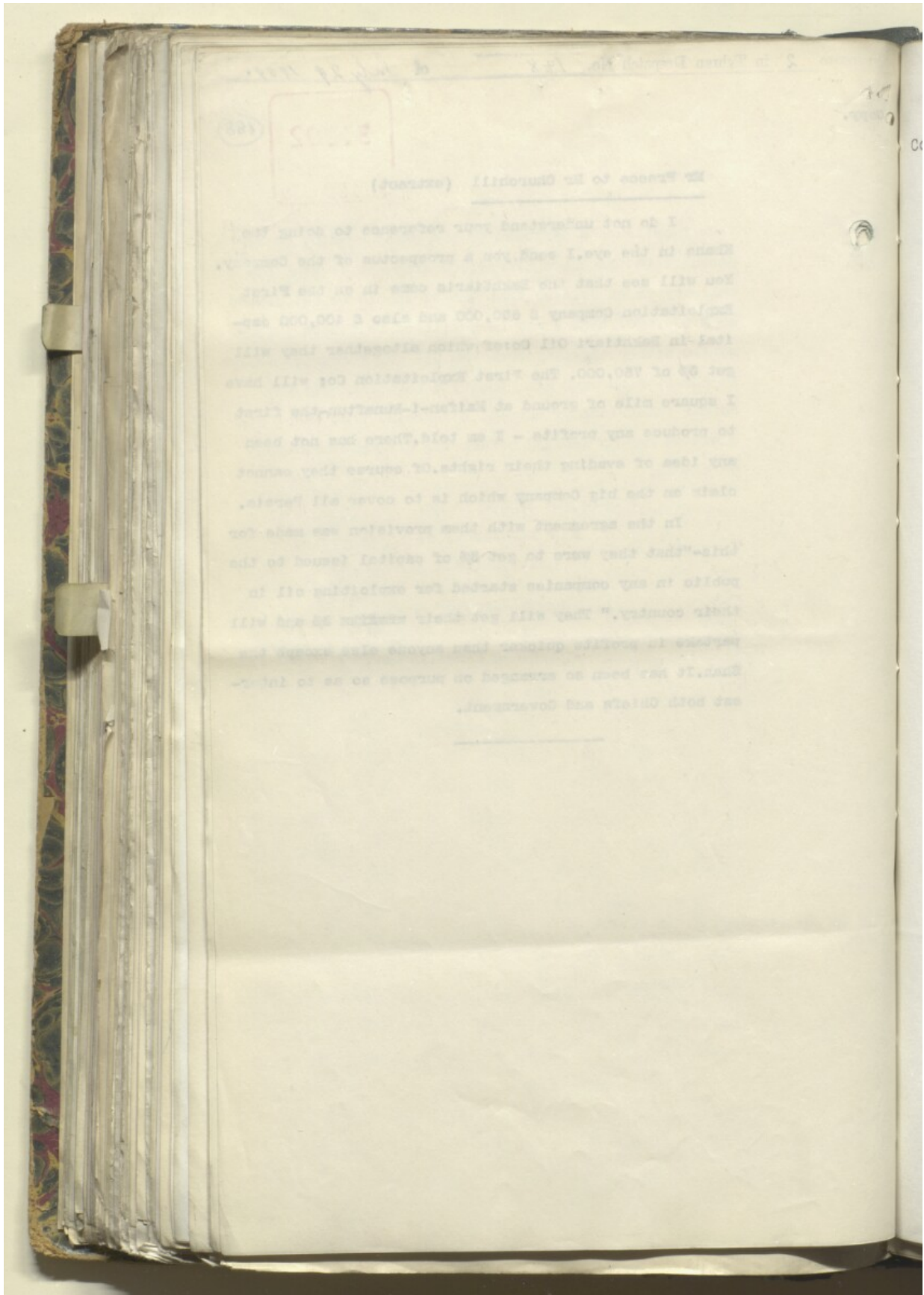


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٨و] (٢٩٢/٢٣٣)



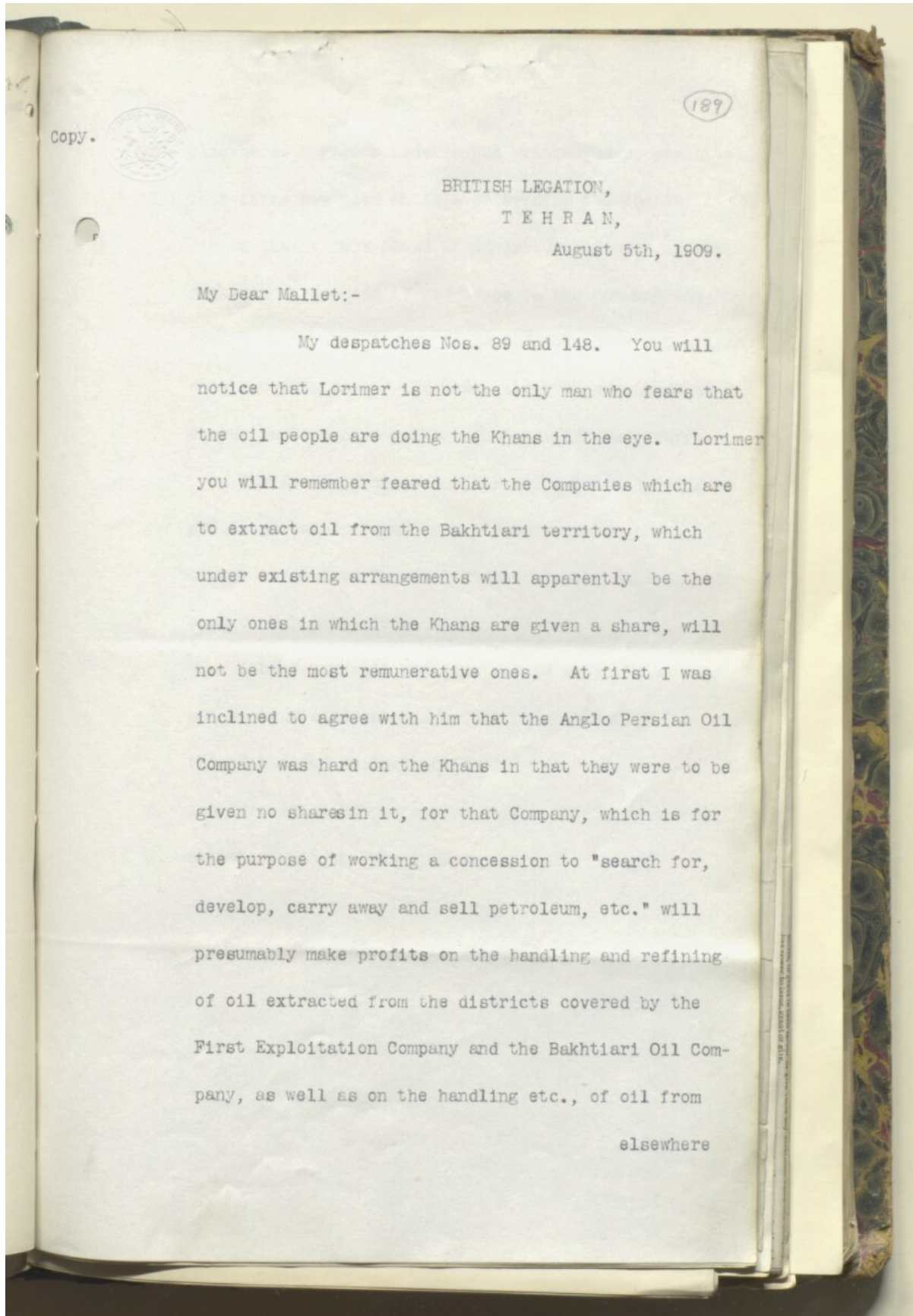


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٨ظ] (٢٩٢/٢٣٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٨٩و] (٢٩٢/٢٣٥)



Copy.

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BRITISH LEGATION,
T E H R A N,

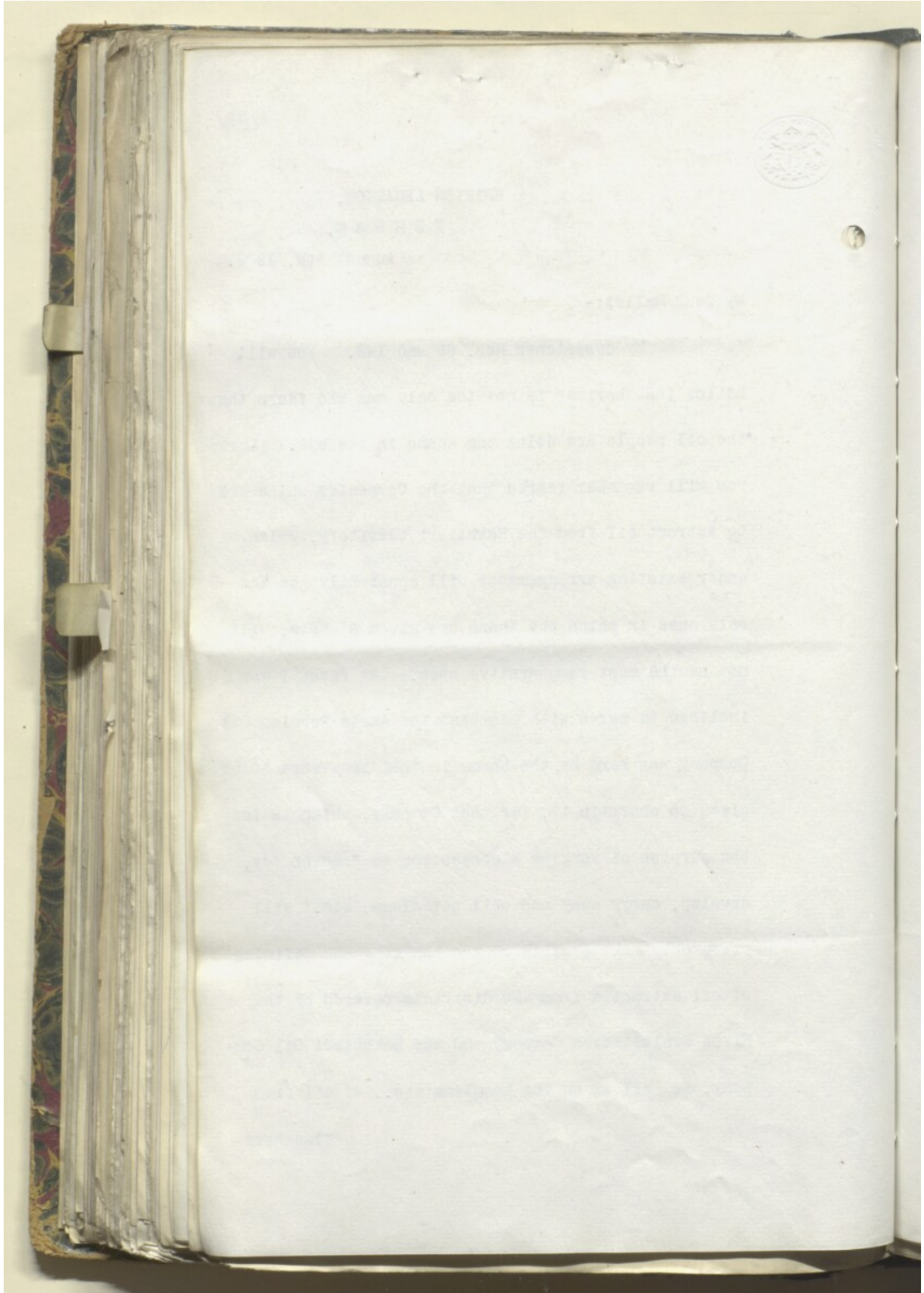
August 5th, 1909.

My Dear Mallet:-

My despatches Nos. 89 and 148. You will notice that Lorimer is not the only man who fears that the oil people are doing the Khans in the eye. Lorimer you will remember feared that the Companies which are to extract oil from the Bakhtiari territory, which under existing arrangements will apparently be the only ones in which the Khans are given a share, will not be the most remunerative ones. At first I was inclined to agree with him that the Anglo Persian Oil Company was hard on the Khans in that they were to be given no shares in it, for that Company, which is for the purpose of working a concession to "search for, develop, carry away and sell petroleum, etc." will presumably make profits on the handling and refining of oil extracted from the districts covered by the First Exploitation Company and the Bakhtiari Oil Company, as well as on the handling etc., of oil from elsewhere

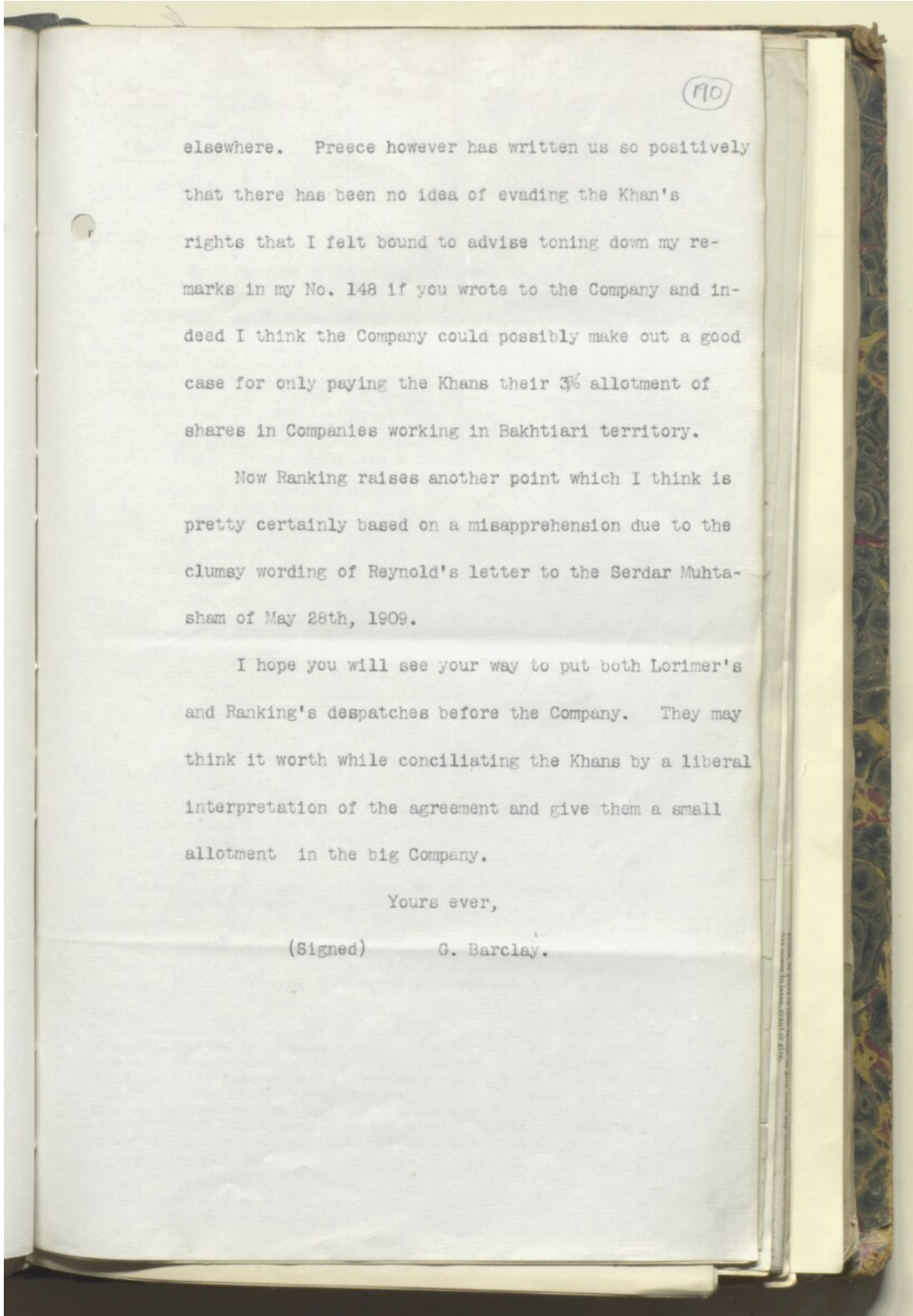


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٨٩ظ] (٢٩٢/٢٣٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٠] (٢٩٢/٢٣٧)



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elsewhere. Preece however has written us so positively that there has been no idea of evading the Khan's rights that I felt bound to advise toning down my remarks in my No. 148 if you wrote to the Company and indeed I think the Company could possibly make out a good case for only paying the Khans their 3% allotment of shares in Companies working in Bakhtiari territory.

Now Ranking raises another point which I think is pretty certainly based on a misapprehension due to the clumsy wording of Reynold's letter to the Serdar Muhtasham of May 28th, 1909.

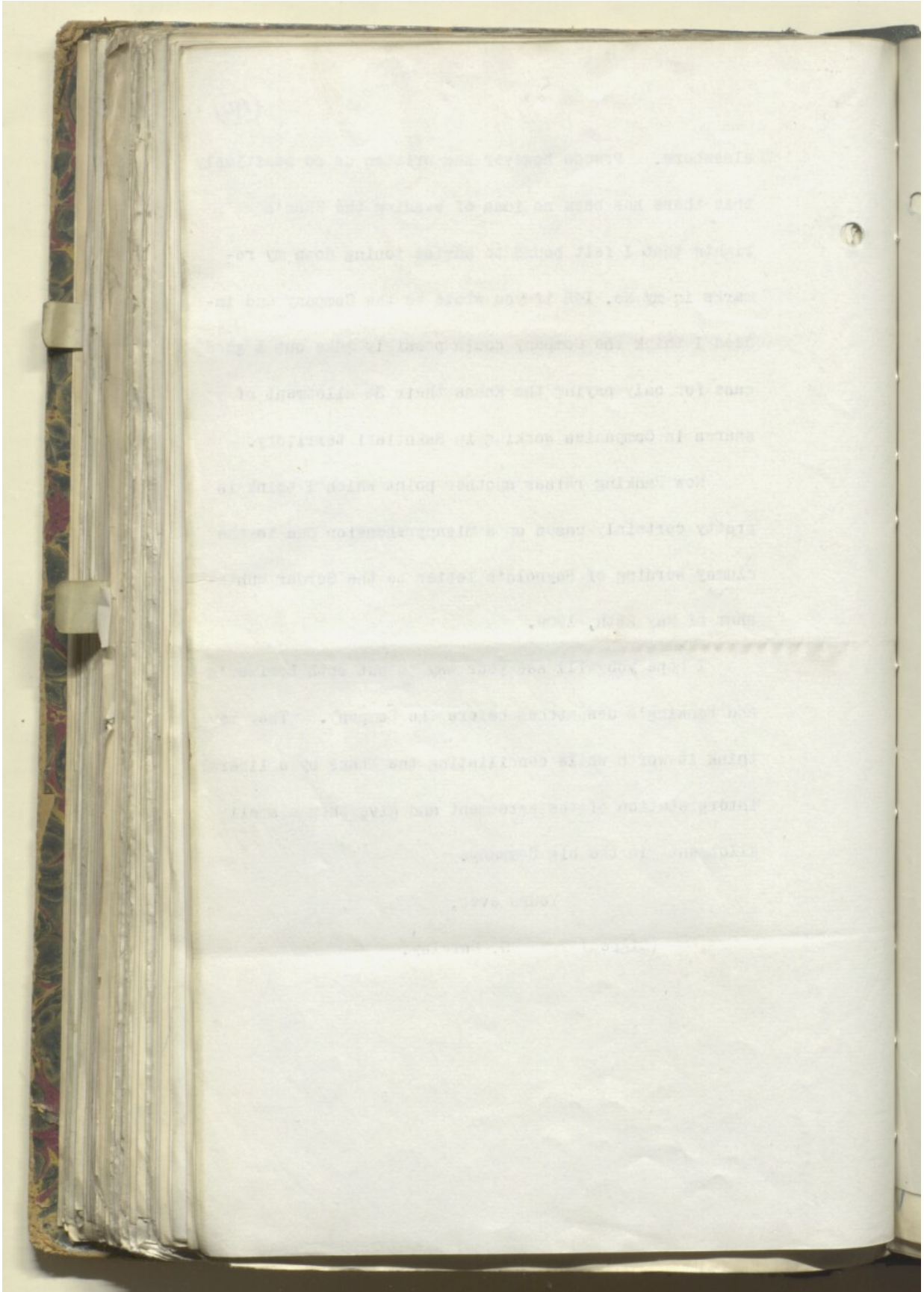
I hope you will see your way to put both Lorimer's and Ranking's despatches before the Company. They may think it worth while conciliating the Khans by a liberal interpretation of the agreement and give them a small allotment in the big Company.

Yours ever,

(Signed) G. Barclay.

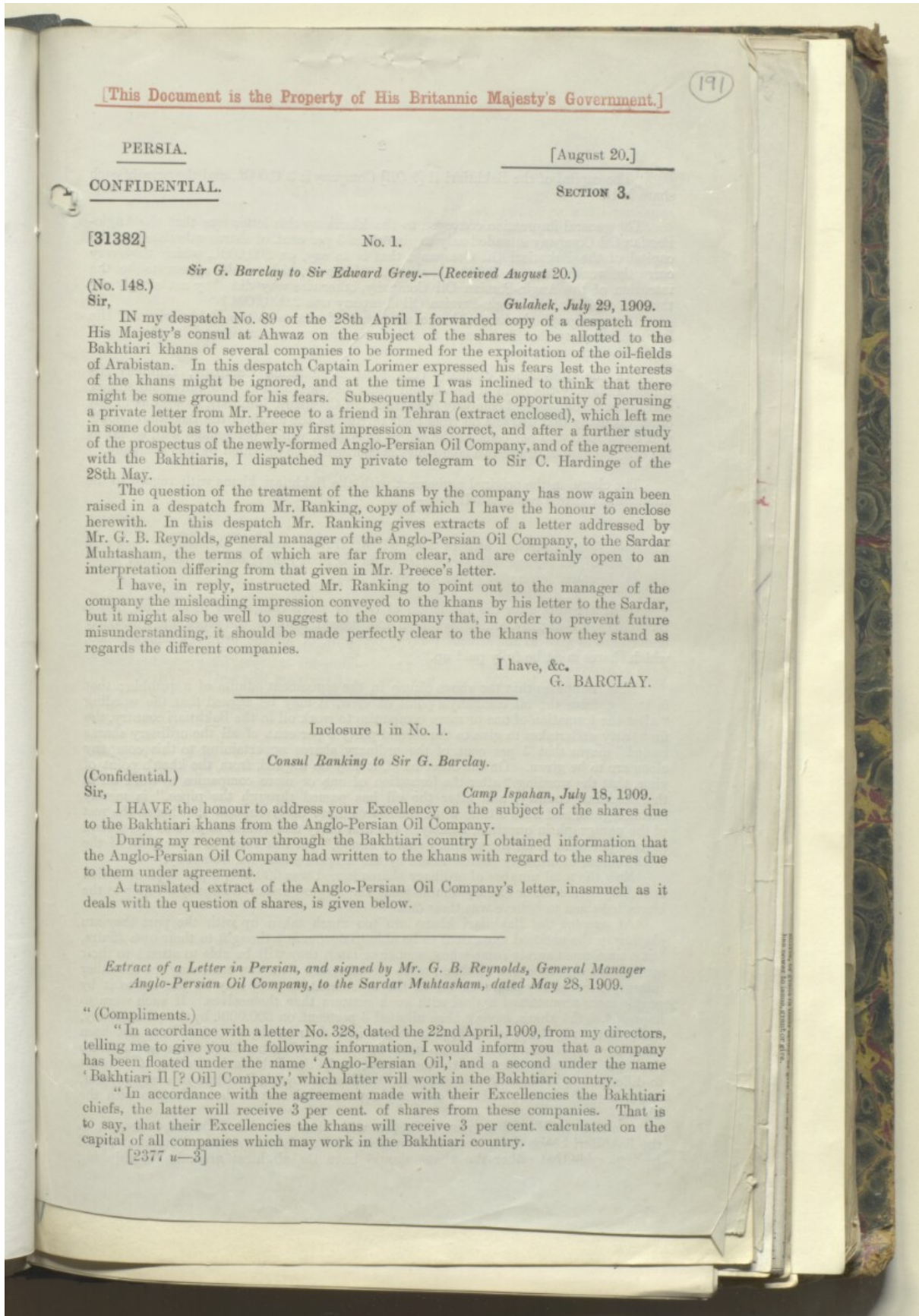


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٠] [٢٩٢/٢٣٨]





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩١١] [٢٩٢/٢٣٩]



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PERSIA.

[August 20.]

CONFIDENTIAL.

SECTION 3.

[31382]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received August 20.)

(No. 148.)

Gulahek, July 29, 1909.

Sir,
IN my despatch No. 89 of the 28th April I forwarded copy of a despatch from His Majesty's consul at Ahwaz on the subject of the shares to be allotted to the Bakhtiari khans of several companies to be formed for the exploitation of the oil-fields of Arabistan. In this despatch Captain Lorimer expressed his fears lest the interests of the khans might be ignored, and at the time I was inclined to think that there might be some ground for his fears. Subsequently I had the opportunity of perusing a private letter from Mr. Preece to a friend in Tehran (extract enclosed), which left me in some doubt as to whether my first impression was correct, and after a further study of the prospectus of the newly-formed Anglo-Persian Oil Company, and of the agreement with the Bakhtiaris, I dispatched my private telegram to Sir C. Hardinge of the 28th May.

The question of the treatment of the khans by the company has now again been raised in a despatch from Mr. Ranking, copy of which I have the honour to enclose herewith. In this despatch Mr. Ranking gives extracts of a letter addressed by Mr. G. B. Reynolds, general manager of the Anglo-Persian Oil Company, to the Sardar Muhtasham, the terms of which are far from clear, and are certainly open to an interpretation differing from that given in Mr. Preece's letter.

I have, in reply, instructed Mr. Ranking to point out to the manager of the company the misleading impression conveyed to the khans by his letter to the Sardar, but it might also be well to suggest to the company that, in order to prevent future misunderstanding, it should be made perfectly clear to the khans how they stand as regards the different companies.

I have, &c.
G. BARCLAY.

Inclosure 1 in No. 1.

Consul Ranking to Sir G. Barclay.

(Confidential.)

Camp Ispahan, July 18, 1909.

Sir,
I HAVE the honour to address your Excellency on the subject of the shares due to the Bakhtiari khans from the Anglo-Persian Oil Company.

During my recent tour through the Bakhtiari country I obtained information that the Anglo-Persian Oil Company had written to the khans with regard to the shares due to them under agreement.

A translated extract of the Anglo-Persian Oil Company's letter, inasmuch as it deals with the question of shares, is given below.

Extract of a Letter in Persian, and signed by Mr. G. B. Reynolds, General Manager Anglo-Persian Oil Company, to the Sardar Muhtasham, dated May 28, 1909.

"(Compliments.)

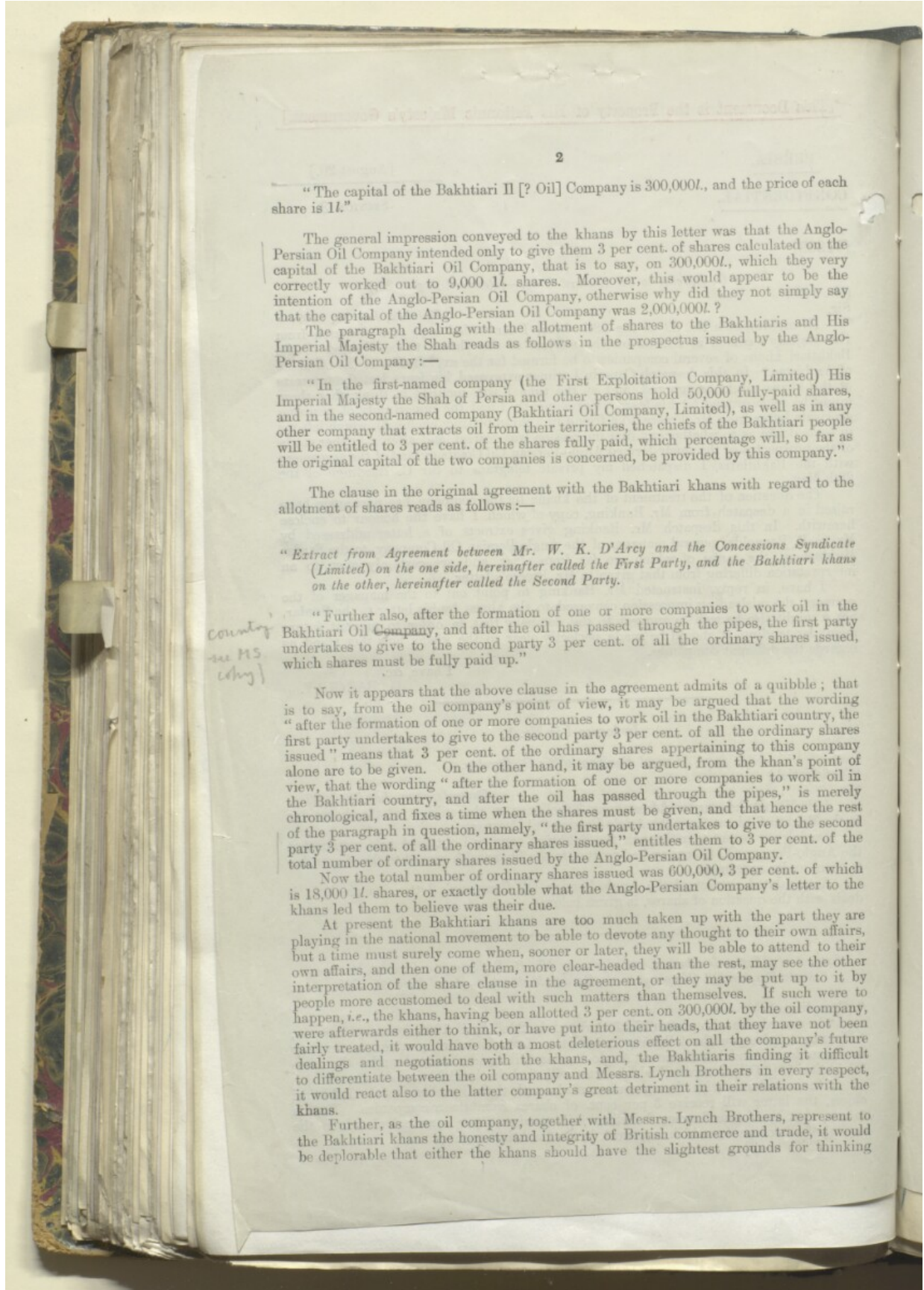
"In accordance with a letter No. 328, dated the 22nd April, 1909, from my directors, telling me to give you the following information, I would inform you that a company has been floated under the name 'Anglo-Persian Oil,' and a second under the name 'Bakhtiari Il [?] Oil' Company, which latter will work in the Bakhtiari country.

"In accordance with the agreement made with their Excellencies the Bakhtiari chiefs, the latter will receive 3 per cent. of shares from these companies. That is to say, that their Excellencies the khans will receive 3 per cent. calculated on the capital of all companies which may work in the Bakhtiari country.

[2377 u-3]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩١١ظ] (٢٩٢/٢٤٠)



2

"The capital of the Bakhtiari Oil Company is 300,000L., and the price of each share is 1L."

The general impression conveyed to the khans by this letter was that the Anglo-Persian Oil Company intended only to give them 3 per cent. of shares calculated on the capital of the Bakhtiari Oil Company, that is to say, on 300,000L., which they very correctly worked out to 9,000 1L. shares. Moreover, this would appear to be the intention of the Anglo-Persian Oil Company, otherwise why did they not simply say that the capital of the Anglo-Persian Oil Company was 2,000,000L.?

The paragraph dealing with the allotment of shares to the Bakhtiaris and His Imperial Majesty the Shah reads as follows in the prospectus issued by the Anglo-Persian Oil Company:—

"In the first-named company (the First Exploitation Company, Limited) His Imperial Majesty the Shah of Persia and other persons hold 50,000 fully-paid shares, and in the second-named company (Bakhtiari Oil Company, Limited), as well as in any other company that extracts oil from their territories, the chiefs of the Bakhtiari people will be entitled to 3 per cent. of the shares fully paid, which percentage will, so far as the original capital of the two companies is concerned, be provided by this company."

The clause in the original agreement with the Bakhtiari khans with regard to the allotment of shares reads as follows:—

"Extract from Agreement between Mr. W. K. D'Arcy and the Concessions Syndicate (Limited) on the one side, hereinafter called the First Party, and the Bakhtiari khans on the other, hereinafter called the Second Party.

"Further also, after the formation of one or more companies to work oil in the Bakhtiari Oil Company, and after the oil has passed through the pipes, the first party undertakes to give to the second party 3 per cent. of all the ordinary shares issued, which shares must be fully paid up."

Now it appears that the above clause in the agreement admits of a quibble; that is to say, from the oil company's point of view, it may be argued that the wording "after the formation of one or more companies to work oil in the Bakhtiari country, the first party undertakes to give to the second party 3 per cent. of all the ordinary shares issued" means that 3 per cent. of the ordinary shares appertaining to this company alone are to be given. On the other hand, it may be argued, from the khan's point of view, that the wording "after the formation of one or more companies to work oil in the Bakhtiari country, and after the oil has passed through the pipes," is merely chronological, and fixes a time when the shares must be given, and that hence the rest of the paragraph in question, namely, "the first party undertakes to give to the second party 3 per cent. of all the ordinary shares issued," entitles them to 3 per cent. of the total number of ordinary shares issued by the Anglo-Persian Oil Company.

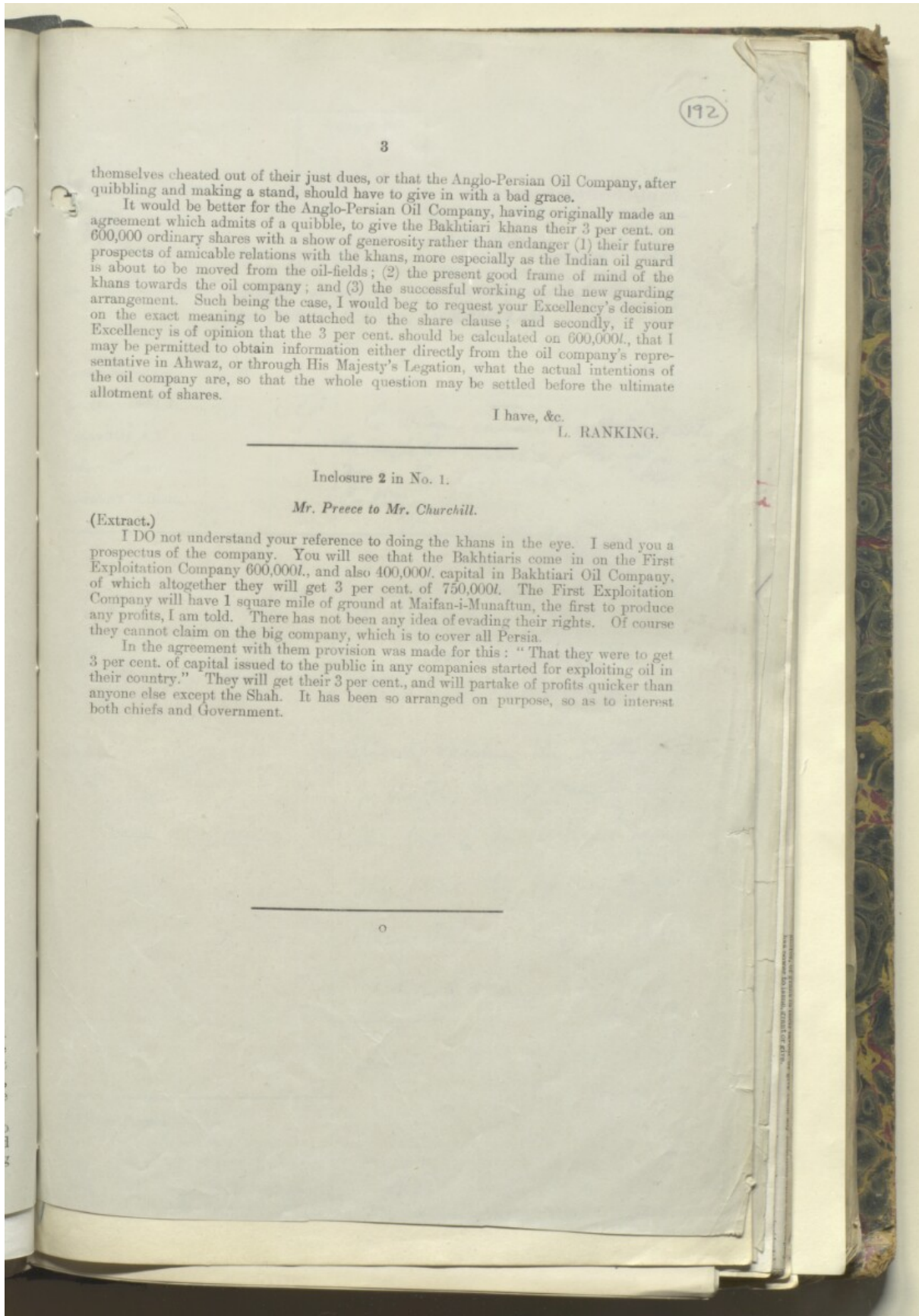
Now the total number of ordinary shares issued was 600,000, 3 per cent. of which is 18,000 1L. shares, or exactly double what the Anglo-Persian Company's letter to the khans led them to believe was their due.

At present the Bakhtiari khans are too much taken up with the part they are playing in the national movement to be able to devote any thought to their own affairs, but a time must surely come when, sooner or later, they will be able to attend to their own affairs, and then one of them, more clear-headed than the rest, may see the other interpretation of the share clause in the agreement, or they may be put up to it by people more accustomed to deal with such matters than themselves. If such were to happen, i.e., the khans, having been allotted 3 per cent. on 300,000L. by the oil company, were afterwards either to think, or have put into their heads, that they have not been fairly treated, it would have both a most deleterious effect on all the company's future dealings and negotiations with the khans, and, the Bakhtiaris finding it difficult to differentiate between the oil company and Messrs. Lynch Brothers in every respect, it would react also to the latter company's great detriment in their relations with the khans.

Further, as the oil company, together with Messrs. Lynch Brothers, represent to the Bakhtiari khans the honesty and integrity of British commerce and trade, it would be deplorable that either the khans should have the slightest grounds for thinking



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٢و] (٢٩٢/٢٤١)



3

themselves cheated out of their just dues, or that the Anglo-Persian Oil Company, after quibbling and making a stand, should have to give in with a bad grace.

It would be better for the Anglo-Persian Oil Company, having originally made an agreement which admits of a quibble, to give the Bakhtiari khans their 3 per cent. on 600,000 ordinary shares with a show of generosity rather than endanger (1) their future prospects of amicable relations with the khans, more especially as the Indian oil guard is about to be moved from the oil-fields; (2) the present good frame of mind of the khans towards the oil company; and (3) the successful working of the new guarding arrangement. Such being the case, I would beg to request your Excellency's decision on the exact meaning to be attached to the share clause; and secondly, if your Excellency is of opinion that the 3 per cent. should be calculated on 600,000l., that I may be permitted to obtain information either directly from the oil company's representative in Ahwaz, or through His Majesty's Legation, what the actual intentions of the oil company are, so that the whole question may be settled before the ultimate allotment of shares.

I have, &c.

L. RANKING.

Inclosure 2 in No. 1.

Mr. Preece to Mr. Churchill.

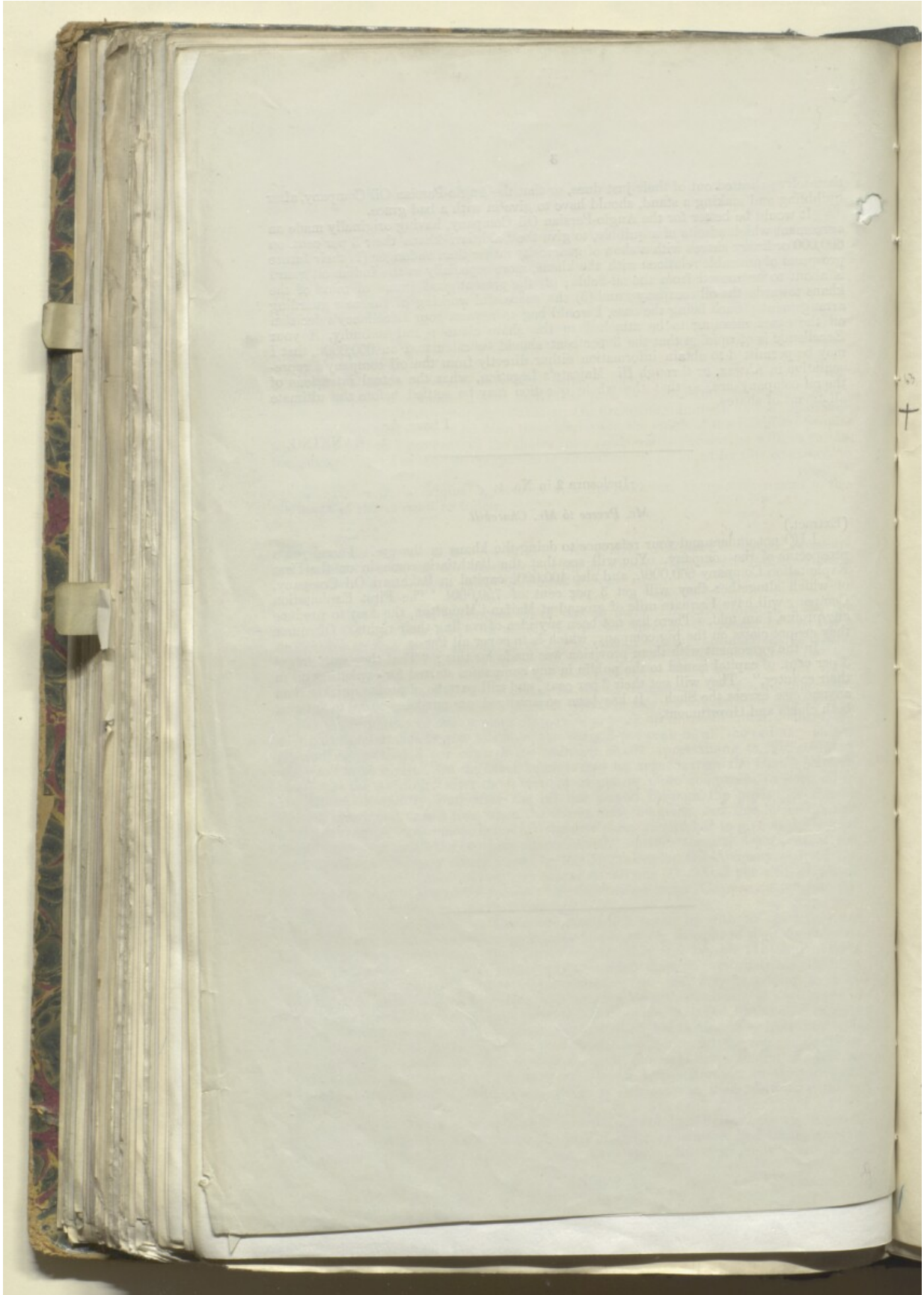
(Extract.)

I DO not understand your reference to doing the khans in the eye. I send you a prospectus of the company. You will see that the Bakhtiaris come in on the First Exploitation Company 600,000l., and also 400,000l. capital in Bakhtiari Oil Company, of which altogether they will get 3 per cent. of 750,000l. The First Exploitation Company will have 1 square mile of ground at Maifan-i-Munaftun, the first to produce any profits, I am told. There has not been any idea of evading their rights. Of course they cannot claim on the big company, which is to cover all Persia.

In the agreement with them provision was made for this: "That they were to get 3 per cent. of capital issued to the public in any companies started for exploiting oil in their country." They will get their 3 per cent., and will partake of profits quicker than anyone else except the Shah. It has been so arranged on purpose, so as to interest both chiefs and Government.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٢] (٢٩٢/٢٤٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٣] [٢٩٢/٢٤٣]

193

Register No. 3812

Minute Paper. Secret Department.

d.o. Letter from Mr. Maxwell, (F.O.) Dated 5th August 1909.
Rec. 7

	Date.	Initials.	SUBJECT.
Under Secretary.....	9. 11. 03	Mr	Persia. Lt. Wilson's comments on the prospectus of the Anglo-Persian Oil Co. Observations of the F.O. The Oil Syndicate and the Baktiarikhan.
Secretary of State.....	10	ap	
Committee.....			
Under Secretary.....			
Secretary of State.....			

Copy to India (see within) x

FOR INFORMATION.

9/15. d.o. to Mr Bollen & Mr. Maxwell (F.O.)

Stickily speaking, the matter is one for the F.O.; but it may be well to let the Govt. of India know what the say about the position of the Baktiarikhan, which involves a question of genuine policy.

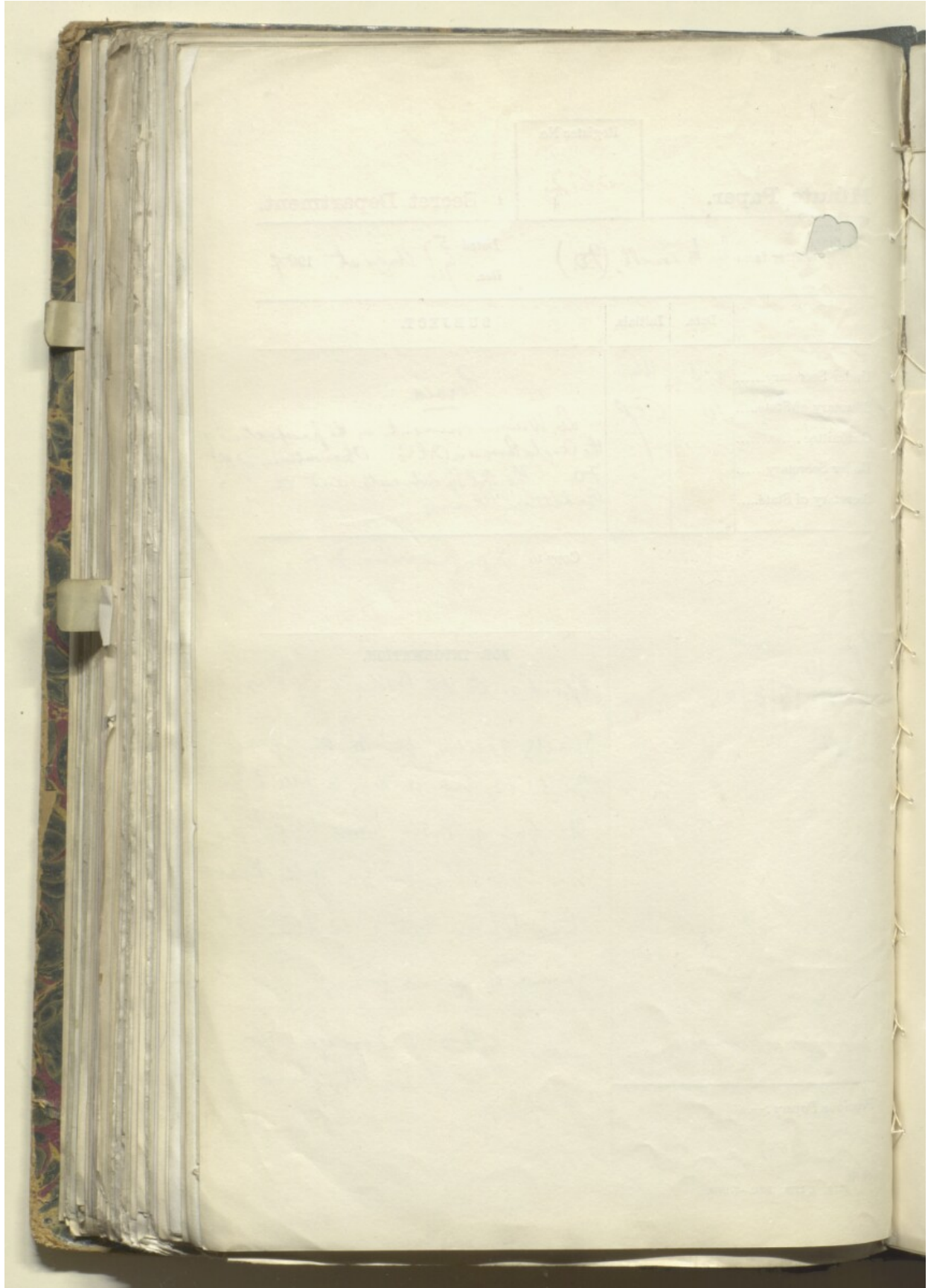
Letters to F.O. & Foreign Dept
20 August

Previous Papers:—
103

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6172. I. 1278. 1000.—7/1909.

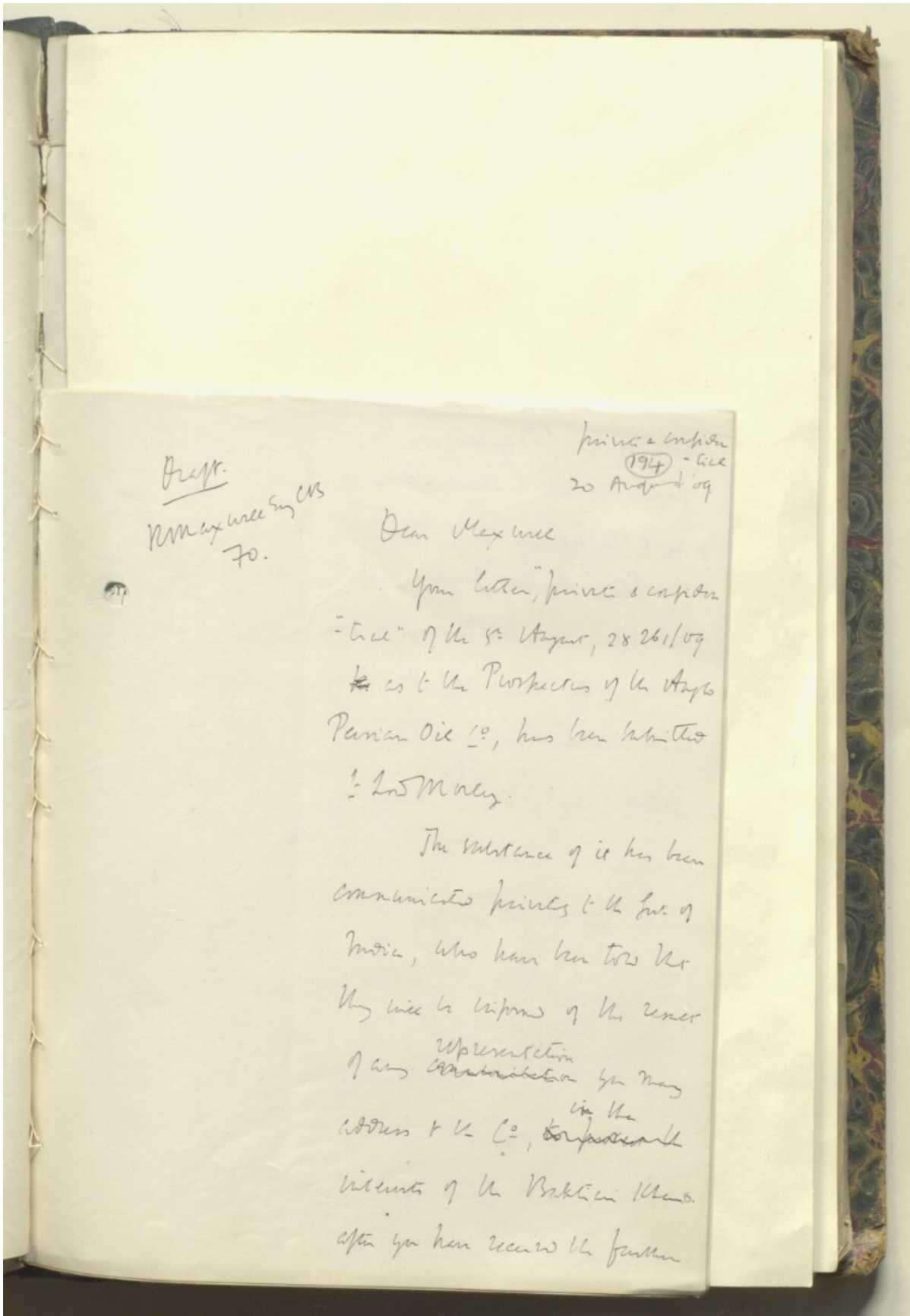


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٣] (٢٩٢/٢٤٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٤] (٢٩٢/٢٤٥)



Dr. Maxwell Esq.
70.

Private Confidant
1914 - Recd
20 August 1914

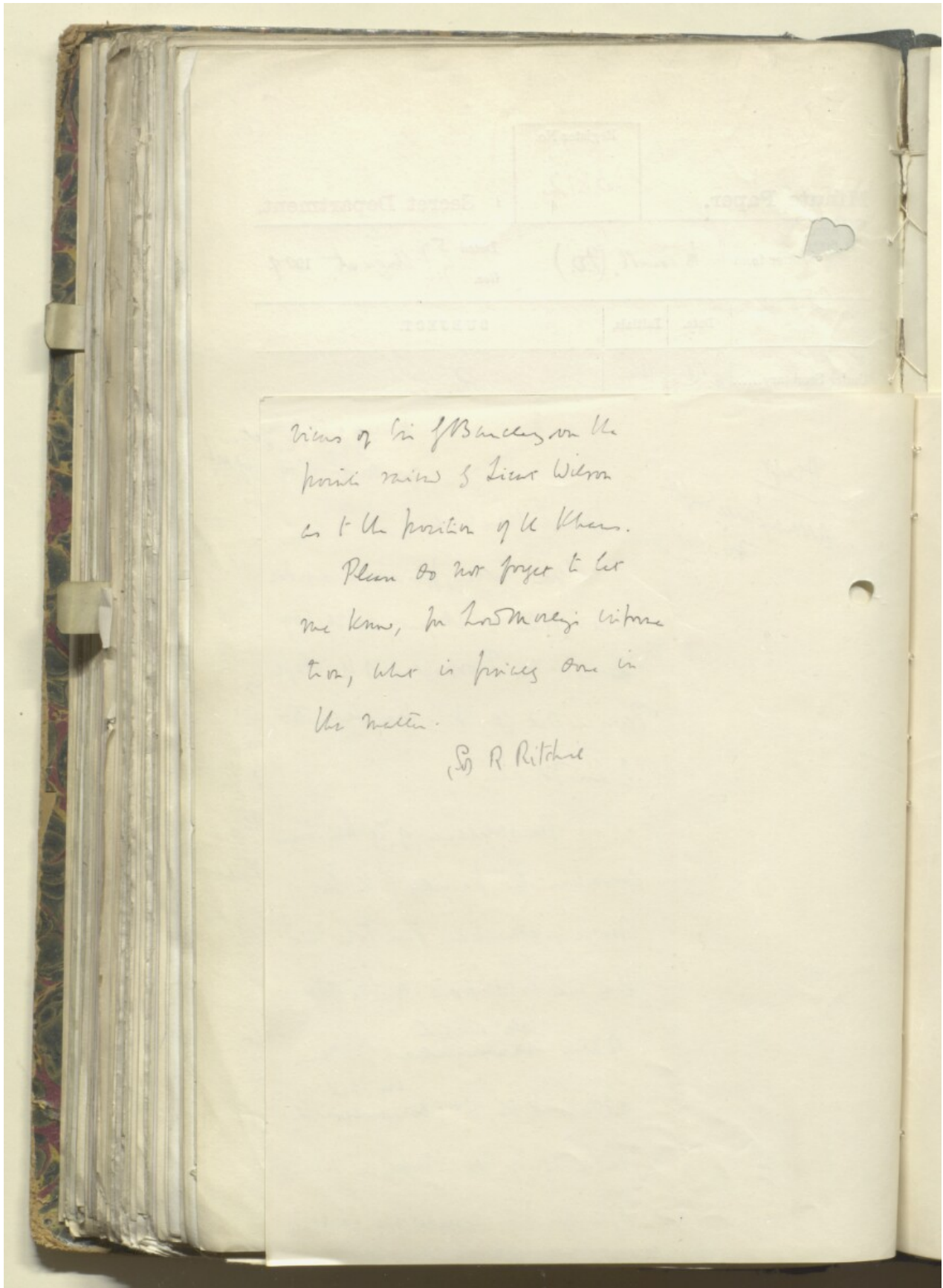
Dear Maxwell

Your letter, "private & confidential" of the 5th August, 28 26/1/09
as to the Prospects of the Anglo
Persian Oil Co., has been submitted
to Lord Mores.

The substance of it has been
communicated privately to the Secy of
India, who has been told that
they will be informed of the general
representation you may
address to the Co. ^{via the} ~~representative~~
agents of the Bahmani Khans.
after you have received the further



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٤] (٢٩٢/٢٤٦)



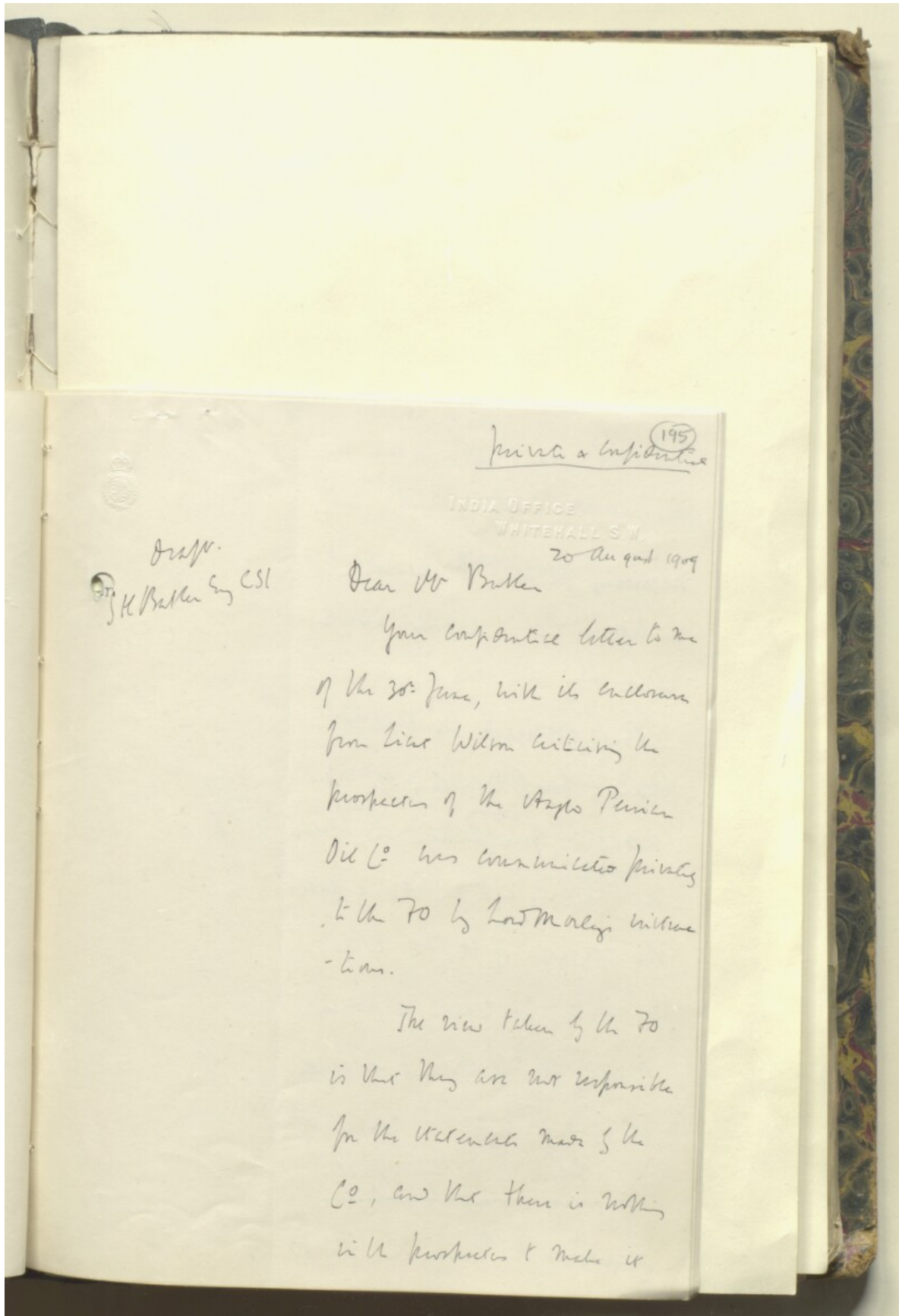
Views of Sir J. B. Mackenzie on the
price of oil & Sir Wilson
as to the position of the Khans.

Please do not forget to let
me know, in London, who is
the man, who is prices one in
the matter.

S. R. Ritchie



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٥] (٢٩٢/٢٤٧)



Private & Confidential (195)

INDIA OFFICE,
WHITEHALL S.W.
20th April 1909

Dr. H. Butler Esq. CSI

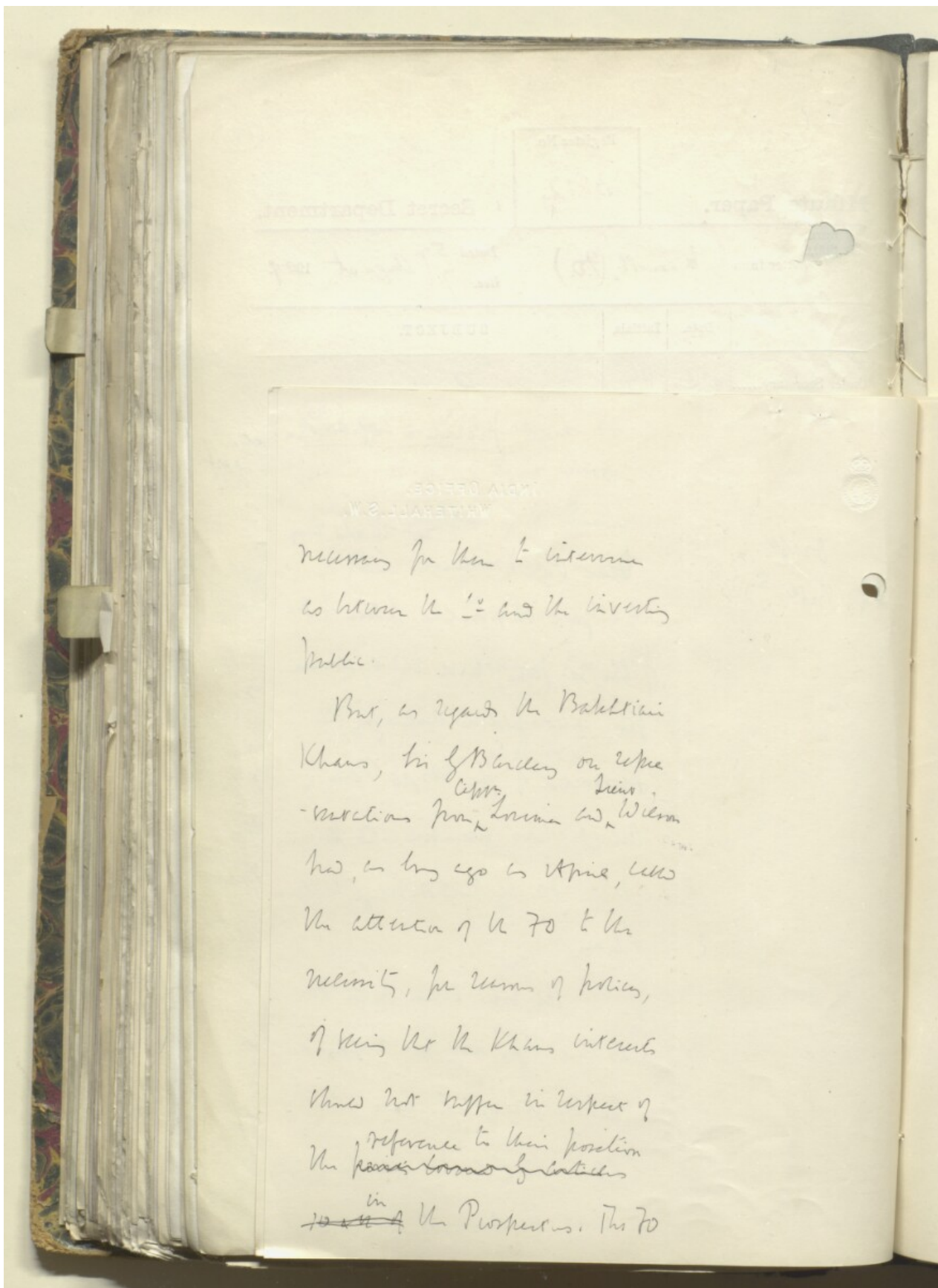
Dear Mr Butler

Your confidential letter to me of the 20th June, with its enclosure from Lord Willm. relating the prospectus of the Anglo Persian Oil Co. has been received privately to the FO by Lord Morley's intervention.

The view taken by the FO is that they are not responsible for the statement made by the Co., and that there is nothing in the prospectus to make it



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٥] (٢٩٢/٢٤٨)

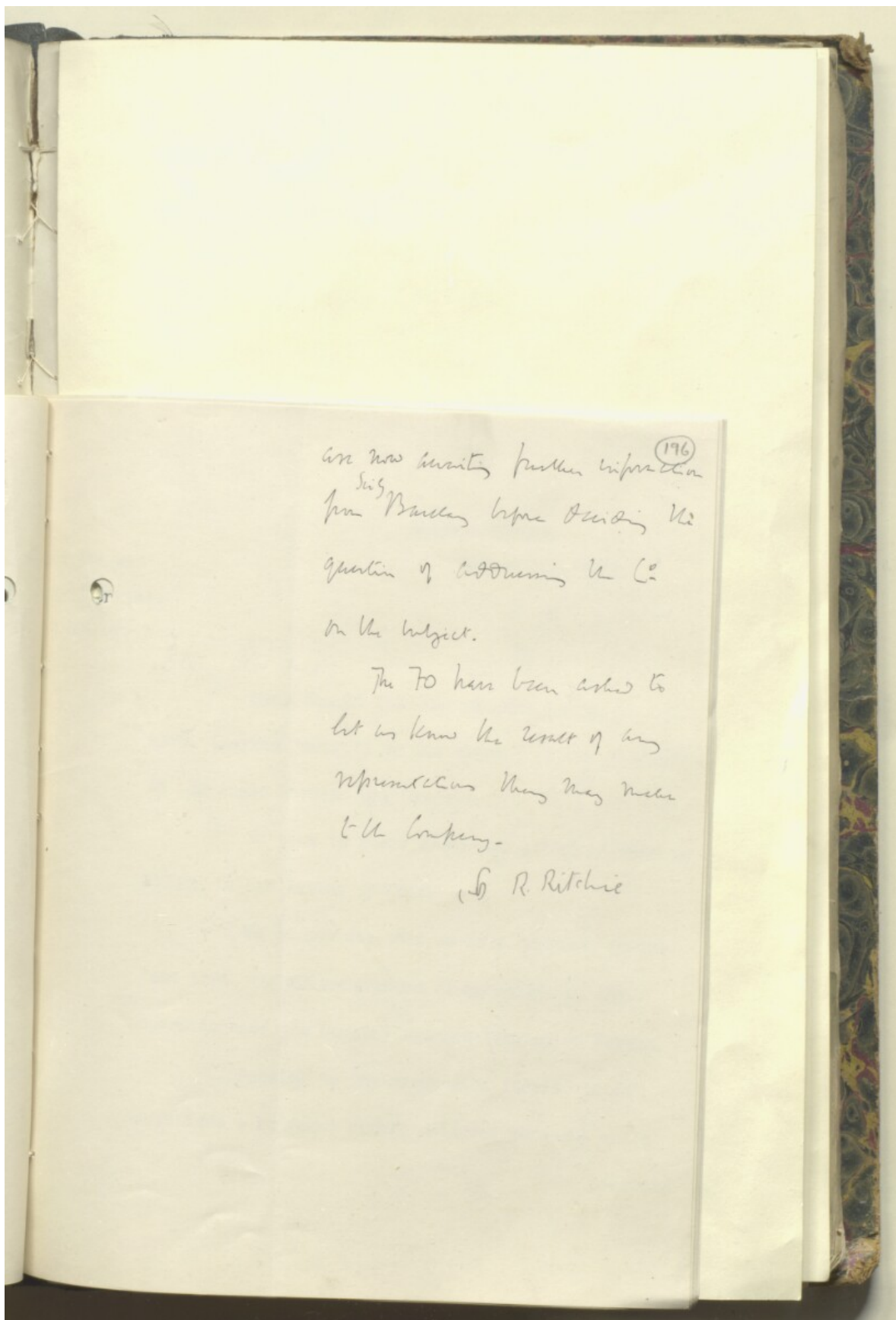


relations for the Government
as between the Government and the investing
public.

But, as regards the Bakhtarian
Khans, the Government on the
-relations from ^{the} ^{British} ^{Government} ^{and} ^{William}
had, as long ago as 1914, called
the attention of the Government to the
necessity, for reasons of policy,
of being clear to the Khans interests
which had to be taken in respect of
the ^{reference to their position} ^{the} ^{possibilities} ^{of} ^{development}
~~to~~ ⁱⁿ the Prospects. The Government



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٦] [٢٩٢/٢٤٩]



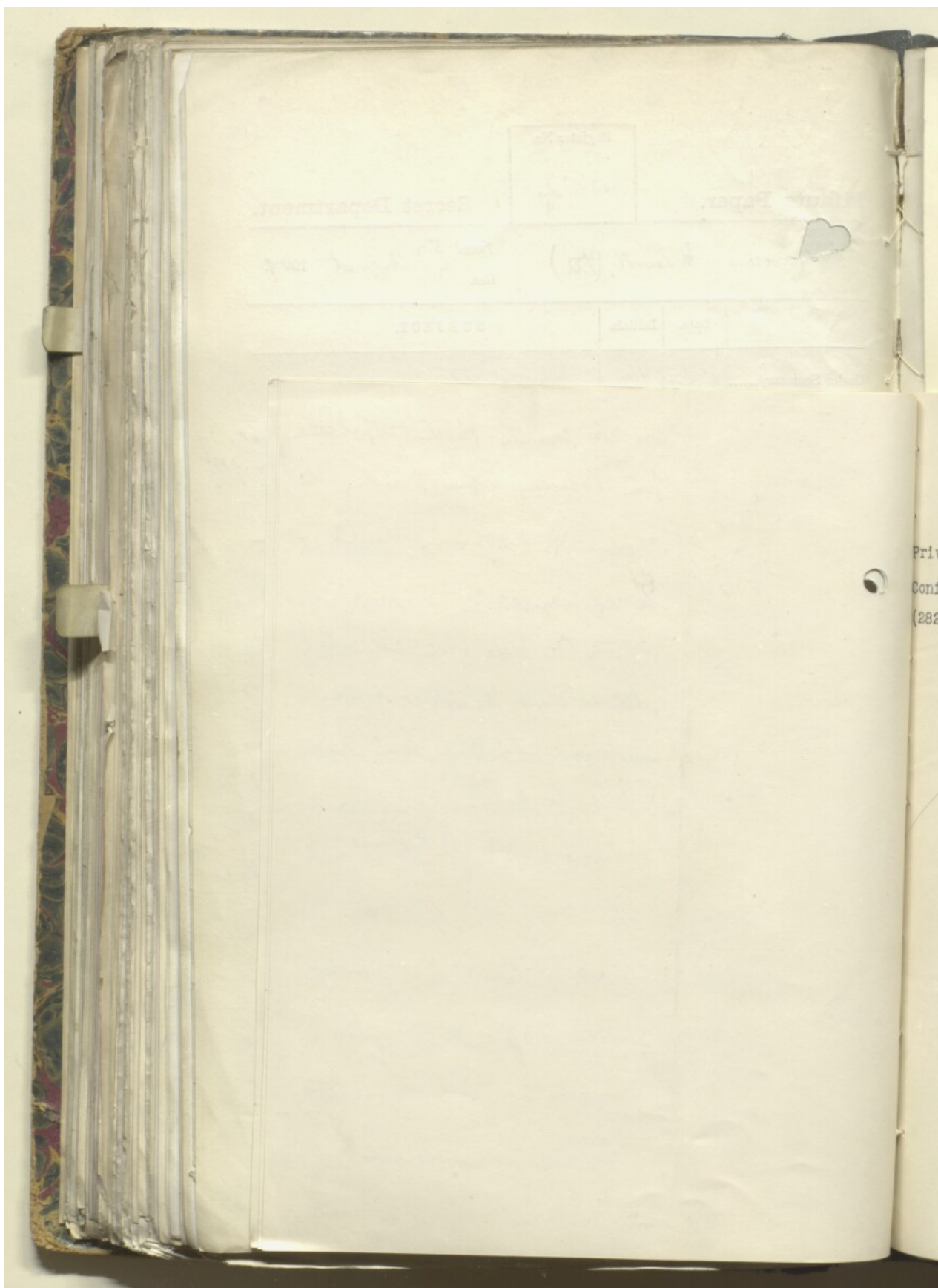
We now require further information ⁽¹⁹⁶⁾
from ^{the} Board before deciding the
question of addressing the Co.
on the subject.

The FO have been asked to
let us know the result of any
representations they may make
to the Company.

R. Ritchie



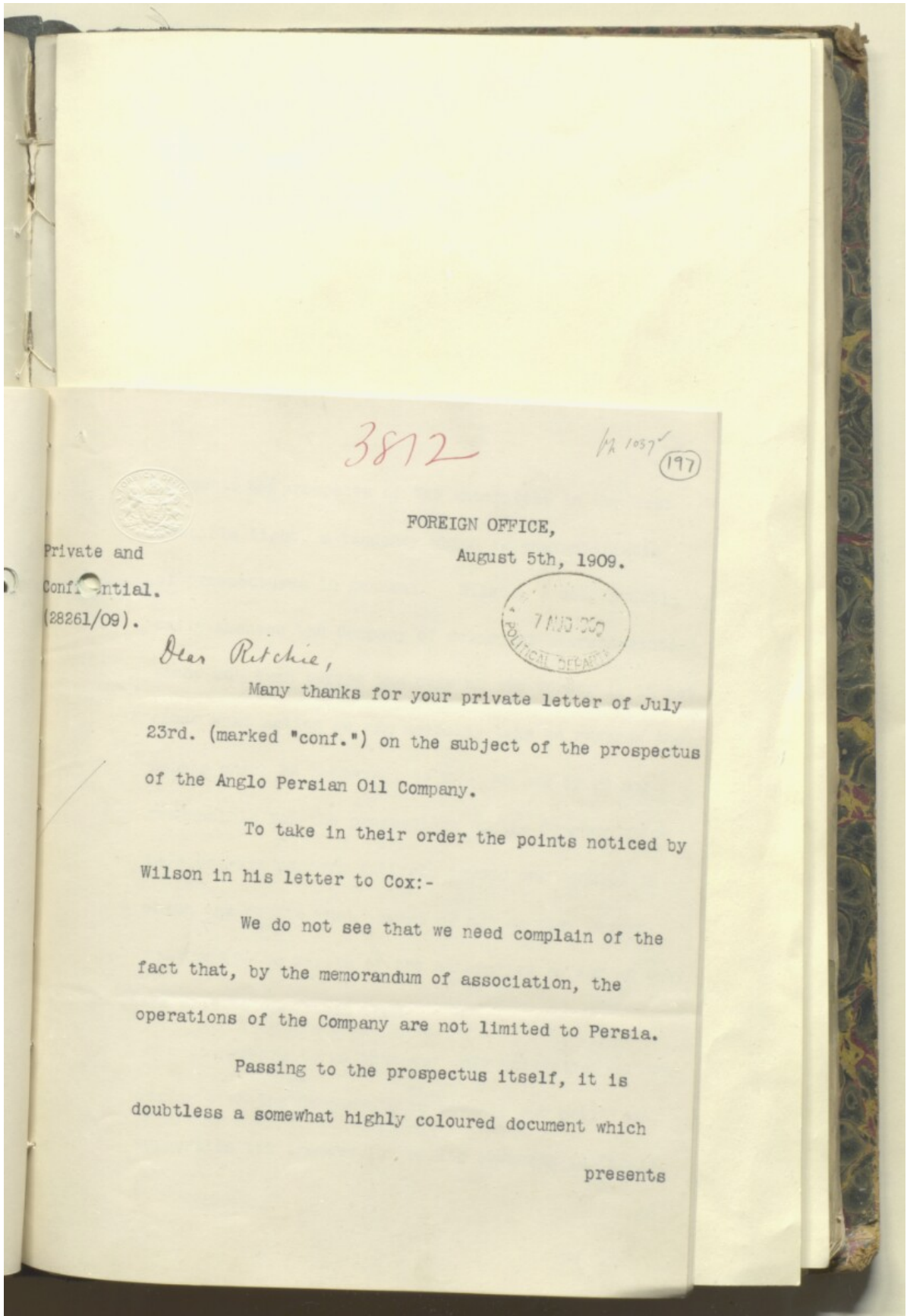
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٦ ظ] (٢٩٢/٢٥٠)



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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٧] [٢٩٢/٢٥١]



Private and
Confidential.
(28261/09).

FOREIGN OFFICE,
August 5th, 1909.



Dear Ritchie,

Many thanks for your private letter of July 23rd. (marked "conf.") on the subject of the prospectus of the Anglo Persian Oil Company.

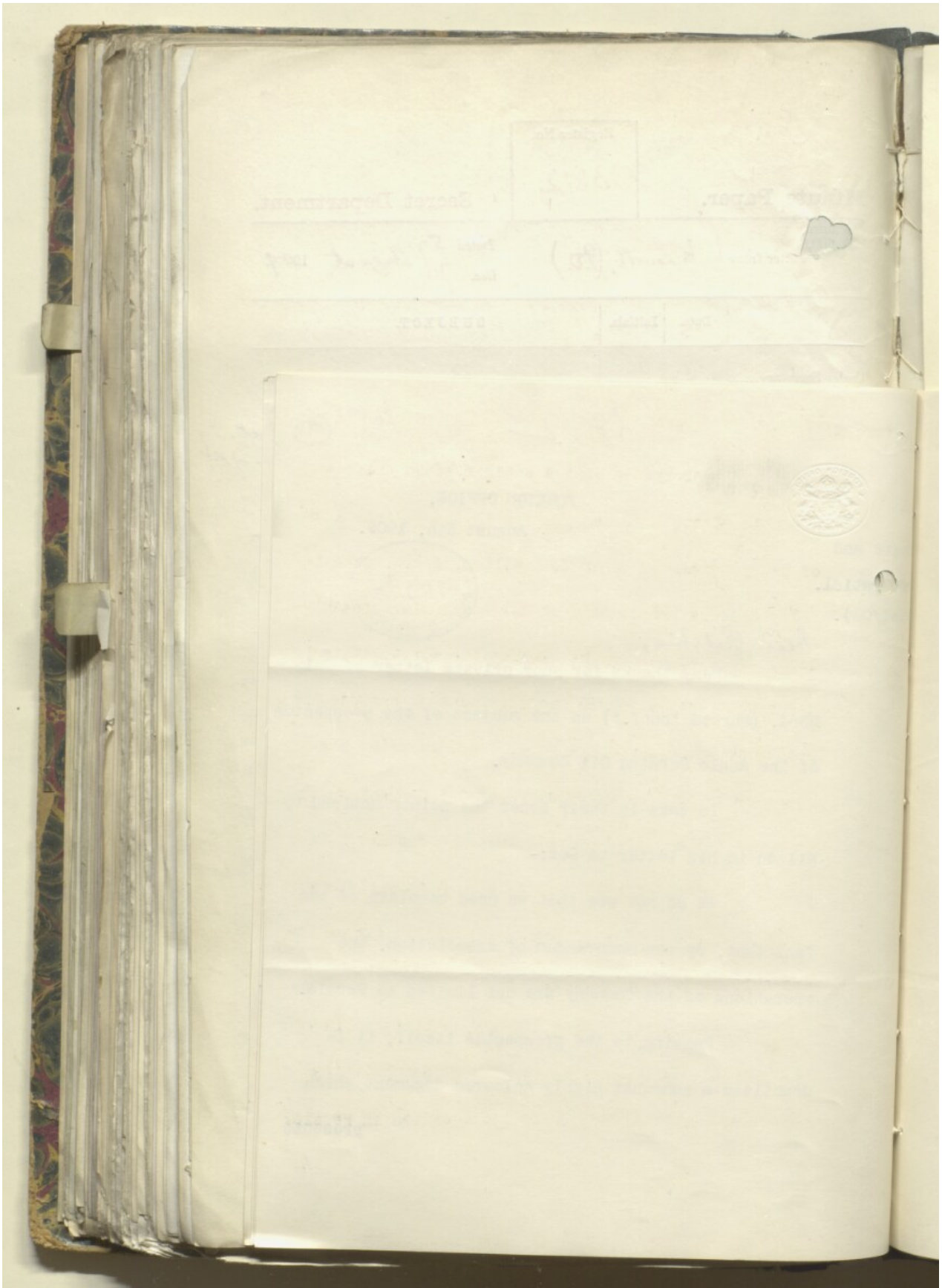
To take in their order the points noticed by Wilson in his letter to Cox:-

We do not see that we need complain of the fact that, by the memorandum of association, the operations of the Company are not limited to Persia.

Passing to the prospectus itself, it is doubtless a somewhat highly coloured document which presents

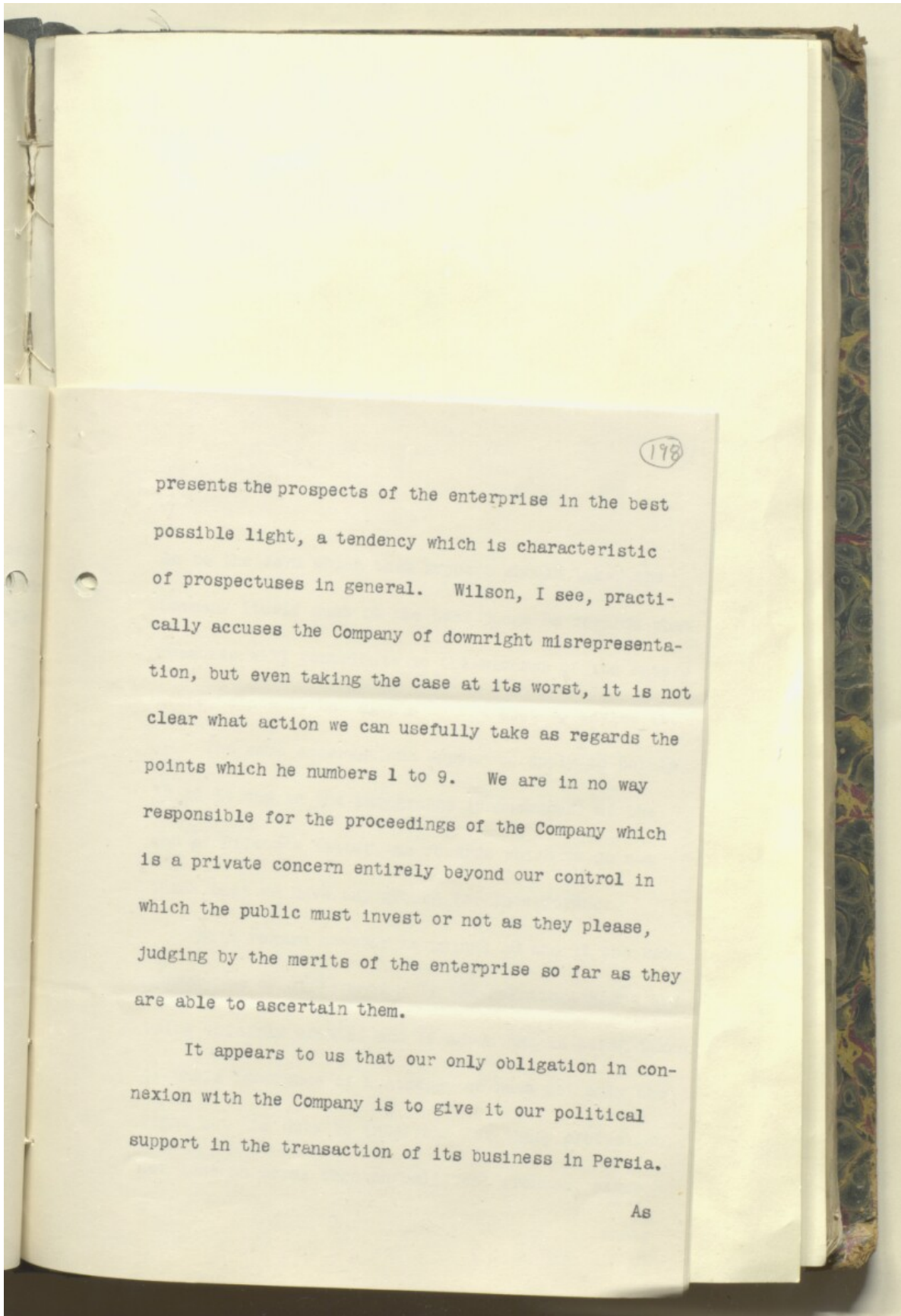


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٧]ظ (٢٩٢/٢٥٢)



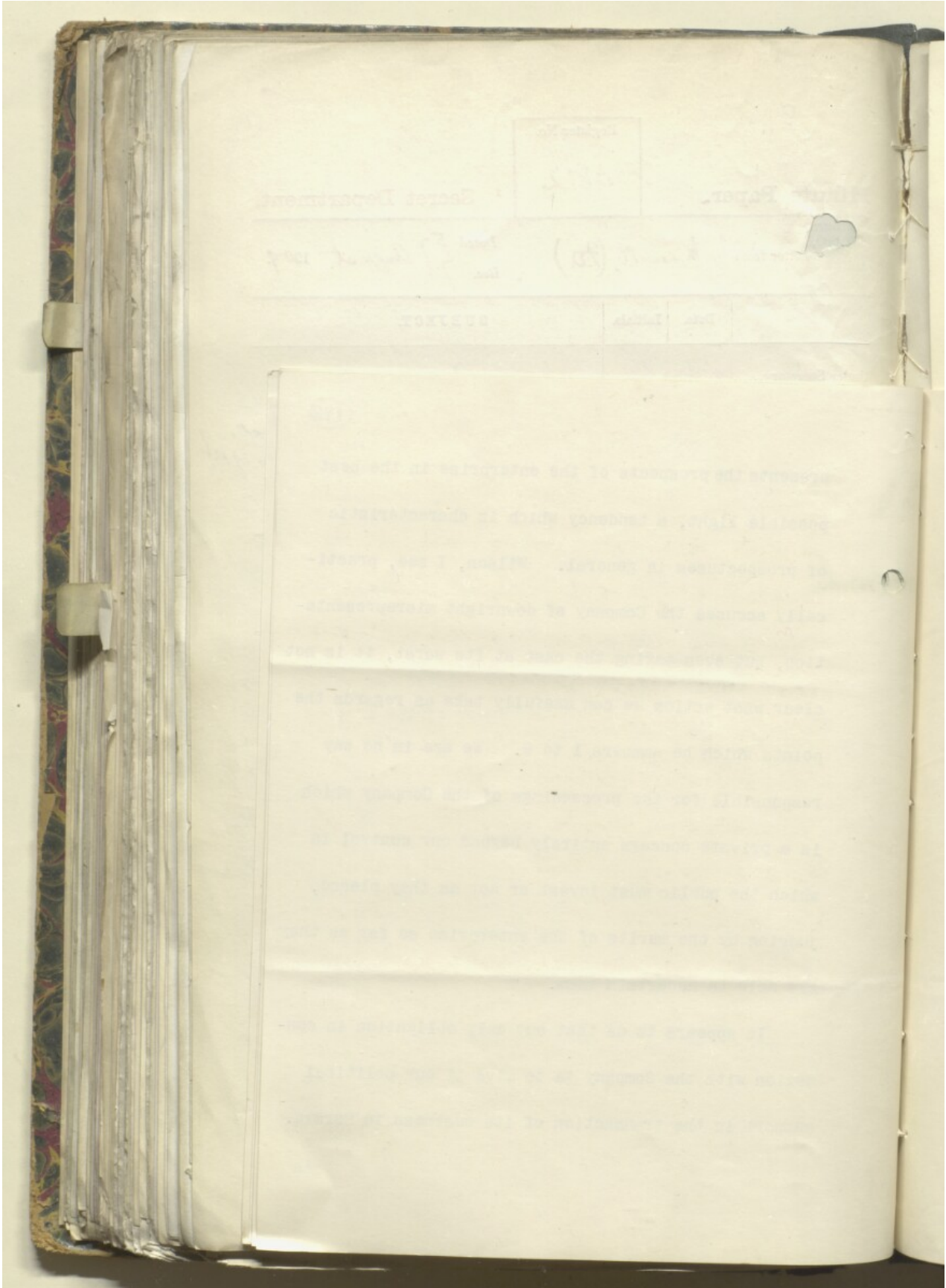


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٨] (٢٩٢/٢٥٣)



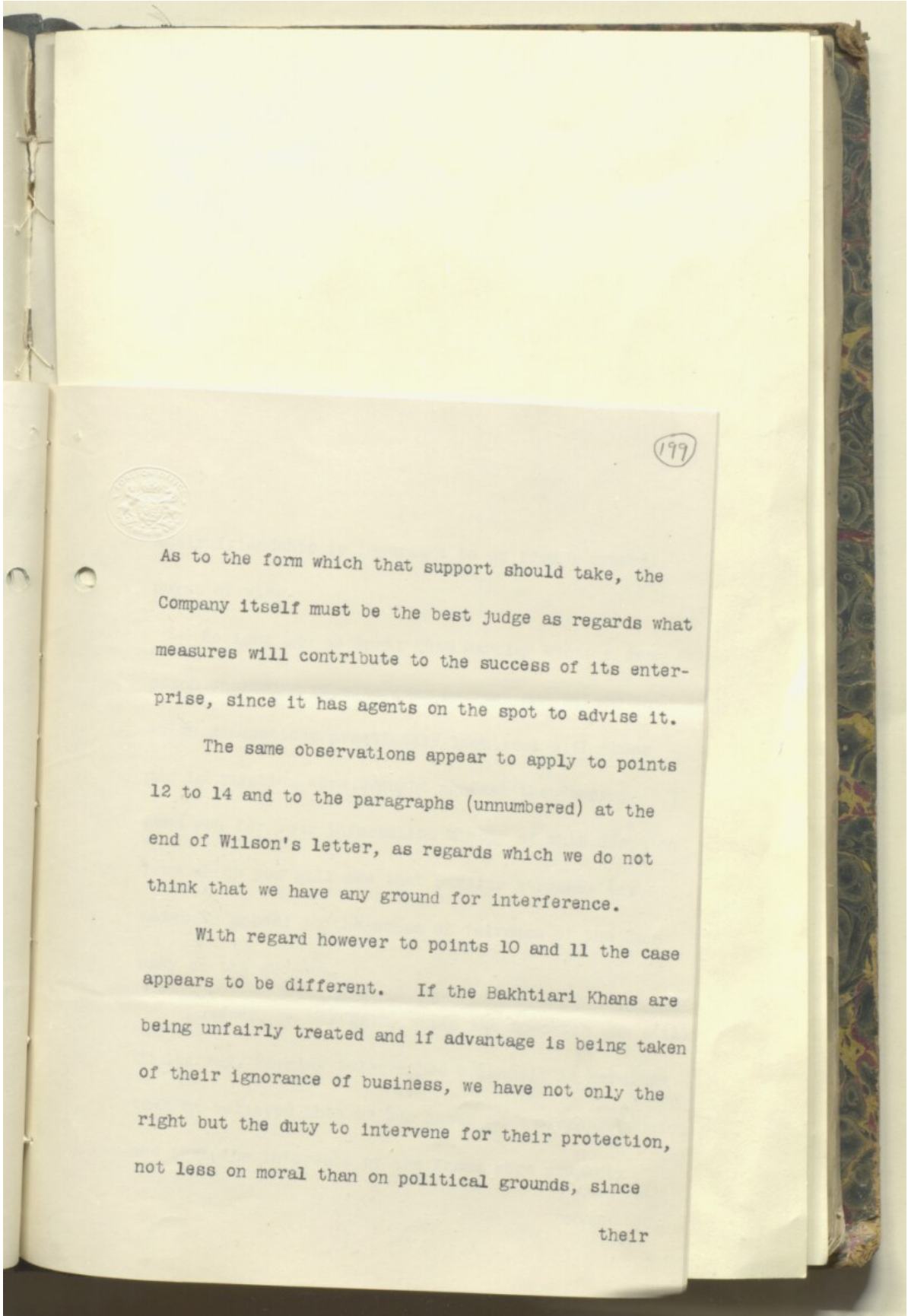


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٨ظ] (٢٩٢/٢٥٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [١٩٩] (٢٩٢/٢٥٥)



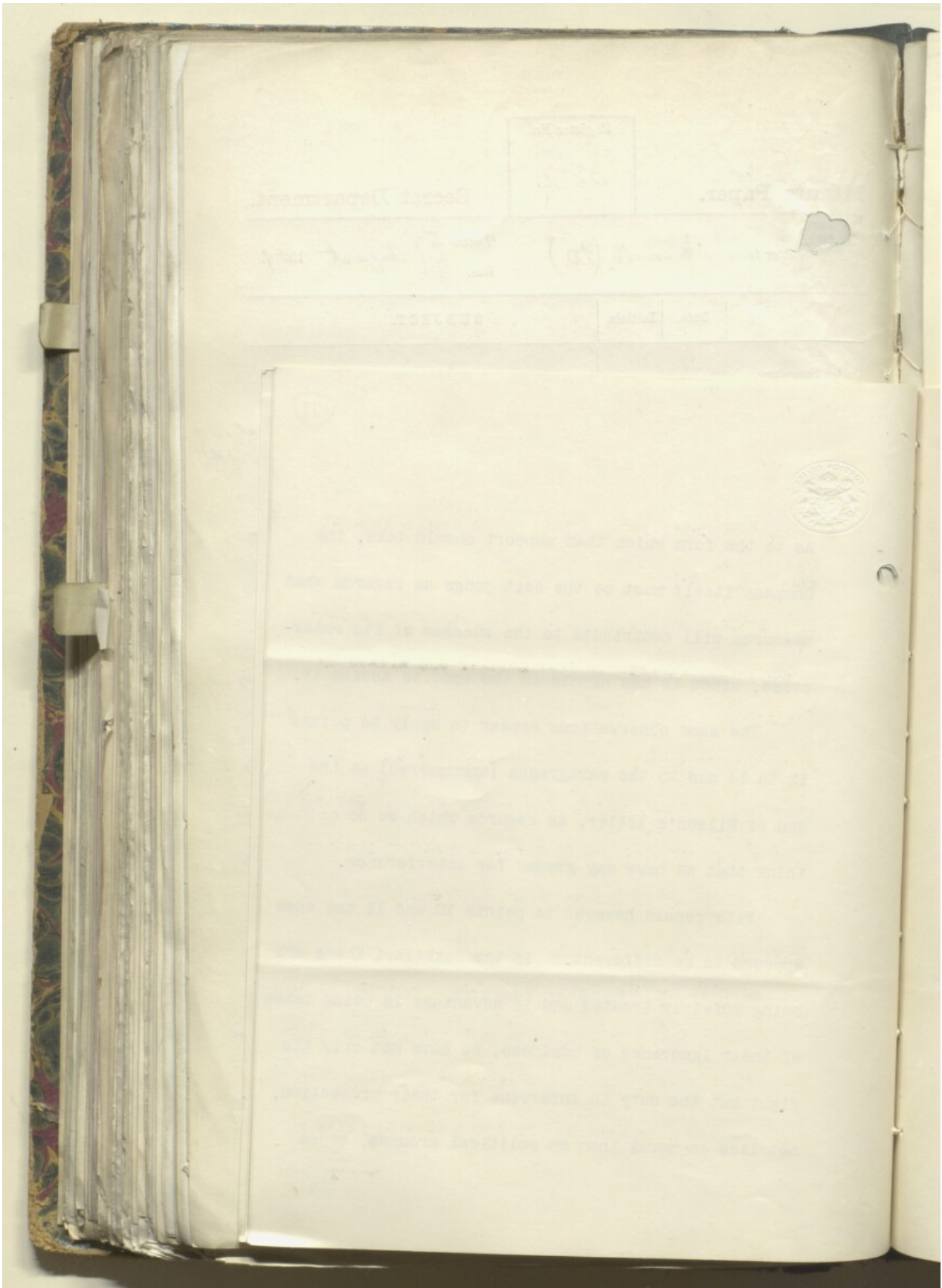
As to the form which that support should take, the Company itself must be the best judge as regards what measures will contribute to the success of its enterprise, since it has agents on the spot to advise it.

The same observations appear to apply to points 12 to 14 and to the paragraphs (unnumbered) at the end of Wilson's letter, as regards which we do not think that we have any ground for interference.

With regard however to points 10 and 11 the case appears to be different. If the Bakhtiari Khans are being unfairly treated and if advantage is being taken of their ignorance of business, we have not only the right but the duty to intervene for their protection, not less on moral than on political grounds, since their

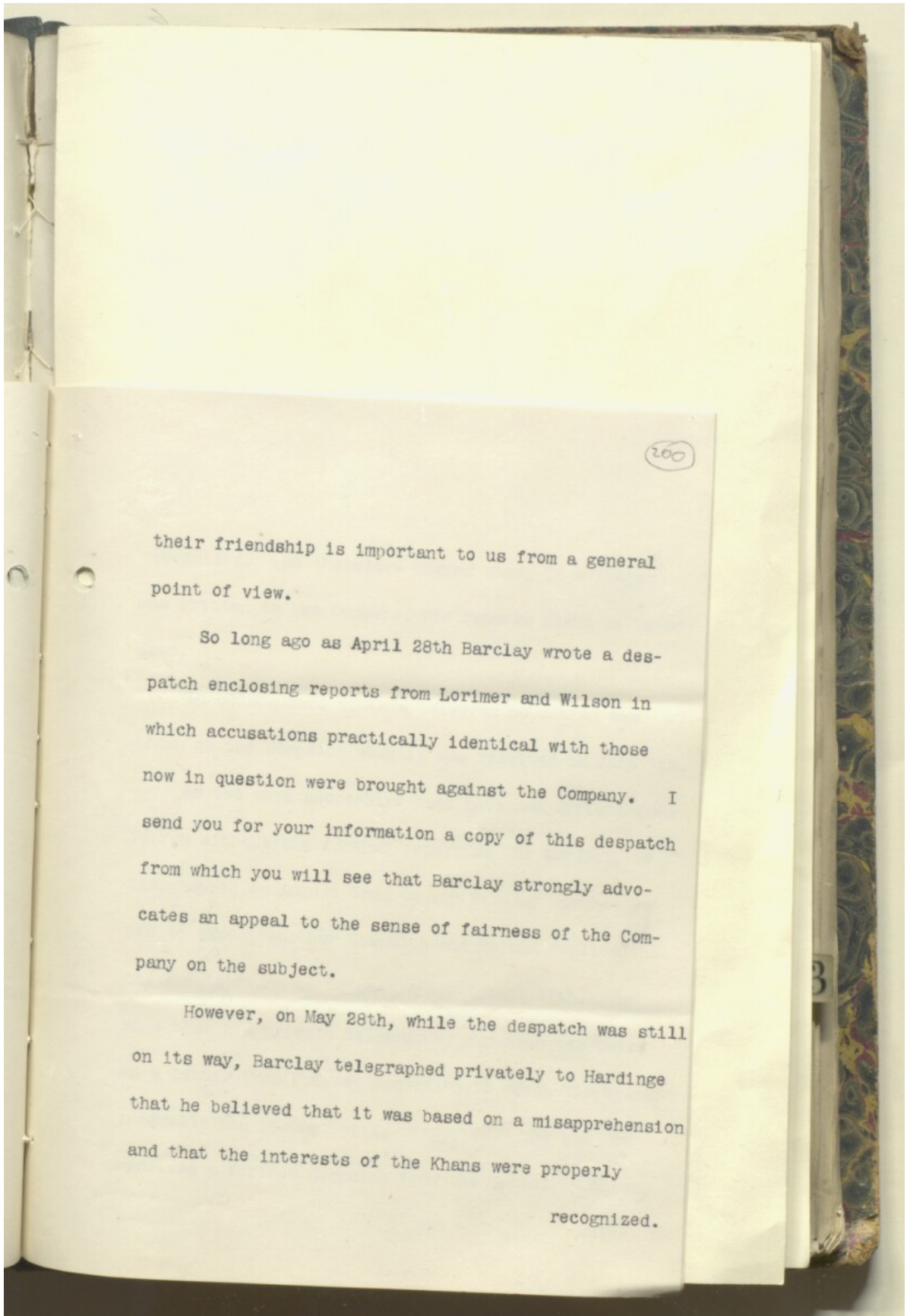


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [١٩٩]ظ (٢٩٢/٢٥٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٠ و] (٢٩٢/٢٥٧)



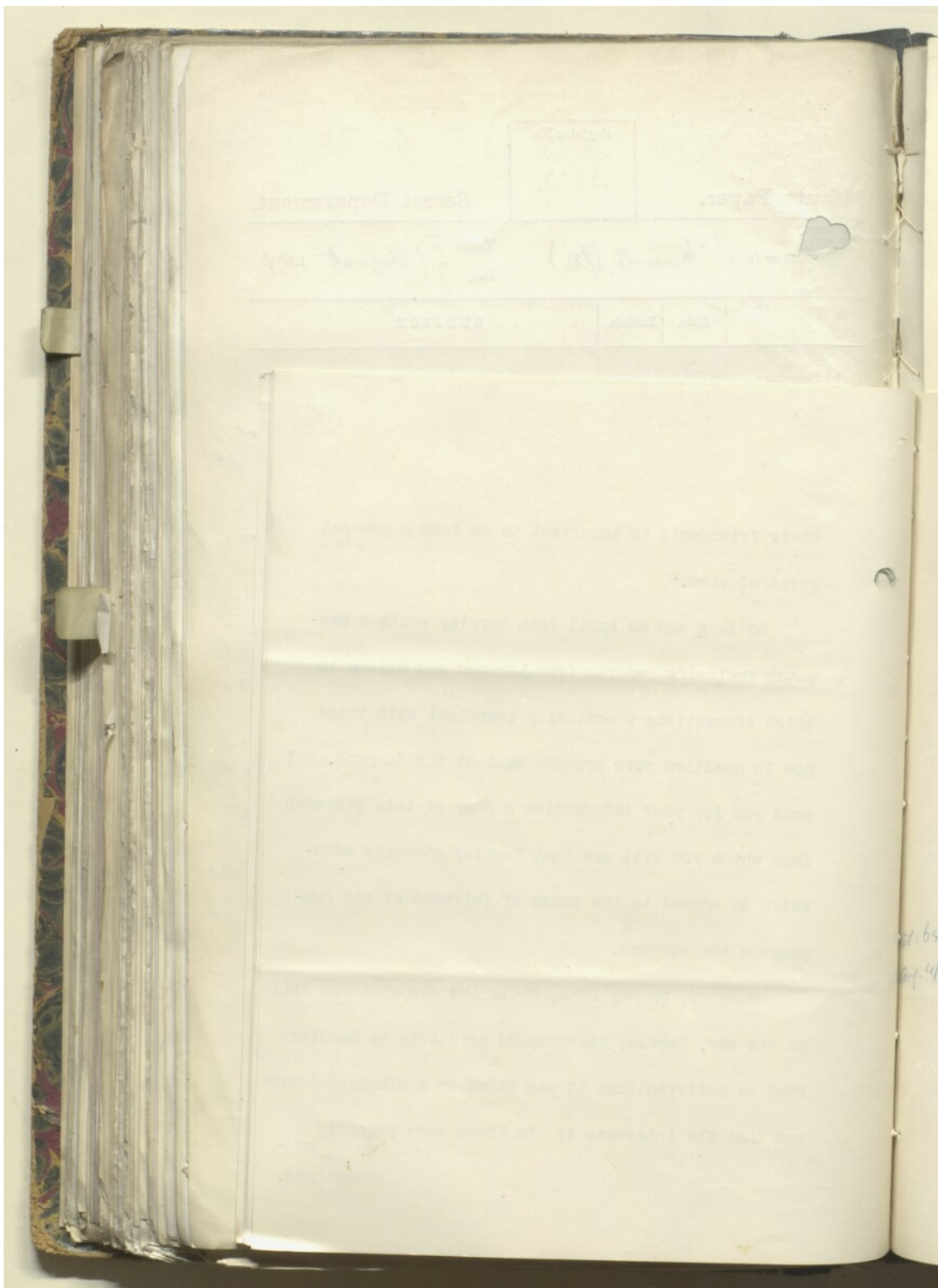
their friendship is important to us from a general point of view.

So long ago as April 28th Barclay wrote a despatch enclosing reports from Lorimer and Wilson in which accusations practically identical with those now in question were brought against the Company. I send you for your information a copy of this despatch from which you will see that Barclay strongly advocates an appeal to the sense of fairness of the Company on the subject.

However, on May 28th, while the despatch was still on its way, Barclay telegraphed privately to Hardinge that he believed that it was based on a misapprehension and that the interests of the Khans were properly recognized.

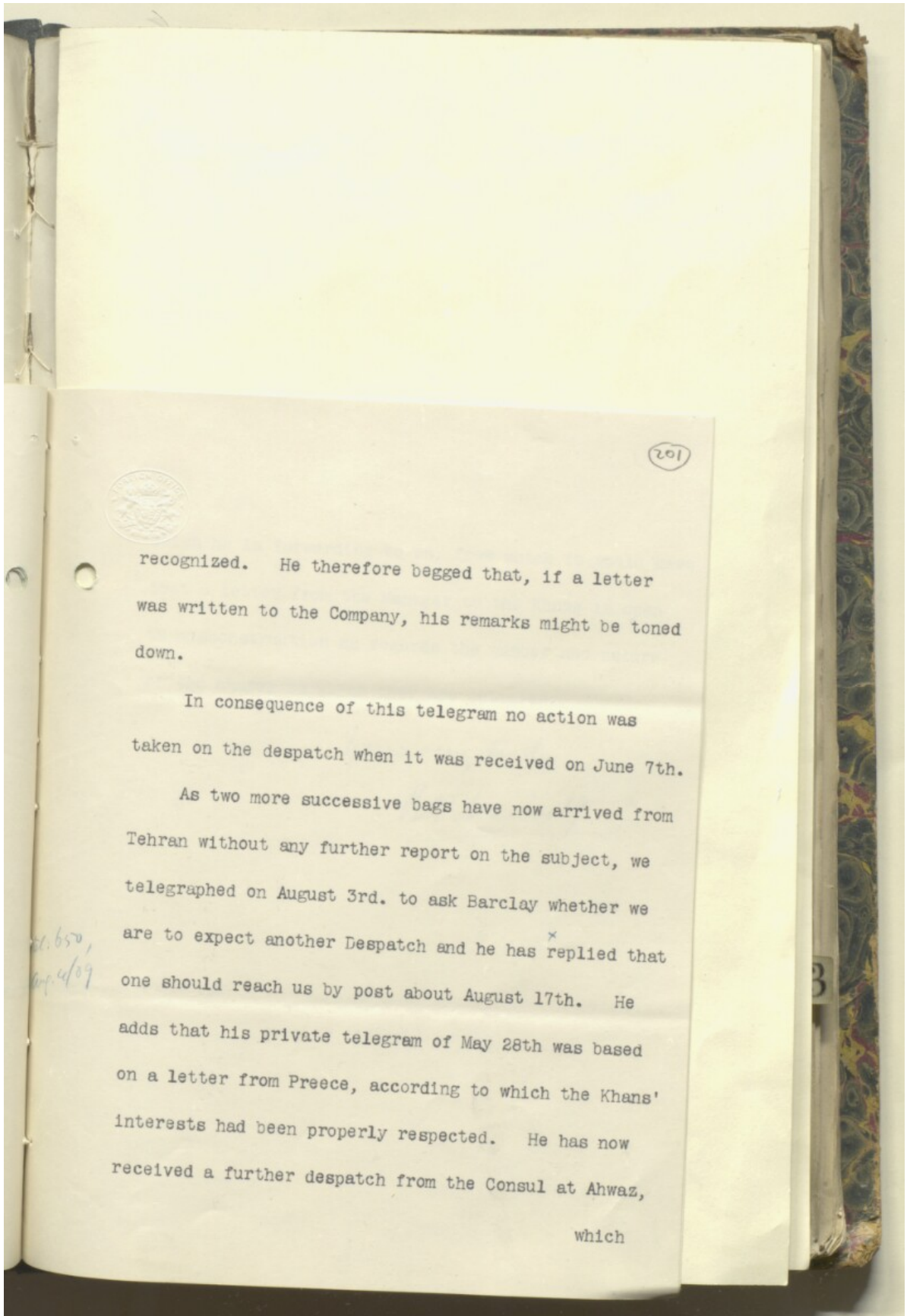


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٠ظ] (٢٩٢/٢٥٨)



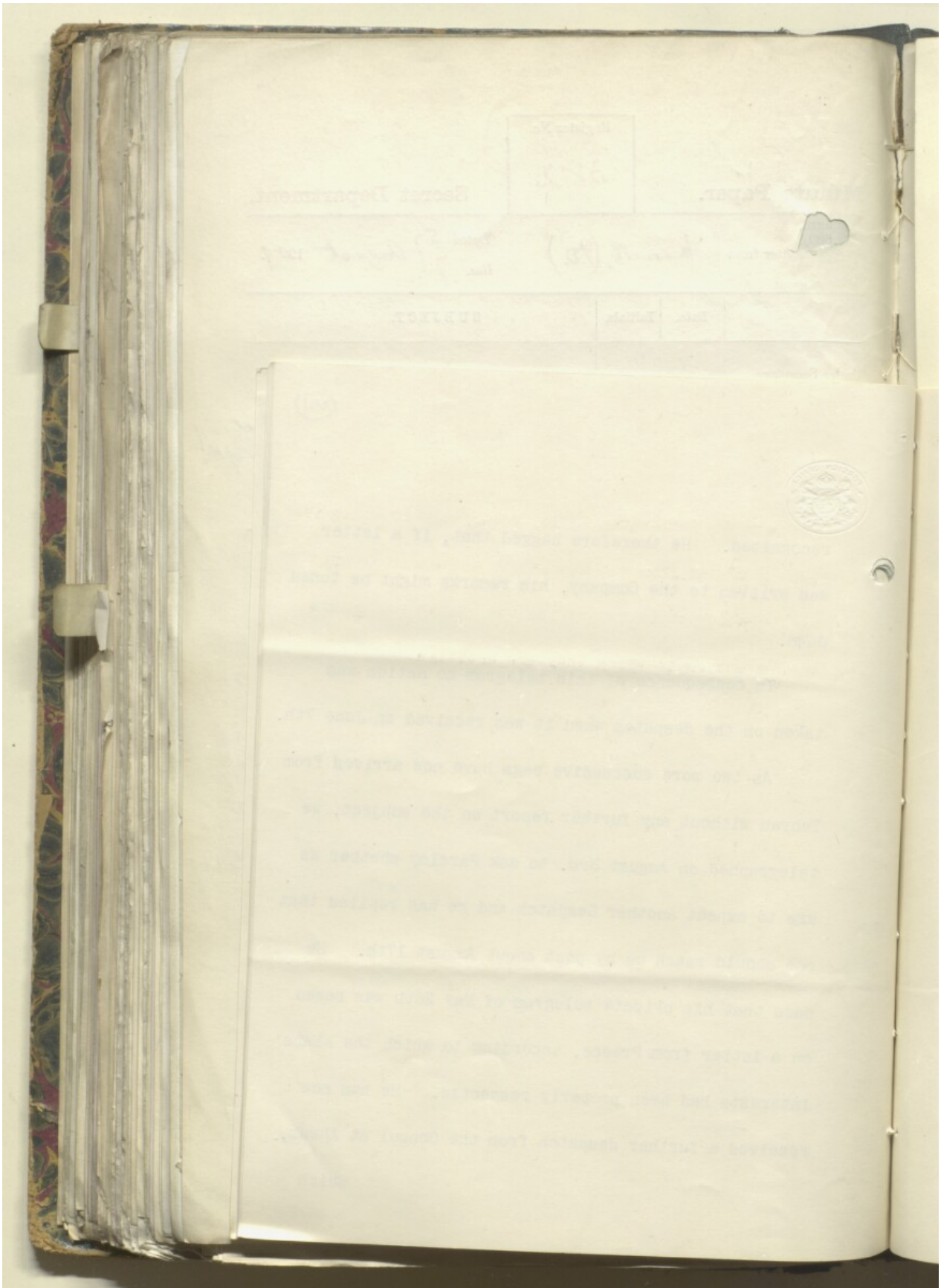


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢٠١ و] (٢٩٢/٢٥٩)



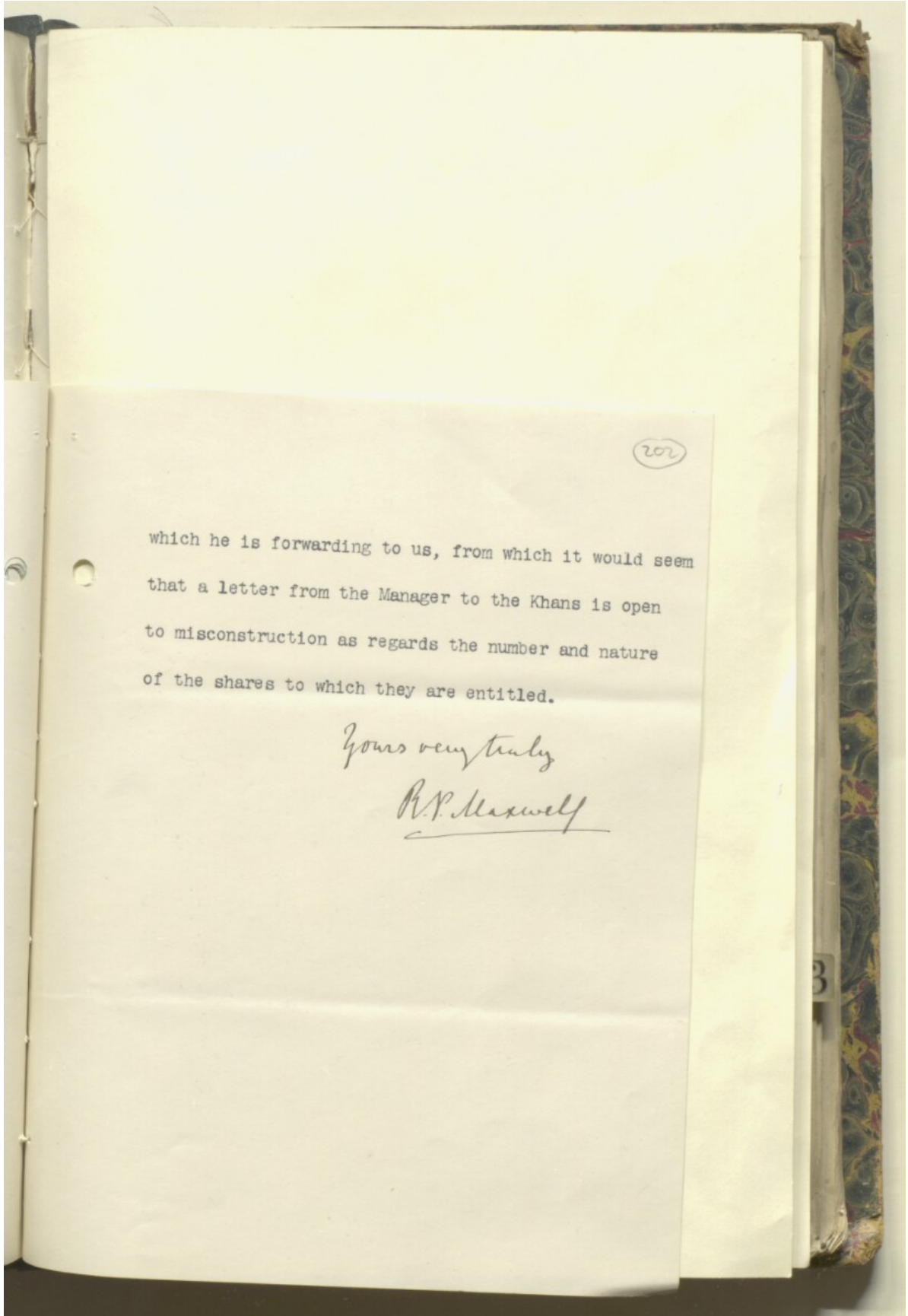


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠١ظ] (٢٩٢/٢٦٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٢٠٢و] (٢٩٢/٢٦١)

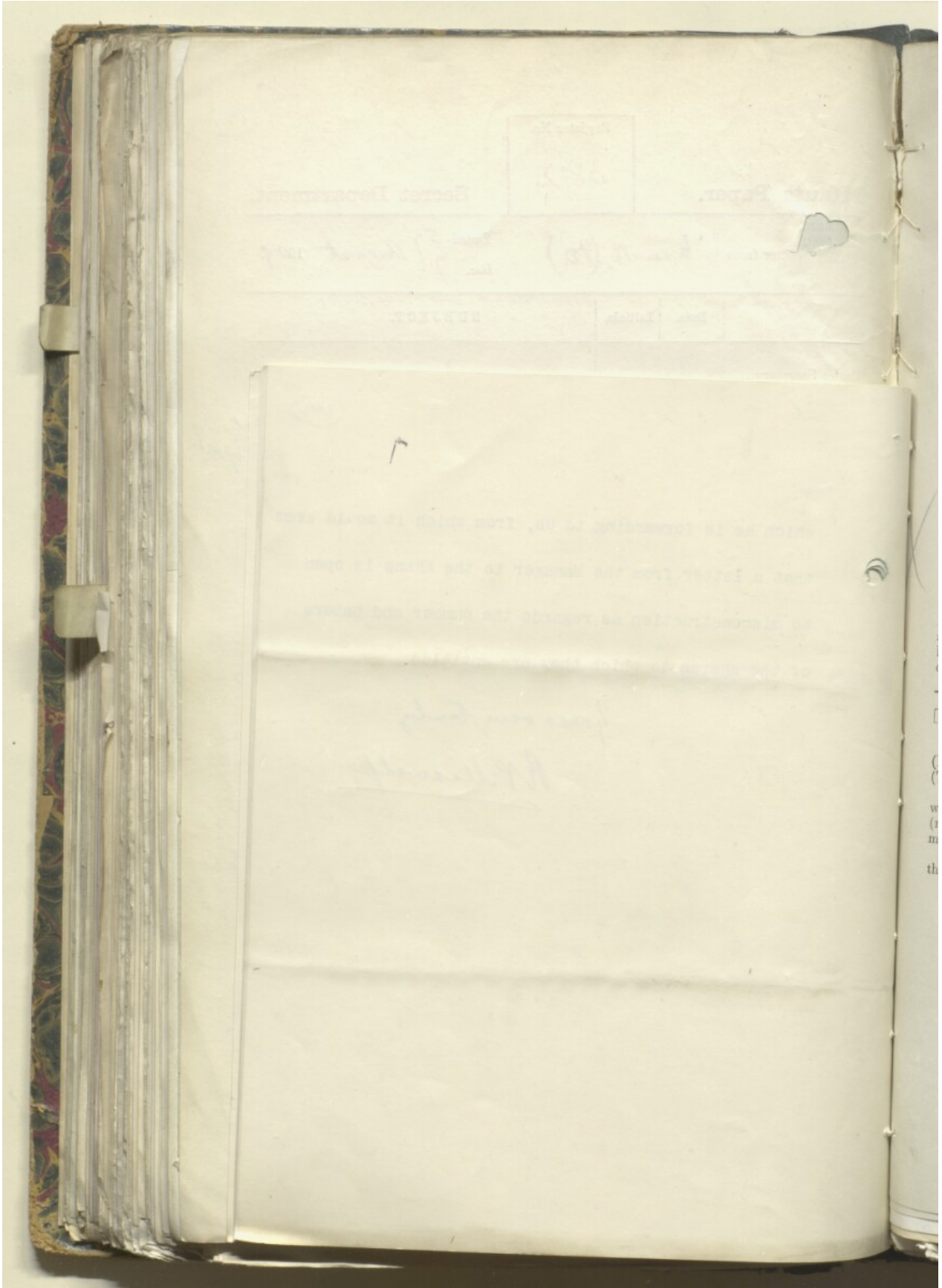


207
which he is forwarding to us, from which it would seem
that a letter from the Manager to the Khans is open
to misconstruction as regards the number and nature
of the shares to which they are entitled.

Yours very truly
R.P. Maxwell

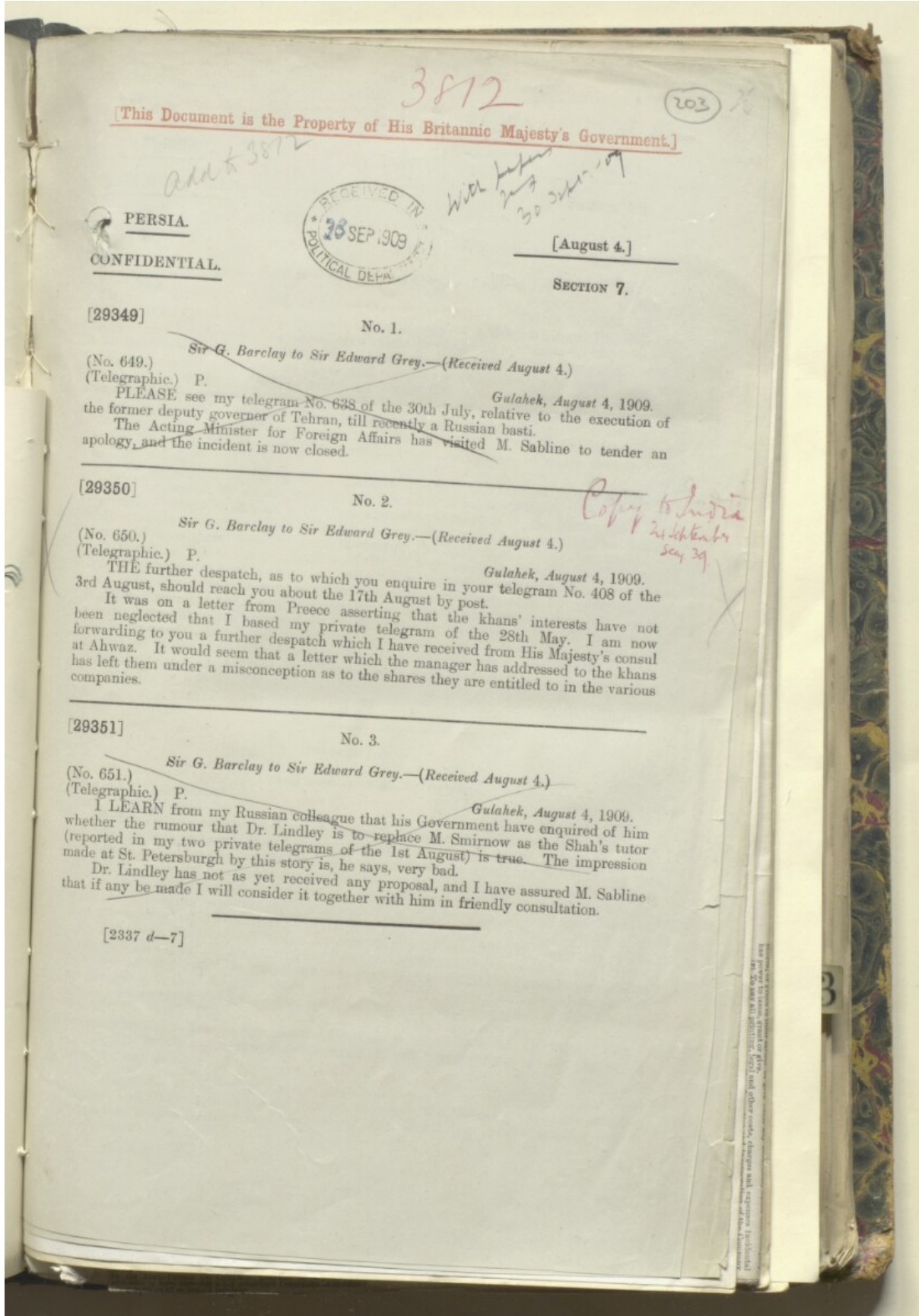


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٢ظ] (٢٩٢/٢٦٢)



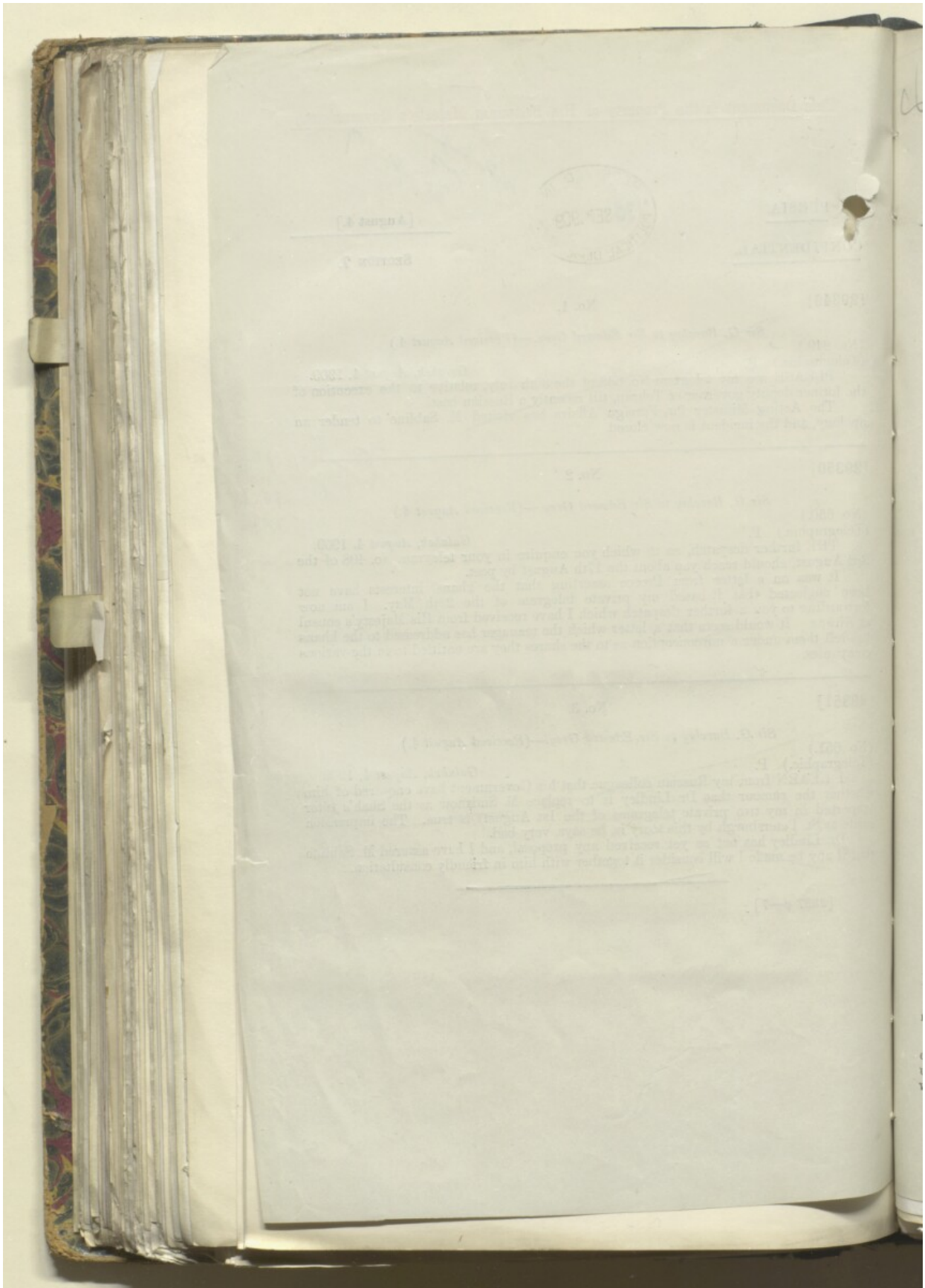


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٣ و] [٢٩٢/٢٦٣]



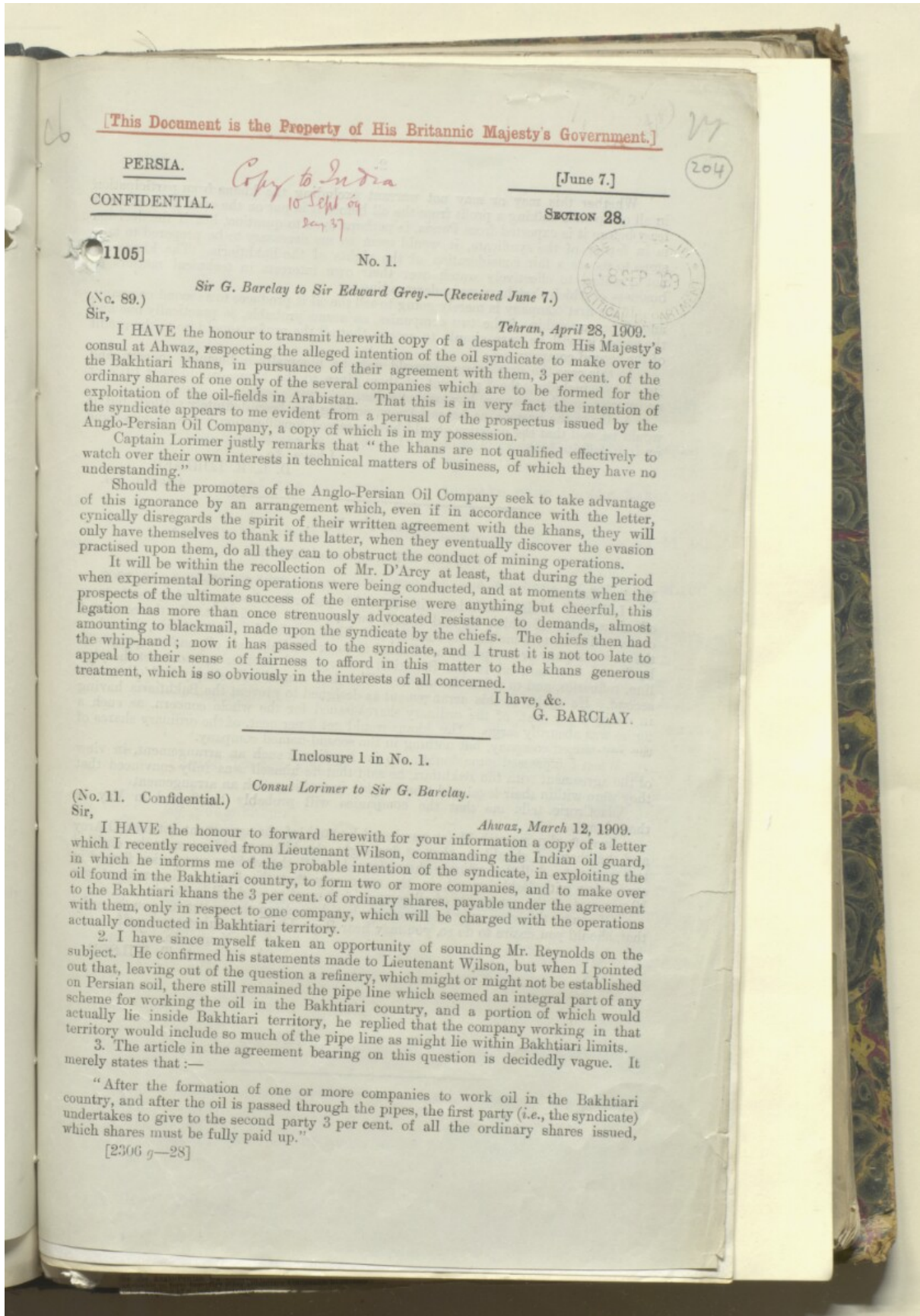


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢٠٣ظ] (٢٩٢/٢٦٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢٠٤ و] (٢٩٢/٢٦٥)



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PERSIA.

CONFIDENTIAL.

[June 7.]

SECTION 28.

1105]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received June 7.)

(No. 89.)

Sir,

Tehran, April 28, 1909.

I HAVE the honour to transmit herewith copy of a despatch from His Majesty's consul at Ahwaz, respecting the alleged intention of the oil syndicate to make over to the Bakhtiari khans, in pursuance of their agreement with them, 3 per cent. of the ordinary shares of one only of the several companies which are to be formed for the exploitation of the oil-fields in Arabistan. That this is in very fact the intention of the syndicate appears to me evident from a perusal of the prospectus issued by the Anglo-Persian Oil Company, a copy of which is in my possession.

Captain Lorimer justly remarks that "the khans are not qualified effectively to watch over their own interests in technical matters of business, of which they have no understanding."

Should the promoters of the Anglo-Persian Oil Company seek to take advantage of this ignorance by an arrangement which, even if in accordance with the letter, cynically disregards the spirit of their written agreement with the khans, they will only have themselves to thank if the latter, when they eventually discover the evasion practised upon them, do all they can to obstruct the conduct of mining operations.

It will be within the recollection of Mr. D'Arcy at least, that during the period when experimental boring operations were being conducted, and at moments when the prospects of the ultimate success of the enterprise were anything but cheerful, this legation has more than once strenuously advocated resistance to demands, almost amounting to blackmail, made upon the syndicate by the chiefs. The chiefs then had the whip-hand; now it has passed to the syndicate, and I trust it is not too late to appeal to their sense of fairness to afford in this matter to the khans generous treatment, which is so obviously in the interests of all concerned.

I have, &c.

G. BARCLAY.

Inclosure 1 in No. 1.

Consul Lorimer to Sir G. Barclay.

(No. 11. Confidential.)

Sir,

Ahwaz, March 12, 1909.

I HAVE the honour to forward herewith for your information a copy of a letter which I recently received from Lieutenant Wilson, commanding the Indian oil guard, in which he informs me of the probable intention of the syndicate, in exploiting the oil found in the Bakhtiari country, to form two or more companies, and to make over to the Bakhtiari khans the 3 per cent. of ordinary shares, payable under the agreement with them, only in respect to one company, which will be charged with the operations actually conducted in Bakhtiari territory.

2. I have since myself taken an opportunity of sounding Mr. Reynolds on the subject. He confirmed his statements made to Lieutenant Wilson, but when I pointed out that, leaving out of the question a refinery, which might or might not be established on Persian soil, there still remained the pipe line which seemed an integral part of any scheme for working the oil in the Bakhtiari country, and a portion of which would actually lie inside Bakhtiari territory, he replied that the company working in that territory would include so much of the pipe line as might lie within Bakhtiari limits.

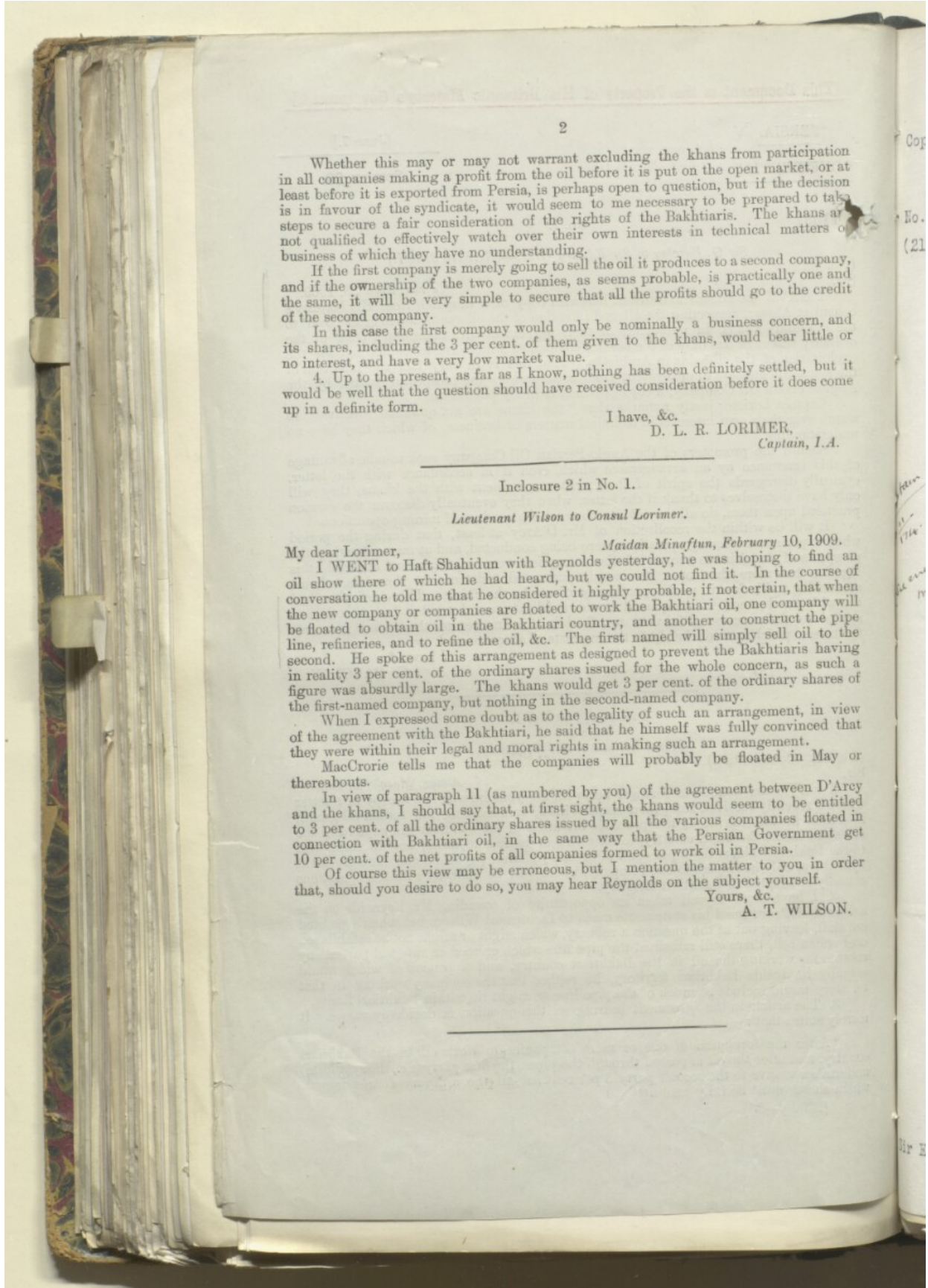
3. The article in the agreement bearing on this question is decidedly vague. It merely states that:—

"After the formation of one or more companies to work oil in the Bakhtiari country, and after the oil is passed through the pipes, the first party (i.e., the syndicate) undertakes to give to the second party 3 per cent. of all the ordinary shares issued, which shares must be fully paid up."

[2306 9-28]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢٠٤ظ] (٢٩٢/٢٦٦)



2

Whether this may or may not warrant excluding the khans from participation in all companies making a profit from the oil before it is put on the open market, or at least before it is exported from Persia, is perhaps open to question, but if the decision is in favour of the syndicate, it would seem to me necessary to be prepared to take steps to secure a fair consideration of the rights of the Bakhtiari. The khans are not qualified to effectively watch over their own interests in technical matters of business of which they have no understanding.

If the first company is merely going to sell the oil it produces to a second company, and if the ownership of the two companies, as seems probable, is practically one and the same, it will be very simple to secure that all the profits should go to the credit of the second company.

In this case the first company would only be nominally a business concern, and its shares, including the 3 per cent. of them given to the khans, would bear little or no interest, and have a very low market value.

4. Up to the present, as far as I know, nothing has been definitely settled, but it would be well that the question should have received consideration before it does come up in a definite form.

I have, &c.

D. L. R. LORIMER,

Captain, I.A.

Inclosure 2 in No. 1.

Lieutenant Wilson to Consul Lorimer.

My dear Lorimer,

Maidan Minaftun, February 10, 1909.

I WENT to Haft Shahidun with Reynolds yesterday, he was hoping to find an oil show there of which he had heard, but we could not find it. In the course of conversation he told me that he considered it highly probable, if not certain, that when the new company or companies are floated to work the Bakhtiari oil, one company will be floated to obtain oil in the Bakhtiari country, and another to construct the pipe line, refineries, and to refine the oil, &c. The first named will simply sell oil to the second. He spoke of this arrangement as designed to prevent the Bakhtiari having in reality 3 per cent. of the ordinary shares issued for the whole concern, as such a figure was absurdly large. The khans would get 3 per cent. of the ordinary shares of the first-named company, but nothing in the second-named company.

When I expressed some doubt as to the legality of such an arrangement, in view of the agreement with the Bakhtiari, he said that he himself was fully convinced that they were within their legal and moral rights in making such an arrangement.

MacCrorie tells me that the companies will probably be floated in May or thereabouts.

In view of paragraph 11 (as numbered by you) of the agreement between D'Arcy and the khans, I should say that, at first sight, the khans would seem to be entitled to 3 per cent. of all the ordinary shares issued by all the various companies floated in connection with Bakhtiari oil, in the same way that the Persian Government get 10 per cent. of the net profits of all companies formed to work oil in Persia.

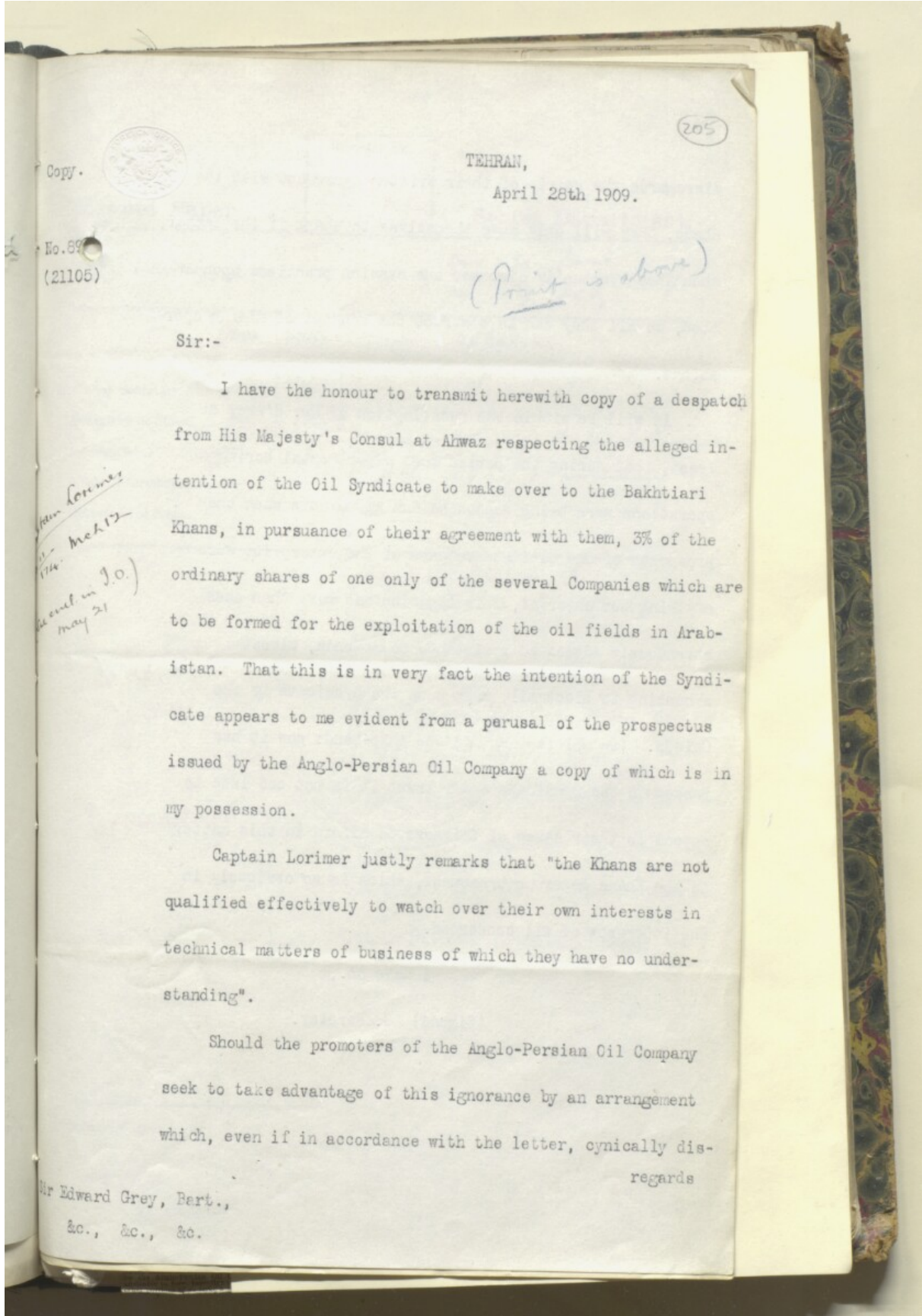
Of course this view may be erroneous, but I mention the matter to you in order that, should you desire to do so, you may hear Reynolds on the subject yourself.

Yours, &c.

A. T. WILSON.

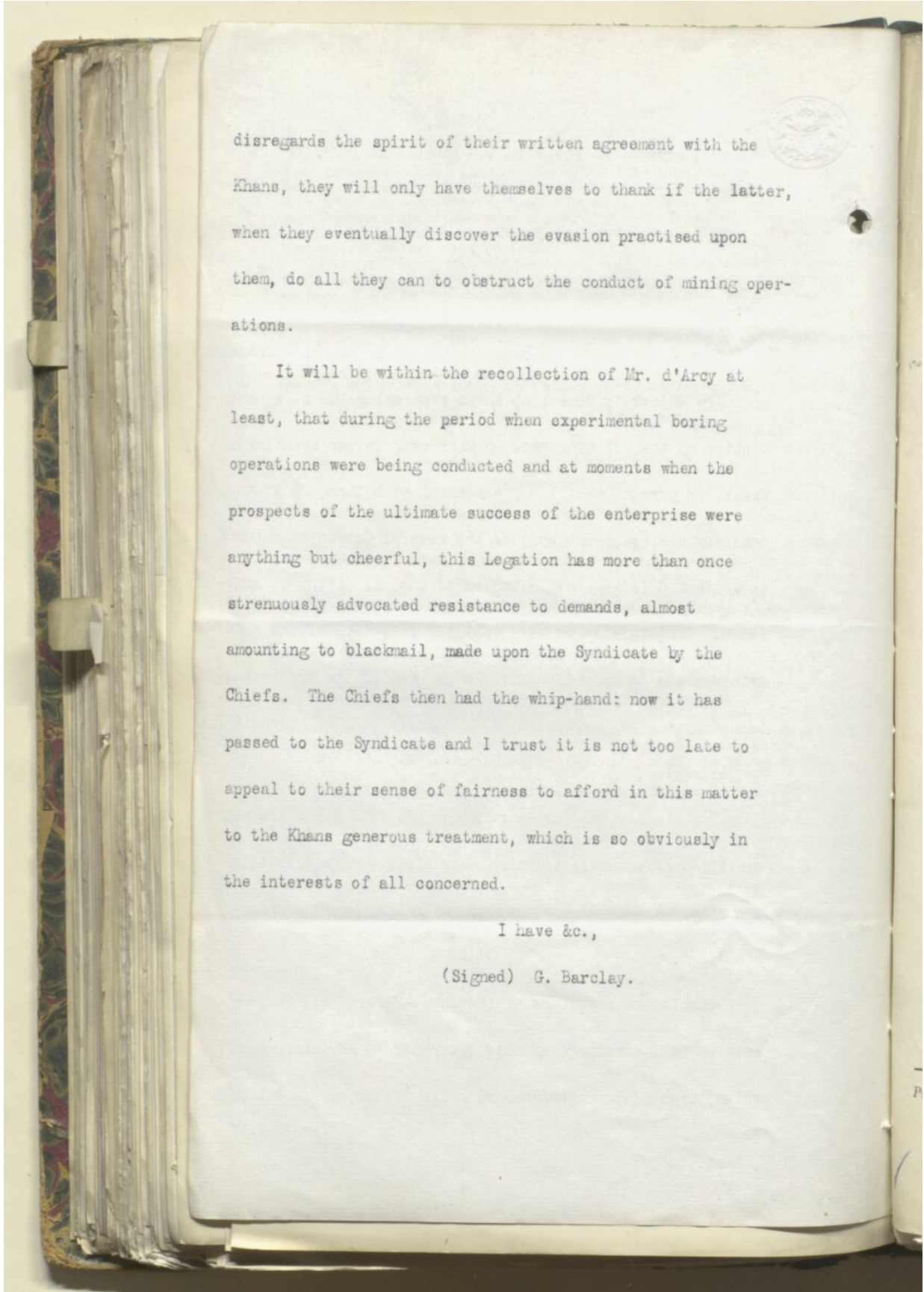


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢٠٥ و] (٢٩٢/٢٦٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٥ظ] (٢٩٢/٢٦٨)



disregards the spirit of their written agreement with the Khans, they will only have themselves to thank if the latter, when they eventually discover the evasion practised upon them, do all they can to obstruct the conduct of mining operations.

It will be within the recollection of Mr. d'Arcy at least, that during the period when experimental boring operations were being conducted and at moments when the prospects of the ultimate success of the enterprise were anything but cheerful, this Legation has more than once strenuously advocated resistance to demands, almost amounting to blackmail, made upon the Syndicate by the Chiefs. The Chiefs then had the whip-hand: now it has passed to the Syndicate and I trust it is not too late to appeal to their sense of fairness to afford in this matter to the Khans generous treatment, which is so obviously in the interests of all concerned.

I have &c.,

(Signed) G. Barclay.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٦ و] (٢٩٢/٢٦٩)

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Register No. 1037

Minute Paper. Secret Department.

Letter from India Dated 30 June 1909
Rec. 19 July 1909

	Date.	Initials.	SUBJECT.
Under Secretary.....	21.7	KK	<u>Persia.</u> Prospectus of the Anglo-Persian Oil Company: comments by Lt. Wilson.
Secretary of State.....	22	ag	
Committee.....			
Under Secretary.....			
Secretary of State.....			

Copy to Mr Maxwell, FO, with P.O. letter from KK. 23.7.09. Mr Biddle too, P.O., 5 letter to KK 23.7.09

FOR INFORMATION.

No official action seems necessary or desirable on the part of this Office. But a copy of Lt Wilson's criticisms might be communicated confidentially to the FO, who are more directly concerned than we.

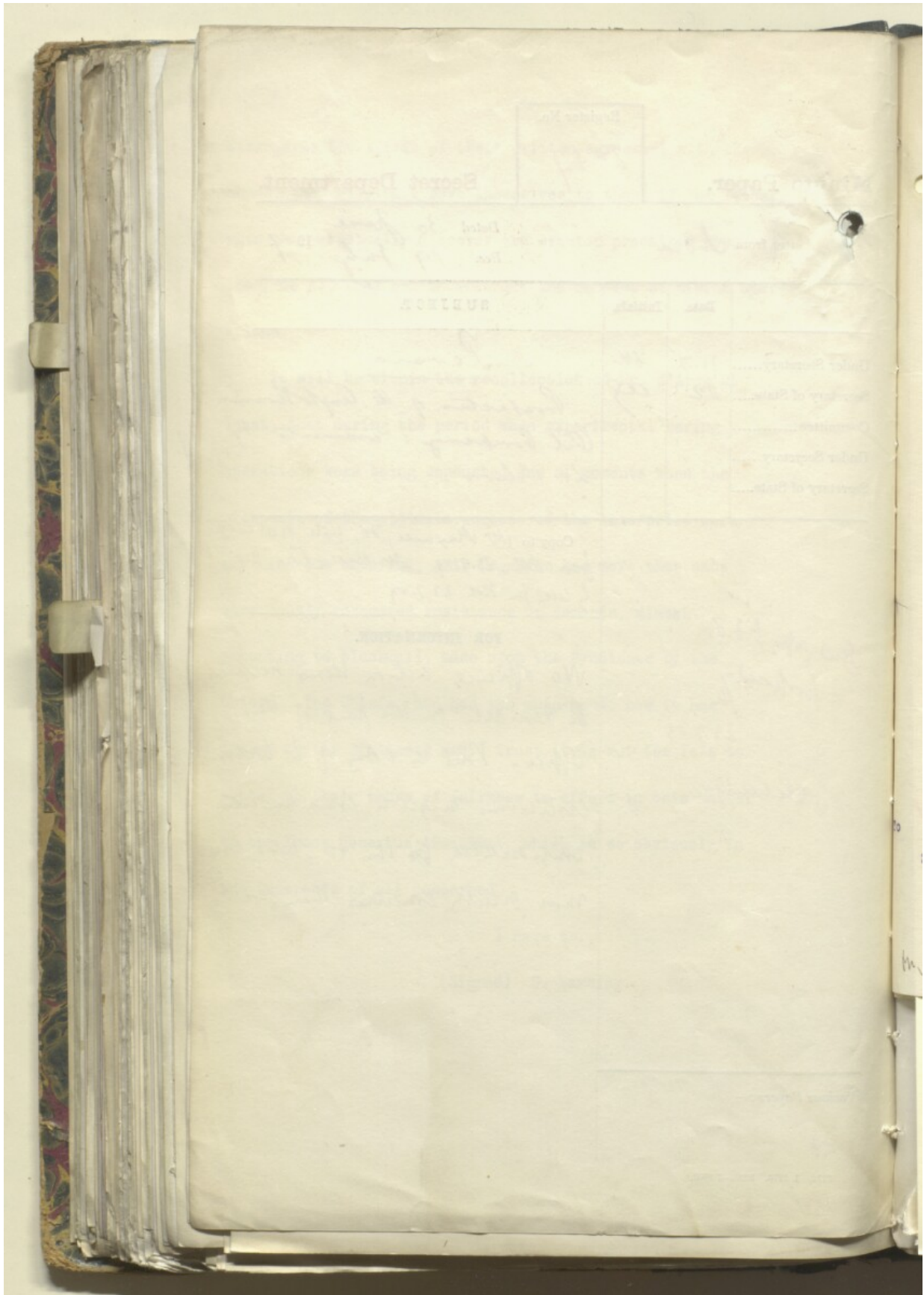
Send copy to F.O.
as intended.
23.7.09.
Not to be inserted.

Previous Papers:—

6172. I. 1278. 1000.—7/1900.

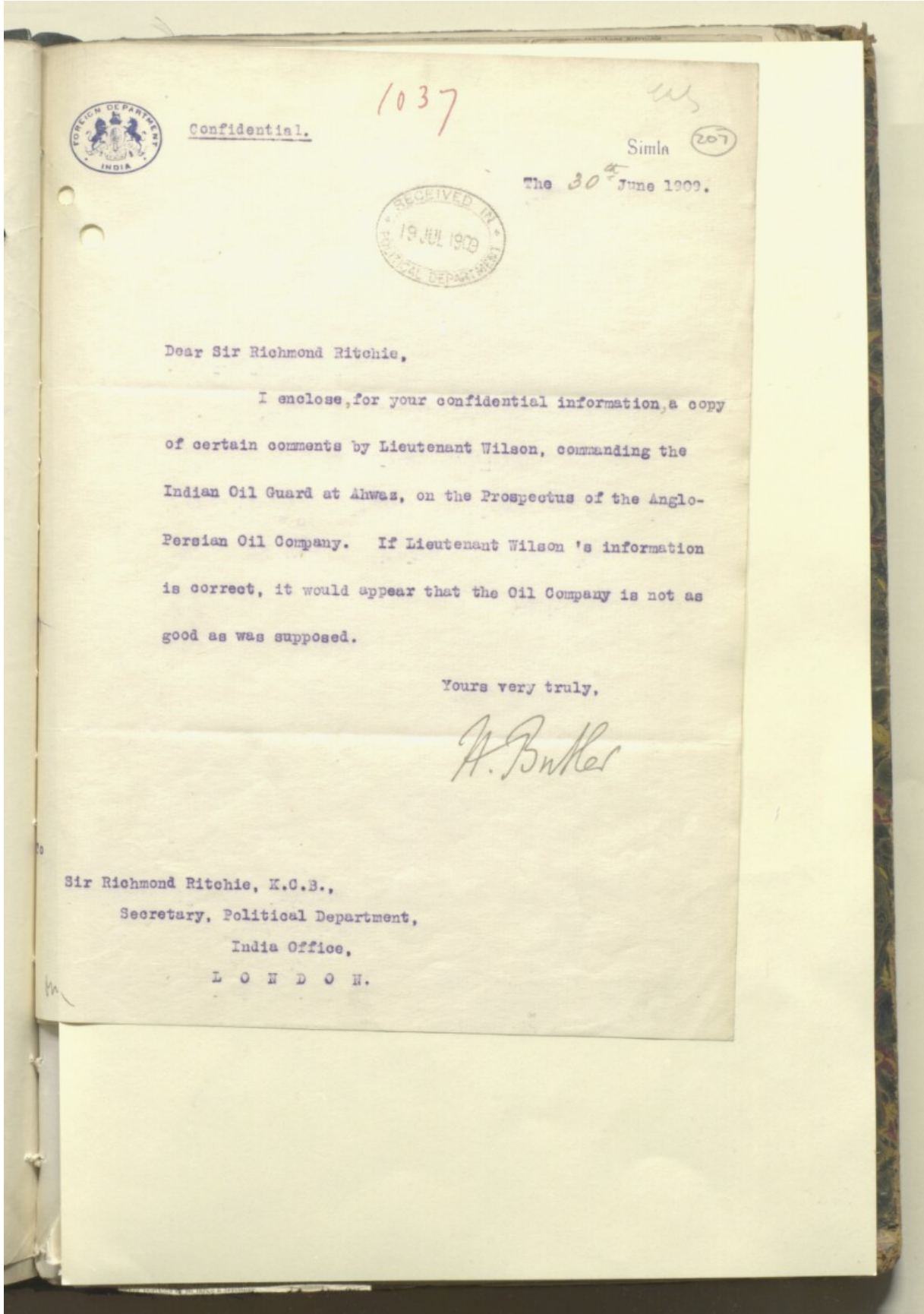


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٦ظ] (٢٩٢/٢٧٠)



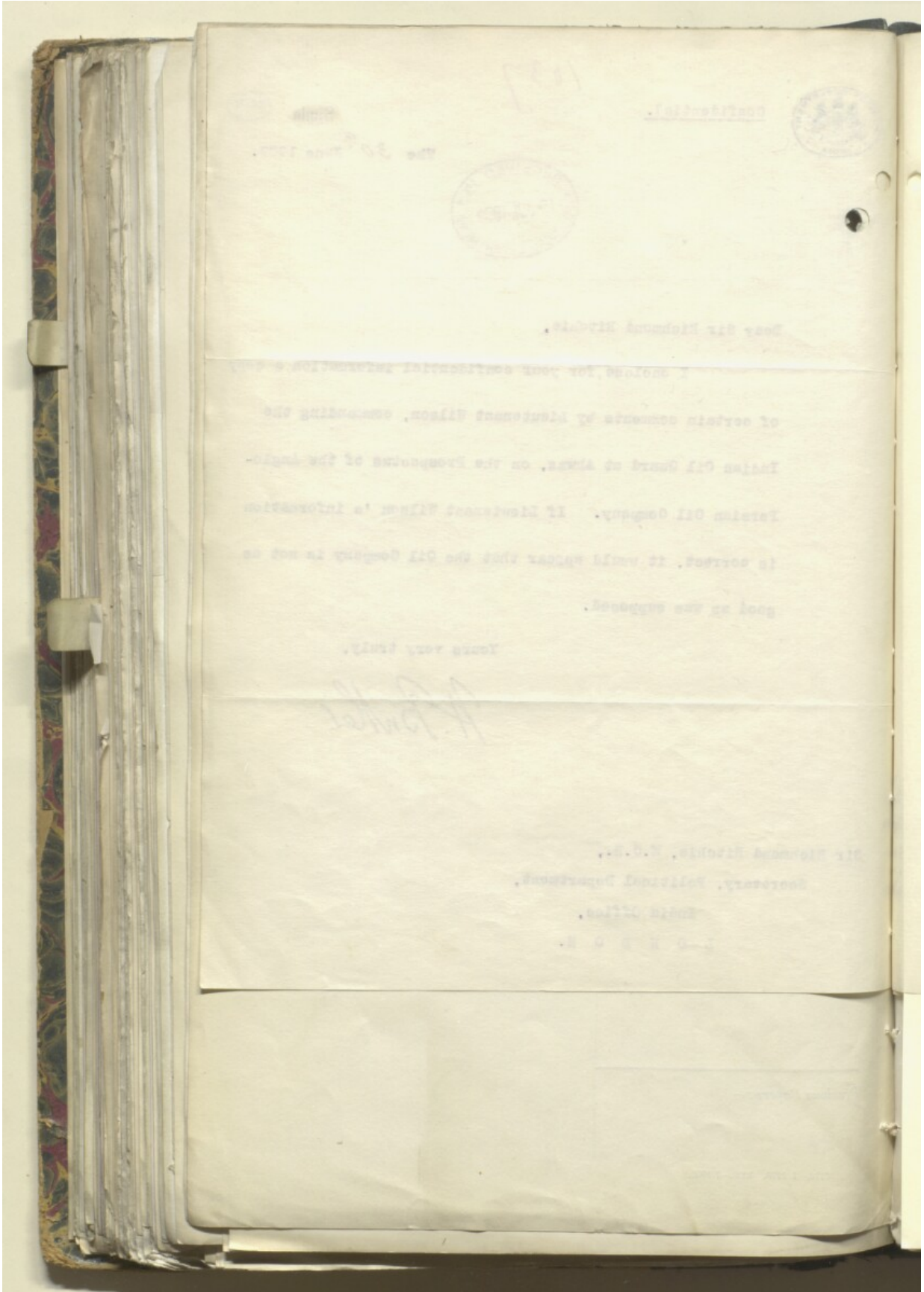


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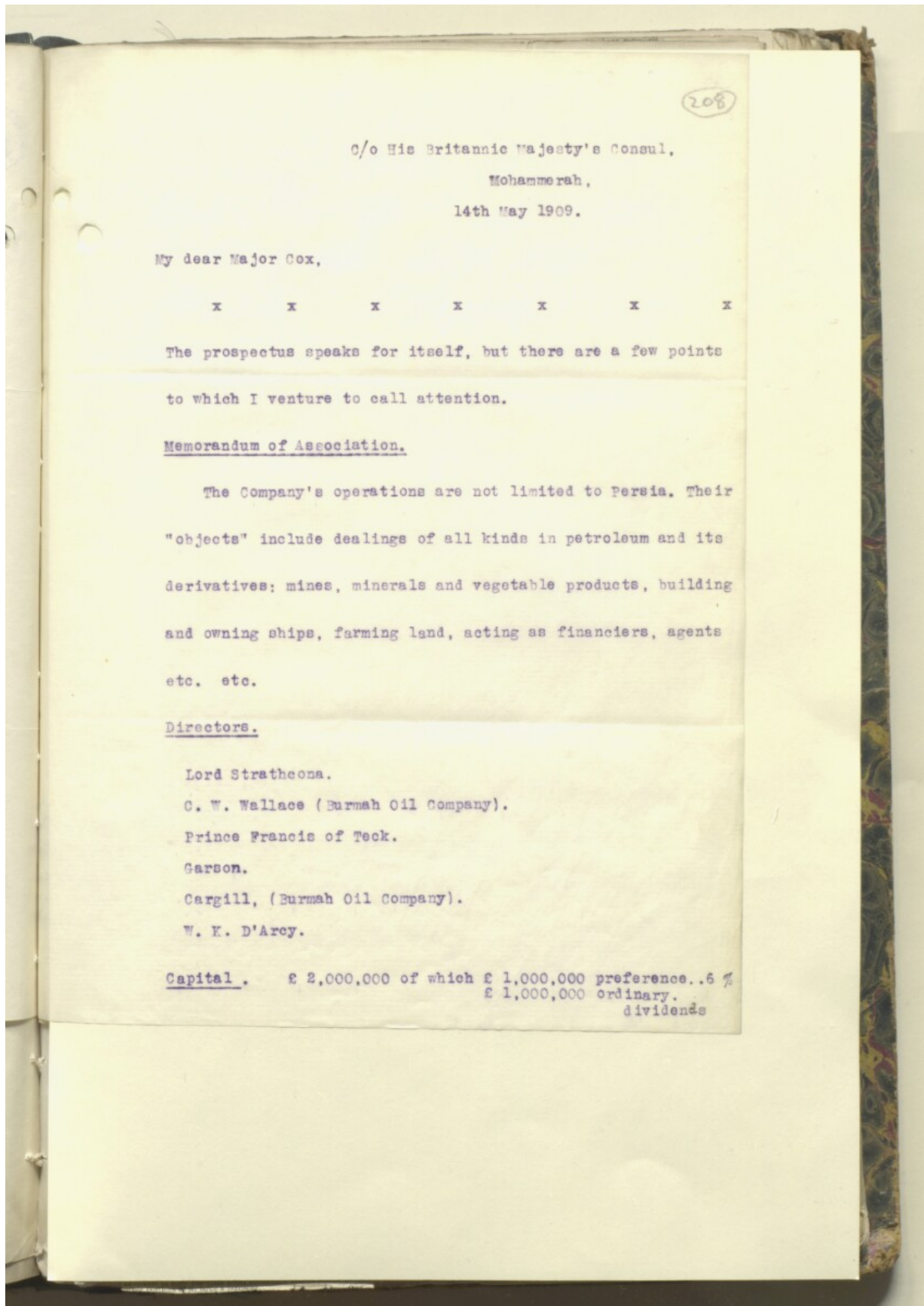


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٧ظ] (٢٩٢/٢٧٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختياريين؛ [٢٠٨ و] (٢٩٢/٢٧٣)



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c/o His Britannic Majesty's Consul,
Mohammerah,
14th May 1909.

My dear Major Cox,

x x x x x x x

The prospectus speaks for itself, but there are a few points
to which I venture to call attention.

Memorandum of Association.

The Company's operations are not limited to Persia. Their
"objects" include dealings of all kinds in petroleum and its
derivatives; mines, minerals and vegetable products, building
and owning ships, farming land, acting as financiers, agents
etc. etc.

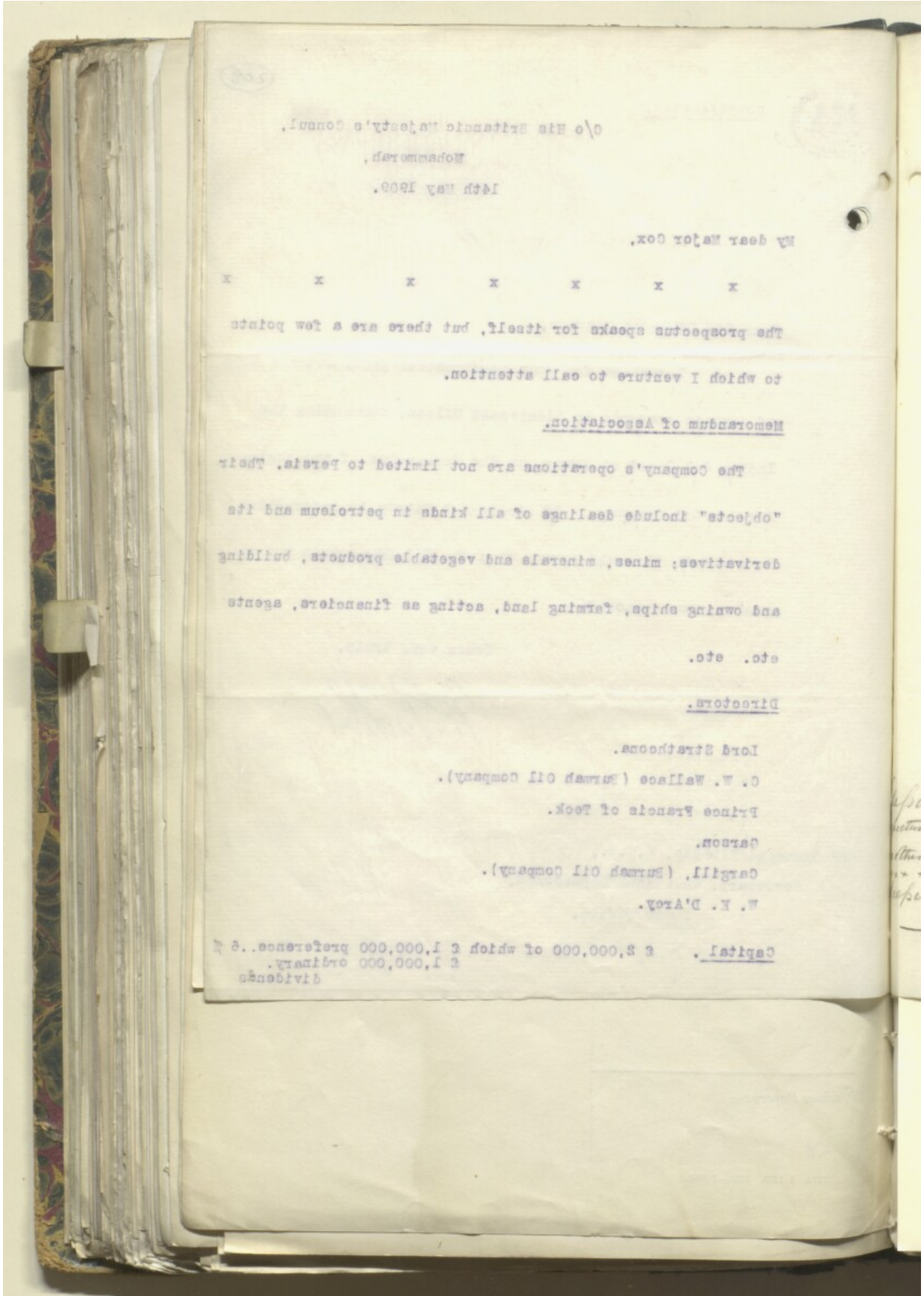
Directors.

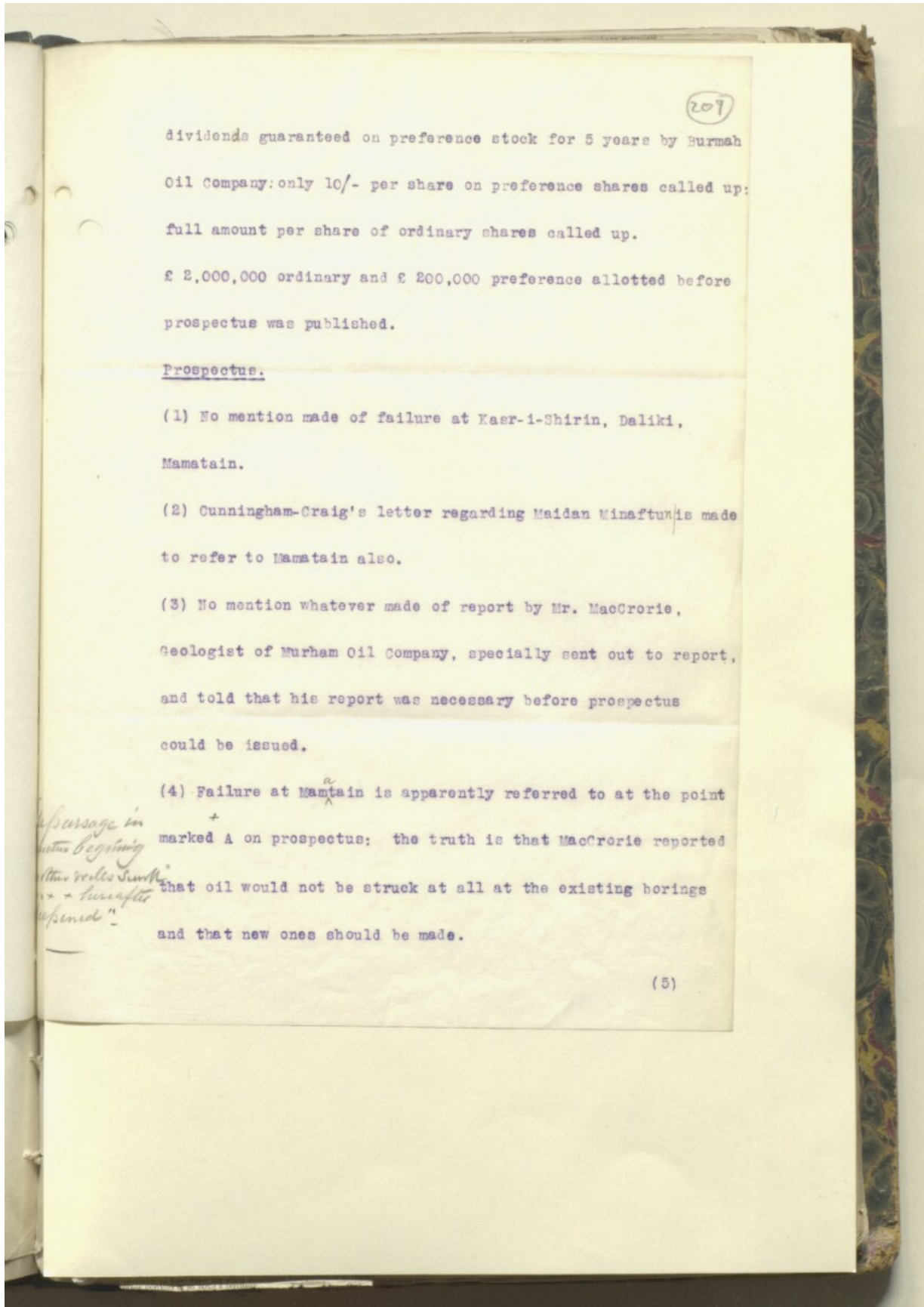
Lord Strathcona.
C. W. Wallace (Burmah Oil Company).
Prince Francis of Teck.
Garson.
Cargill, (Burmah Oil Company).
W. K. D'Arcy.

Capital. £ 2,000,000 of which £ 1,000,000 preference..6 %
£ 1,000,000 ordinary.
dividends



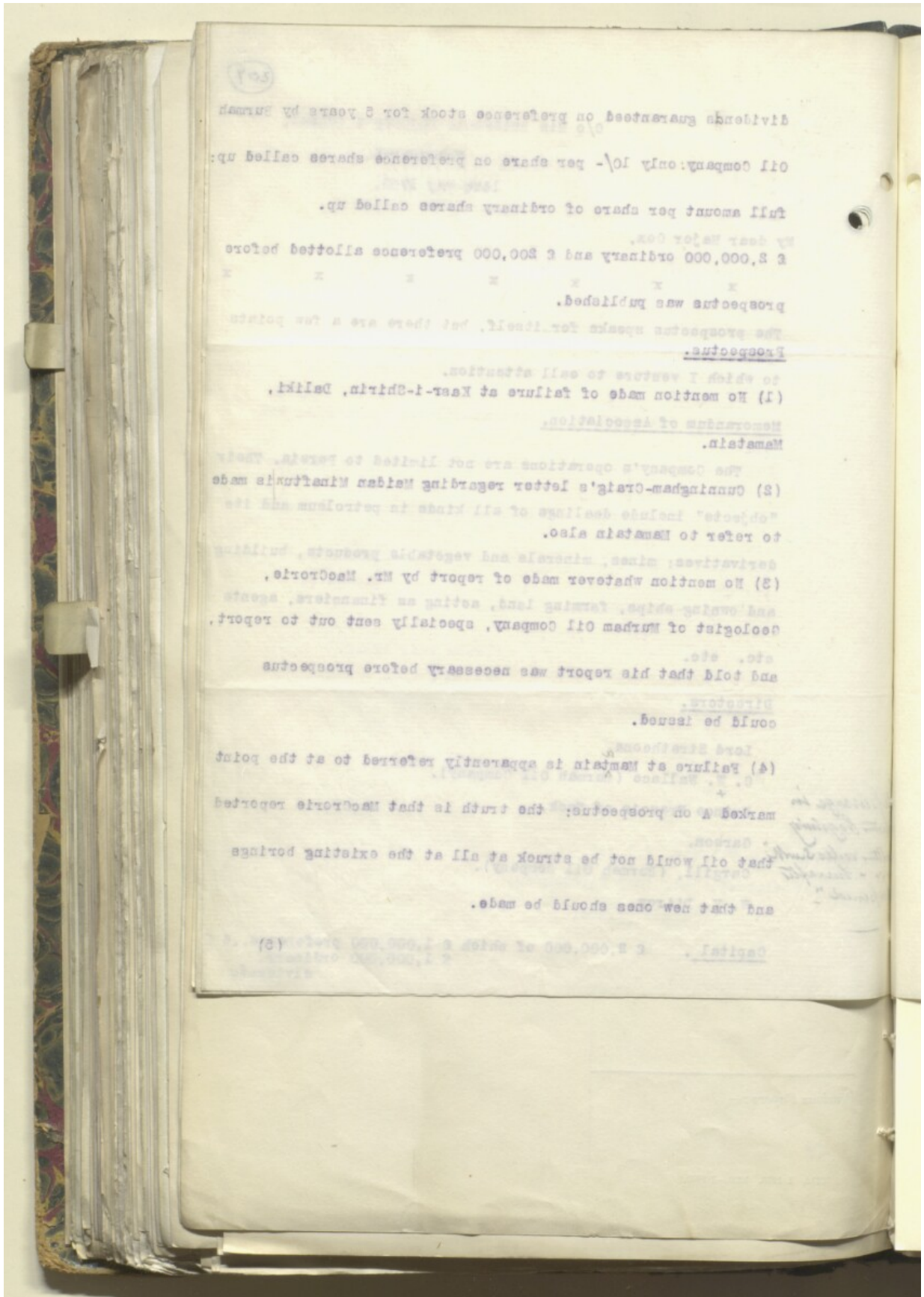
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٨ظ] (٢٩٢/٢٧٤)

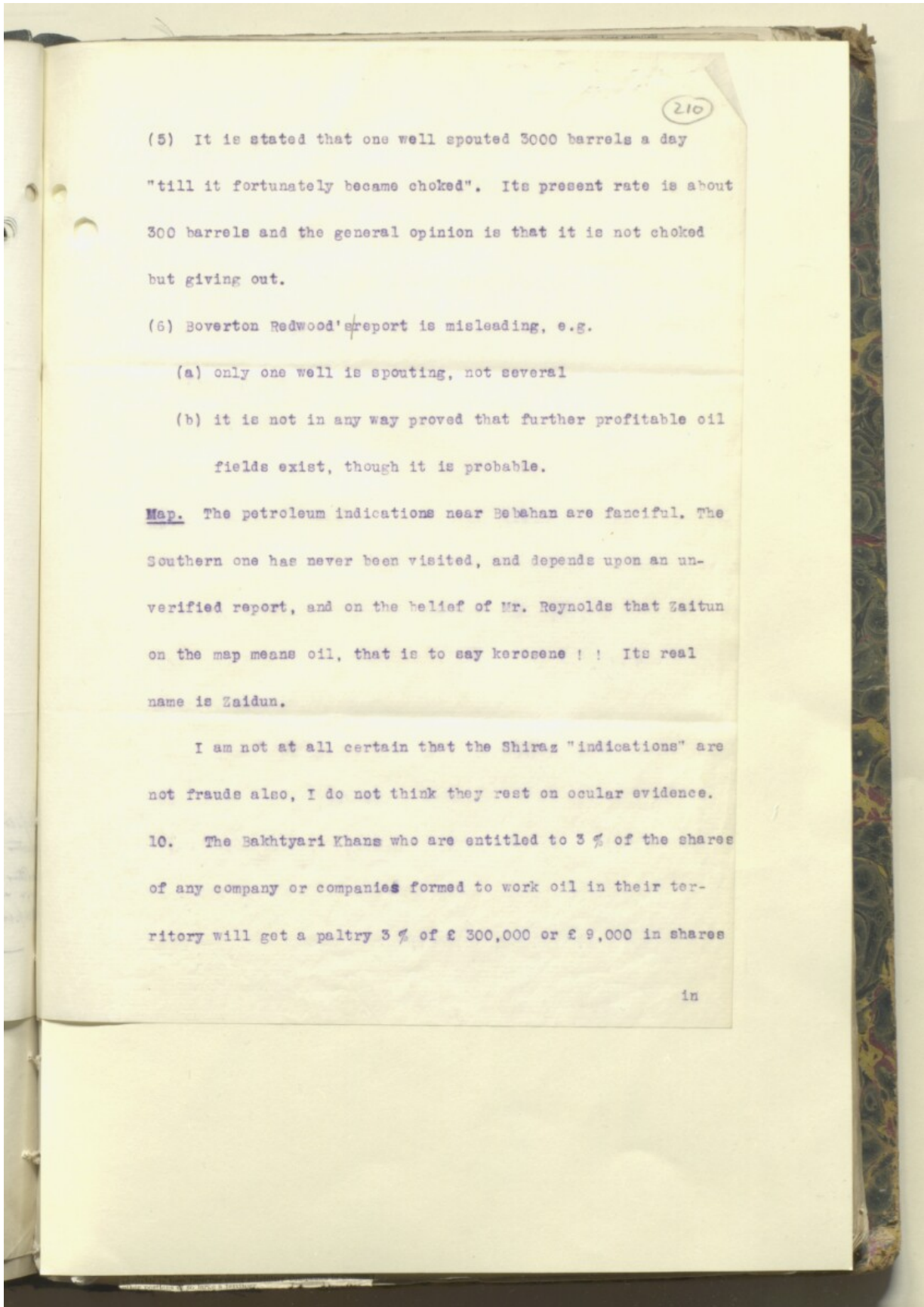






ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢٠٩ظ] (٢٩٢/٢٧٦)





(5) It is stated that one well spouted 3000 barrels a day "till it fortunately became choked". Its present rate is about 300 barrels and the general opinion is that it is not choked but giving out.

(6) Boverton Redwood's report is misleading, e.g.

(a) only one well is spouting, not several

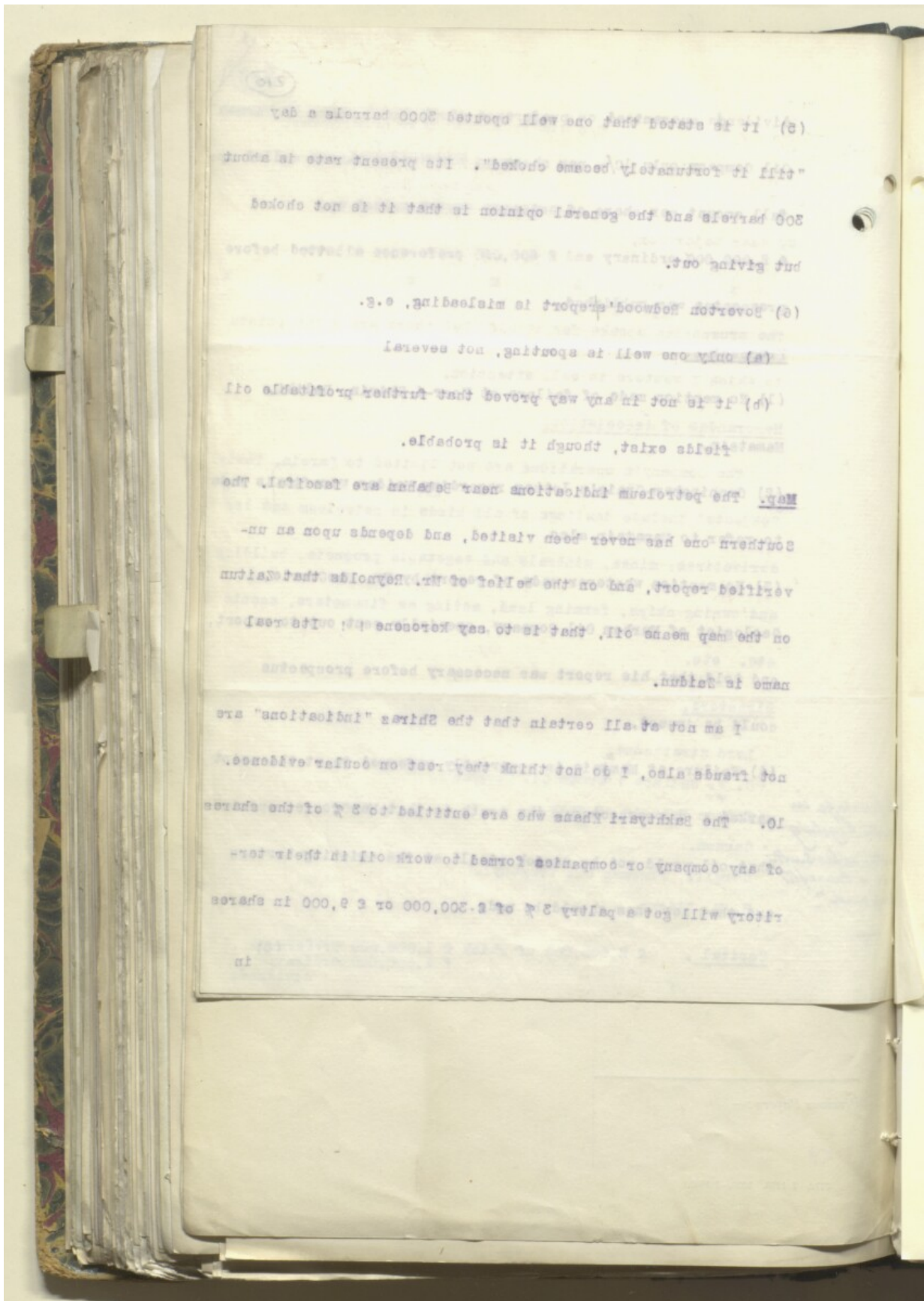
(b) it is not in any way proved that further profitable oil fields exist, though it is probable.

Map. The petroleum indications near Bebahan are fanciful. The Southern one has never been visited, and depends upon an unverified report, and on the belief of Mr. Reynolds that Zaitun on the map means oil, that is to say kerosene ! ! Its real name is Zaidun.

I am not at all certain that the Shiraz "indications" are not frauds also, I do not think they rest on ocular evidence.

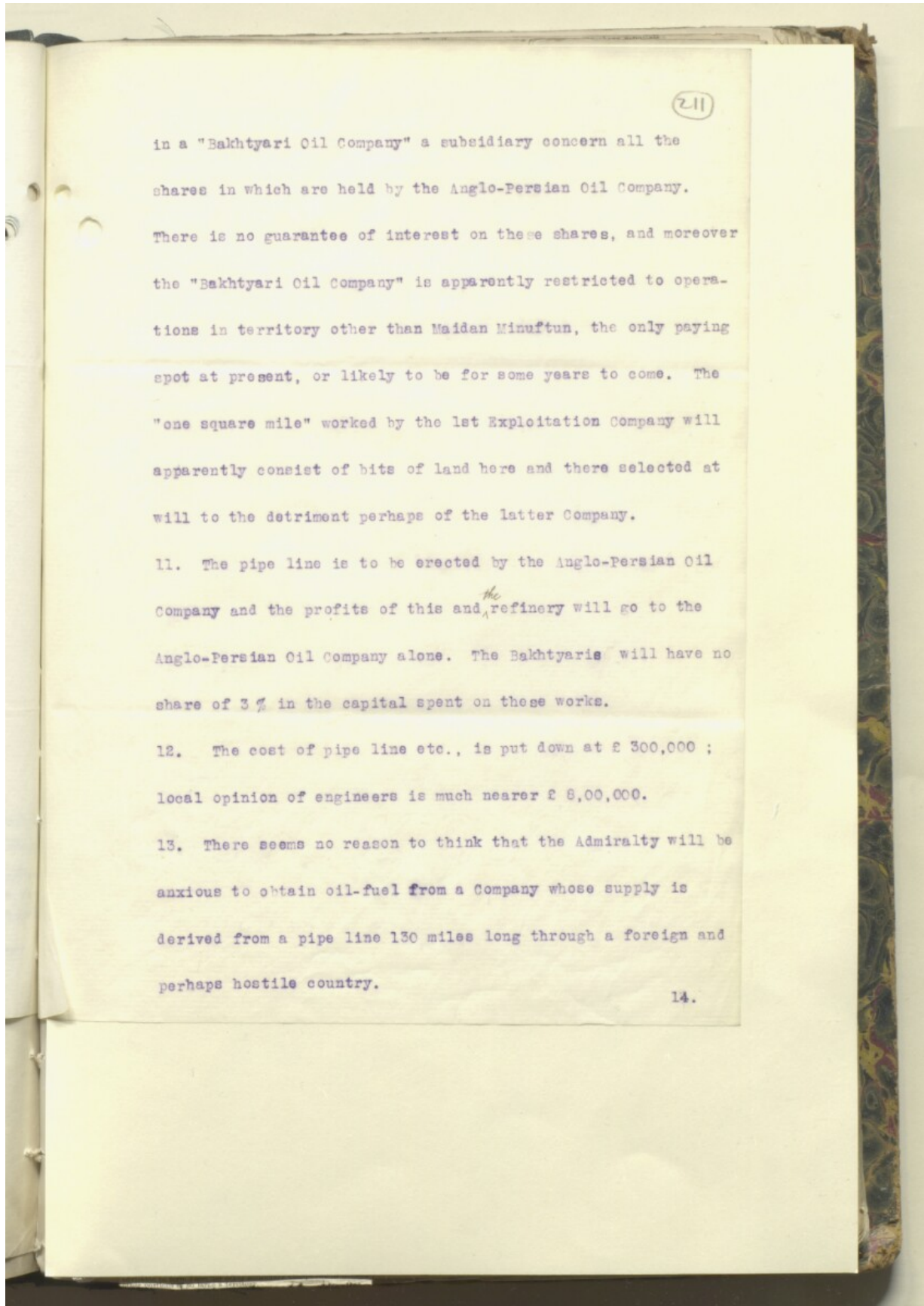
10. The Bakhtyari Khans who are entitled to 3 % of the shares of any company or companies formed to work oil in their territory will get a paltry 3 % of £ 300,000 or £ 9,000 in shares

in



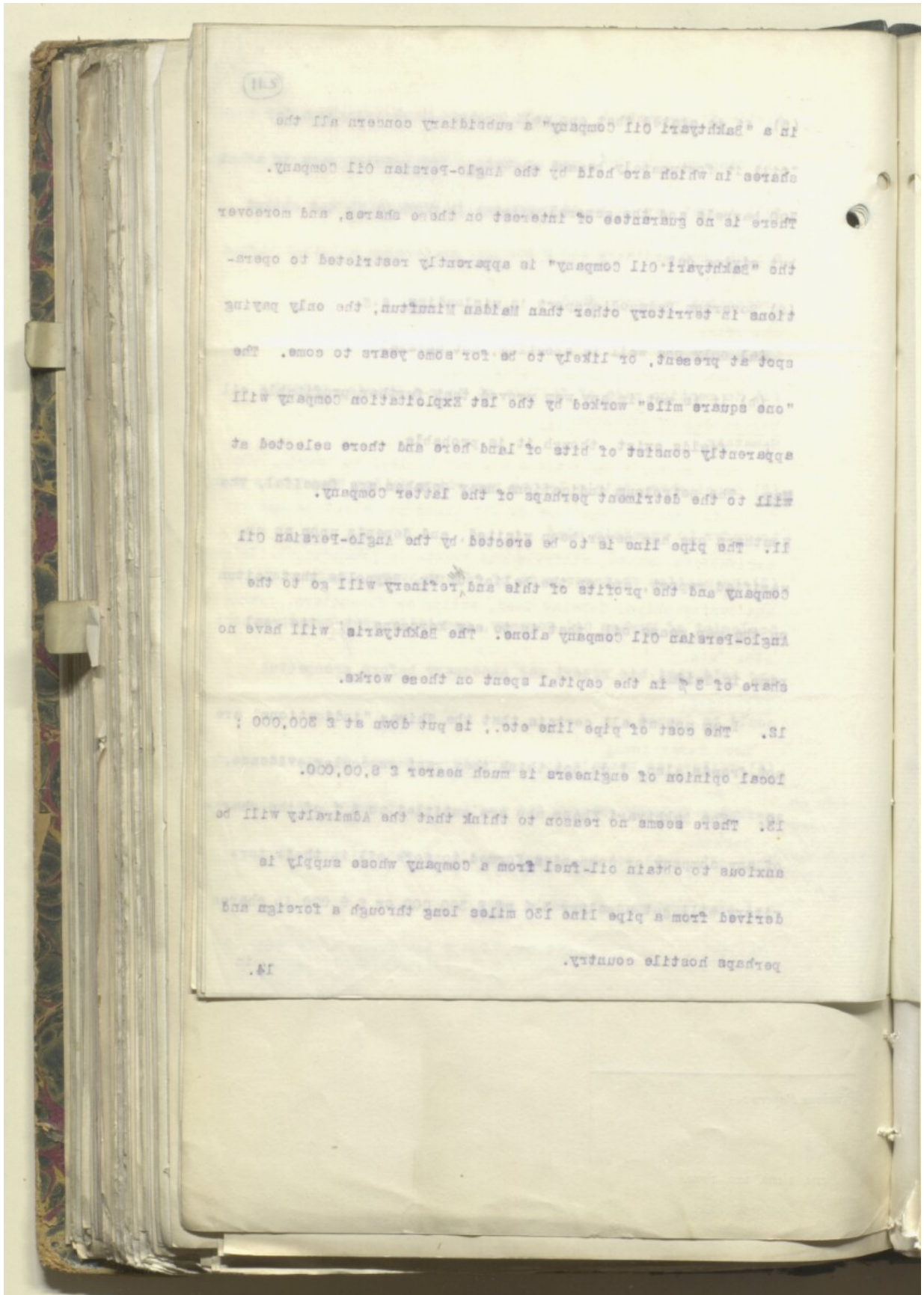


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢١١ و] (٢٩٢/٢٧٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١١ظ] (٢٩٢/٢٨٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختياريين؛ [٢١٢ و] (٢٩٢/٢٨١)

14. It is estimated that the pipe line, refinery etc., will be erected in less than 3 years. I think they will be lucky to complete it in five years. No commencement has yet been made or will be made till next cold weather.

To sum up, the prospectus is one remarkable for what it does not say, and for its extremely optimistic tone - a tone which I cannot myself consider justified at present.

Oil was first struck on 26th May 1908 and since then practically nothing has been done. 4 more wells have been sunk, but stopped in each case as soon as a smell of oil was reached, in order to prevent waste.

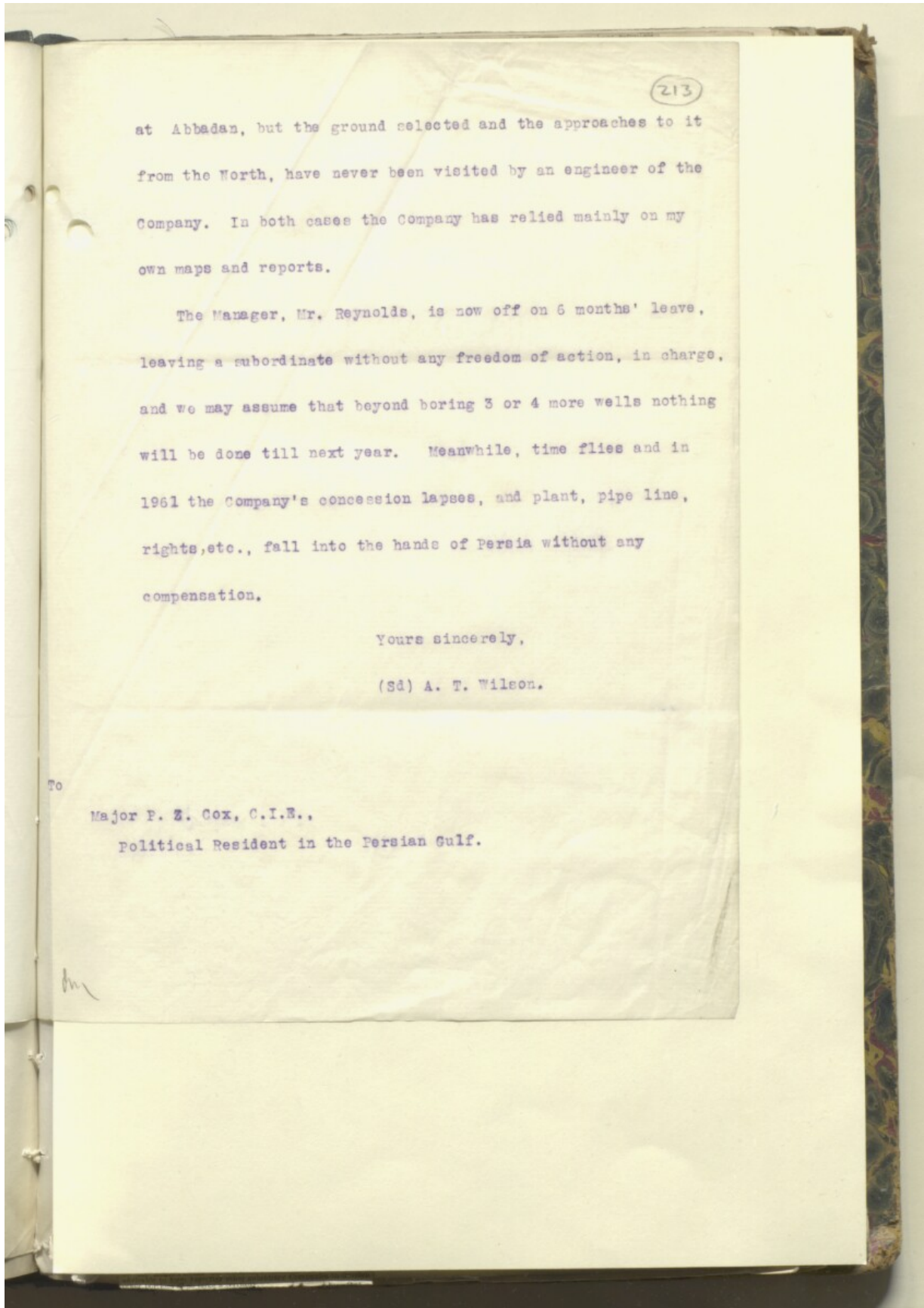
Mamstain has been abandoned for the time being. No steps have been taken to survey the ground traversed by the pipe line which for 30 miles is very rocky and difficult. The Chief Engineer of the Company has not even been over it, though he might have gone. Until the winter, no steps can now be taken in this direction owing to the heat.

Negotiations are in progress regarding a refinery site

at

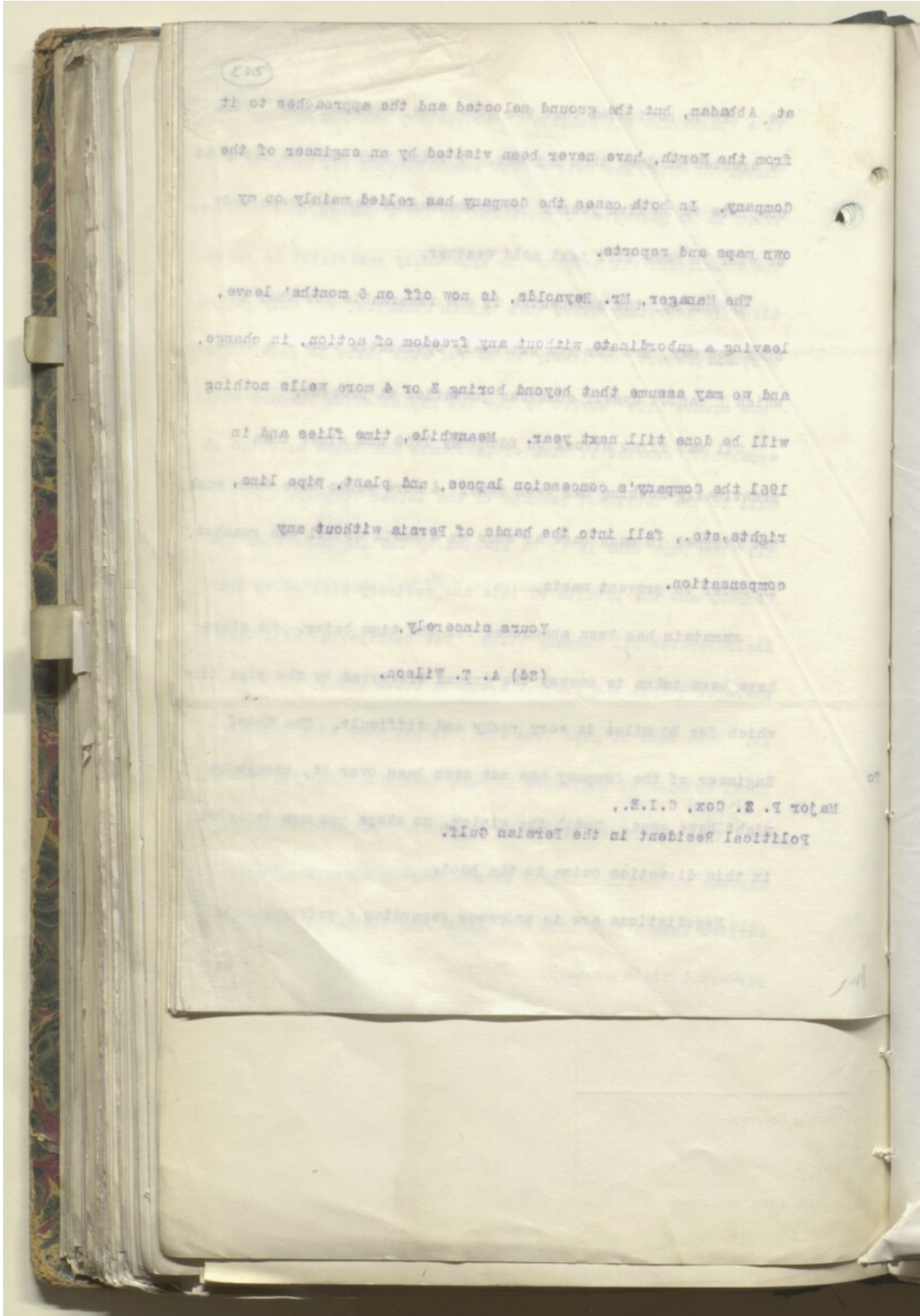


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١٣ و] (٢٩٢/٢٨٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١٣ظ] (٢٩٢/٢٨٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١٤] و [٢٩٢/٢٨٥]

(214)

This Prospectus has been filed with the Registrar of Joint Stock Companies.
The List will be opened on the 19th April, 1909, and will be closed on or before the 21st April, 1909.

Anglo-Persian Oil Company, Limited

(Incorporated under the Companies (Consolidation) Act, 1908).

CAPITAL £2,000,000,

DIVIDED INTO

1,000,000 Cumulative 6 per Cent. PARTICIPATING PREFERENCE SHARES of £1 each,
AND
1,000,000 ORDINARY SHARES of £1 each.

ISSUE OF

600,000 Cumulative 6 per Cent. PARTICIPATING PREFERENCE SHARES of £1 each at par,

PAYABLE

2s. 6d. per Share on Application.
2s. 6d. " " Allotment.

And the balance, as and when required, in Calls not exceeding 5s. each, at intervals of not less than two months.

The Preference Shares are entitled to a Preferential and Cumulative Dividend at the rate of 6 per cent. per annum on the amounts paid thereon, such Dividends for the first five years being guaranteed as hereinafter mentioned by The Burmah Oil Company, Limited.

After payment of the Cumulative Preference Dividend and payment of a Dividend on the Ordinary Shares for the year at the rate of 6 per cent. per annum, the profits in each year will be applied in payment of a further Non-Cumulative Dividend on the amounts paid on the Preference Shares at the rate of 2 per cent. per annum, and subject thereto a sum will be carried to a Special Reserve Fund out of the profits of each year, which fund will be applied only (a) in making up any deficit on the 6 per cent. Preference Dividend, and (b) in payment of the Capital paid up on the Preference Shares and the premium of 10 per cent. payable in respect thereof, but such Reserve may be used as part of the Working Capital of the Company.

Subject as aforesaid, the balance of the profits available for Dividend will belong to the holders of the Ordinary Shares.

On a winding-up the Preference Shares will be entitled to the preferential payment of an amount equal to 110 per cent. of the amounts paid thereon. The remainder of the surplus assets available for distribution will belong to the holders of the Ordinary Shares.

£600,000 5 per Cent. FIRST DEBENTURE STOCK at par,

PAYABLE

£25 per cent. on Application.
£75 " " Allotment.

The Debenture Stock will be secured by a First Floating Charge on the whole of the Company's undertaking and assets in favour of the Trustees named below, and will be redeemable at the Company's option at 5 per cent. premium, either in whole or in part, on the 31st December, 1920, or on any subsequent 31st December, on not less than six months' notice, and will be redeemed at the like rate on the Company going into voluntary liquidation for the purpose of re-constitution or amalgamation. Commencing with the year 1920 the Company will redeem Debenture Stock to the amount of £20,000 annually, either by purchasing it in the open market, if obtainable under 5 per cent. premium, or by drawings in the usual way at 5 per cent. premium. The Company has the right to issue further Debenture Stock ranking *pari passu* with the above Stock up to a total Debenture issue equal to half the amount of the issued Share Capital for the time being.

Interest on the Debenture Stock will be payable half-yearly on 30th June and 31st December, the first payment being calculated on the instalments from the respective dates of payment. The Stock will only be transferable in multiples of £1.

Applications have already been received for 200,000 Preference Shares, and for £200,000 of Debenture Stock at par, and these Shares and Debenture Stock will be allotted to the applicants in full upon the terms of this Prospectus. Accordingly only 400,000 Preference Shares and £400,000 of Debenture Stock will be available for allotment otherwise.

The Directors will go to allotment only on subscription of the full amount of 600,000 Preference Shares and £600,000 of Debenture Stock.

No part of these issues has been underwritten.

Trustees for the Debenture Stockholders.

HIS GRACE THE DUKE OF SUTHERLAND, K.G., Suffolk House, St. James's, London, S.W.
THE RIGHT HON. THE EARL OF LICHFIELD, 38, Great Cumberland Place, London, W.

Solicitors for the Trustees to the Debenture Stockholders.

FRESHFIELDS, 31, Old Jewry, London, E.C.

Board of Directors.

Chairman.

THE RIGHT HON. LORD STRATHCONA AND MOUNT ROYAL, G.C.M.G., G.C.V.O., 28, Grosvenor Square, London, W.

Vice-Chairman.

C. W. WALLACE, Director The Burmah Oil Company, Limited, Winchester House, Old Broad Street, London, E.C.

Directors.

SIR HUGH S. BARNES, K.C.S.I., K.C.V.O. (late Lieutenant-Governor of Burma), East India United Service Club, St. James's Square, London, S.W.
JOHN T. CARGILL, Chairman The Burmah Oil Company, Limited, 175, West George Street, Glasgow.
W. K. D'ARCY, Chairman London Board Mount Morgan Gold Mining Company, Limited, 42, Grosvenor Square, London, W.
WILLIAM GARSON, Writer to the Signet, 5, Albyn Place, Edinburgh.
C. GHEENWAY, Merchant (R. G. Shaw & Co.), Winchester House, London, E.C.
JAMES HAMILTON, Director The Burmah Oil Company, Limited, 175, West George Street, Glasgow.
H.S.H. PRINCE FRANCIS OF TRUCK, K.C.V.O., D.S.O., 30, Welbeck Street, London, W.

Bankers.

NATIONAL PROVINCIAL BANK OF ENGLAND, LIMITED, Head Office, 112, Bishopsgate Street Within, London, E.C., and Branches.
BANK OF SCOTLAND, Edinburgh (Head Office); Glasgow; London.
THE IMPERIAL BANK OF PERSIA, 25, Abchurch Lane, London, E.C.

Solicitors for the Company.

ASHURST, MORRIS, CRISP & CO., 17, Throgmorton Avenue, London, E.C.

Solicitors for the Vendors.

FOR THE BURMAH OIL COMPANY, LIMITED, AND THE CONCESSIONS SYNDICATE, LIMITED—BOYDS, MILLER & THOMPSON, Glasgow.
FOR LORD STRATHCONA—SKENE, EDWARDS & GARSON, W.S., Edinburgh.

Brokers.

J. & A. SCRIMGEOUR, 37, Threadneedle Street, London, E.C.
S. M. PENNEY & MACGIBERGE, 24, George Square, Glasgow.

Auditors.

BROWN, FLEMING & MURRAY, C.A., 175, West George Street, Glasgow.

Secretary.

S. ARTHUR SMITH.

Offices.

WINCHESTER HOUSE, OLD BROAD STREET, LONDON, E.C.



PROSPECTUS.

The Company has been formed (*inter alia*) to acquire—

- (1) A Concession granted by the Government of His Imperial Majesty the Shah of Persia to Mr. W. K. D'Arcy giving the exclusive privilege to search for, develop, carry away and sell, Petroleum, Natural Gas, Asphalt and Ozokerite throughout the Persian Empire (with the exception of the Provinces of Azerbadjan, Ghilan, Mazendaran, Asdrabad and Khorasan) for a period of 60 years from the 28th May 1901, together with certain plant and other property connected therewith.
- (2) 450,000 £1 Shares, out of a total issued Capital of £500,000, in a Company called The First Exploitation Company, Limited, which was registered in England in 1903, with a Capital of £600,000, for the purpose of exploiting areas aggregating one square mile of the oil-bearing territory comprised in the above Concession, such areas to be selected by the Exploitation Company.
- (3) 300,000 £1 Shares, being the total issued Capital of a Company called the Bakhtiari Oil Company, Limited, which was registered in England in 1909, with a Capital of £400,000, for the purpose of exploiting oil-bearing territory in the portion of the above Concession known as the Bakhtiari Country, less the one square mile acquired by the First Exploitation Company, Limited.

Also to construct pipe lines, erect refineries, sink and work wells, and generally carry on the business of Petroleum producers, refiners, and dealers, and for the other objects set forth in its Memorandum of Association.

The Company is entitled to work the whole of the Concession by itself and by the two Companies mentioned in (2) and (3) above. In the first-named Company His Imperial Majesty the Shah of Persia and other persons hold 50,000 fully paid Shares, and in the second-named Company, as well as in any other Company that extracts Oil from their territories, the Chiefs of the Bakhtiari people will be entitled to 3 per cent. of the Shares fully paid, which percentage will so far as the original Capital of the two Companies is concerned be provided by this Company. All the rest of the issued Shares in both these subsidiary Companies will be acquired by the Anglo-Persian Oil Company, Limited. It may also be advisable to form hereafter other subsidiary Companies to develop other portions of so large a territory.

The Concession, in addition to granting the above privileges, also grants (A) freedom from all taxes and import duties on all material necessary for the working and development of the deposits and for the construction of the pipe lines; (B) freedom from all imposts and taxes on all products exported; (C) the exclusive right to lay pipe lines from the oil fields up to the Persian Gulf, as also the necessary distributing branches; (D) the right to acquire free of cost all uncultivated lands belonging to the State which may be necessary for the construction of the Company's works; (E) the right to acquire at fair and current rates any cultivated lands belonging to the State and, with the consent of the proprietors, on such conditions as may be mutually arranged, any other land and buildings (excluding holy places) that may be required. The Imperial Government of Persia binds itself to take all the necessary measures to enable the Company to carry out the objects of the Concession, to ensure the safety of the Company's plant and to protect the representatives of the Company. Under an agreement with the Chiefs of the Bakhtiari people, the Company undertakes to provide guards to protect all the employes and property of the Companies within the Bakhtiari territories, and to indemnify the Companies against all robbery loss or damage, if any should occur in those territories. As consideration for all the above privileges, the Company is to pay to the Persian Government 16 per cent. of the annual net profits of all companies that may be formed to work the concession, and the Bakhtiari Chiefs are to be paid £3000 per annum, plus 3 per cent. of the shares of any company formed to work the oil in their territory. The Company has furthermore to pay to the Persian Government the sum of 2000 toman (about £150) per annum as against the rent for three hand dug wells which have hitherto been let at this rental to native producers, and to pay a sum of £1000 per annum to the Imperial Commissioner appointed by the Persian Government. This Company is not formed for the purpose of purchasing a concession over lands with oil indications only, which may or may not justify the hopes to which they give rise, after the expenditure at the Shareholders' risk of large sums of money. It is formed to acquire oil fields which have been proved highly petroliferous at the expense and risk of the Concessionaire and of The Burmah Oil Company, Limited, and is not a mere venture, but an undertaking with the established basis of productive Oilfields requiring only the provision of the necessary means for transporting and refining the petroleum already found and for sinking further wells. In other words the Company, instead of risking its money on speculative operations during the next few years, repays the cost of the highly successful operations of the past few years.

The concession covers the whole of the area coloured green on the accompanying map, which is referred to in Sir Beverton Redwood's report hereinafter mentioned, or about three-fourths of the Persian Empire, and is unique, not only as regards the favourable character of its terms, but also in respect of the immense extent of petroliferous territory which it embraces. The red dots on the accompanying map show where unquestionable oil indications have been found, and it will be seen that they cover a line about 830 miles in length running in a south-easterly direction from the Diyala River to the Persian Gulf. At different points on this line there exist springs of petroleum from which the inhabitants have collected oil for their own consumption from very early times, and although it has of course not been possible, and will not for many years be possible, to test the whole of this long line by means of sinking wells thereon, it is reasonable to suppose that deposits as rich as those which have been proved exist throughout its length, although possibly not continuously. Development, as distinct from exploratory work, has so far been confined to those portions of the belt indicated on the accompanying map by red crosses.

Large portions of the area have been subjected to exhaustive geological examination and report during the past eight years under the direction of Sir Beverton Redwood, D.Sc., by Mr. H. T. Heris, F.G.S., Mr. W. H. Dalton, F.G.S., late of H.M. Geological Survey of Great Britain and Mr. E. H. Cunningham-Craig, B.A., F.G.S., late Government Geologist in Trinidad and Tobago, and all of these have reported most favourably as to the petroliferous character and the extent of the fields. On these reports, two series of wells were sunk, *ix.*, two wells near the northern end and four wells near the centre of the oil belt; by a staff of Canadian drillers acting under the direction of Mr. George B. Reynolds, an engineer experienced in such work. In all these six wells oil was struck at moderate depths. Two other wells sunk in another part of the area were stopped at a depth short of that at which the geologists calculate that oil will be struck, in order to concentrate work on the four-well field above alluded to, and these will be hereafter deepened. This four-well field is at a convenient place for commencing industrial operations, and the well sites have been so selected as to prove an oil deposit of about 1000 acres, capable of accommodating some 200 wells. This does not mean that this field is limited to 1000 acres, but that the four wells sunk at this field started outside the four, and each new well in which oil is struck will add to the area of proved deposit. But 200 wells are estimated to be more than ample to give the Company all the oil that it can handle for years to come, even if only a fair proportion of these achieve the great results which these already sunk give grounds for anticipating, for one of the four wells spouted as soon as the oil of the other wells, drilling was stopped as soon as indications of oil under pressure were met with, until it fortunately became choked. In the case of Sir Beverton Redwood in his report, dated 26th February, 1909, states—

"Ample sufficient work has been done to demonstrate the existence of petroleum of good quality in abundance, at a very moderate depth, at the northern end and centre of an oil-belt, extending, as shown on the accompanying map, from the Turko-Persian frontier to the Persian Gulf, and there is no doubt that many other equally promising areas of oil-bearing lands exist on the great tract of territory embraced in this unique concession."

"In the central field the operations have passed from the stage of exploration or prospecting to that of exploitation or development, and the foundation of a commercial enterprise has been laid. The wells which have been sunk are not mere trial borings which have proved the existence of petroleum in commercial quantity, but exploitation wells of large diameter which will doubtless give a good yield for years to come, and the positions of the wells have been so chosen that they prove a considerable area on which further wells may be drilled in the confident expectation of proportionately increasing the output."

"It will thus be seen that the proposed Company will enter into possession of productive oil-fields constituting the basis of an established industry."

Mr. E. H. Cunningham-Craig, who was deputed to visit the field at the end of 1907 with the object of selecting well sites, and of generally reporting on the prospects of Oil production in the districts of Marmatun and Maidan-i-Naphthun, in a letter dated 25th July, 1908 (written subsequently to his report and after the results of the first borings recommended by him were known), wrote as follows:—

"In conclusion, I wish to say that the drilling reports throw an even more favourable light upon the prospects of the field than I was able to give when I reported. The uniformity is evidently so far beneath the surface that there need be no fear of passing through it in a well. The number of immense beds drilled through is greater than I had expected, and their thickness is greater than I had even hoped, indicating larger production."

The locality of the 1000 acres which have been proved by actual drilling of wells of large diameter is near Shuster, and it is from here that it is intended to export oil in the first place. Shuster is about 130 miles from the head of the Persian Gulf, and a pipe will be laid from the wells to a refinery, which is to be erected on a site (which has been selected) on the coast convenient for transport of the refined products both for inland trade in Persia and Asiatic Turkey, by the Rivers Euphrates, Tigris and Karun, and for export trade to the ports on the Persian Gulf and elsewhere.

Notwithstanding the present high cost of bringing oil to the consumer, a considerable trade already exists in Kerosene Oil from America, Borneo, and Russia to the East Coast of Africa, the South African Colonies, Madagascar, Persia itself, Countries east thereof as far as China and Japan and to Australasia. With the low cost at which this Company will be able to bring oil to these markets, and the rapid opening up of these countries now in progress, it is beyond doubt that the trade must, before long, very largely expand. Three Directors of The Burmah Oil Company, Limited (including the Chairman and the Manager) have agreed to act on the Board of this Company, which therefore will have the benefit of the long and valuable experience which these gentlemen have acquired in the development and working of oil fields, the refining of the various products in the most marketable forms and the organization of the necessary distributing and selling agencies.



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It is proposed to apply the proceeds of the present issue as follows:—

Repaying Vendors their ex-entire to date connected with acquiring the Concession, exploring, drilling, &c., including interest	say	£87,250
Preliminary expenses	"	11,500
Brokerage	"	15,750
Cost of pipe line, pumping stations, field tanks, &c.	"	300,000
Cost of refinery, tanks, &c.	"	200,000
Further drilling and other field work	"	100,000
Surplus available for Working Capital and Interest on Debentures during construction	"	101,500
		£1,000,000
With the above first instalment of plant it is estimated that the Company will be in a position to earn approximately:—		
Working profits	say	£270,000
Less Depreciation on Plant	"	£50,000
Cost of management and all contingencies in United Kingdom	"	20,000
Debenture interest	"	30,000
		100,000
		£170,000
10 per cent. Royalty to Persian Government		27,200
		£142,800

against the £36,000 required to pay the dividend of 6 per cent. on the 600,000 Preference Shares now issued.

It is anticipated that an almost limitless market will be found for Fuel Oil for marine purposes owing to the many advantages of Oil Fuel over Coal, especially on Warships. It is common knowledge that the British Navy has hitherto been hampered in its desire to substitute Oil for Coal by the difficulty of ensuring regular supplies when they are most wanted—in time of war—and that it has consequently long been desirous of seeing other sources of supply opened up. Hitherto Burma (where the Admiralty has Contracts with The Burmah Oil Company, Limited) has been practically the only source of supplies in regular quantities in the British Dominions. The outlet of this Company's Pipe lines, though not in the British Dominions, will be at the Head of the Persian Gulf, and so under British control. The development of these fields is therefore calculated to be of immense benefit to the British Navy, and substantial contracts for Oil Fuel may be confidently looked for from the Admiralty as soon as the Company's works are in a sufficiently forward state to enable it to enter into them.

The Burmah Oil Company, Limited, of 175, West George Street, Glasgow, purchased Mr. D'Arcy's interests in the Concession, &c., and the Shares of The First Exploitation Company, Limited (so far as not previously acquired by the Concessions Syndicate, Limited) in consideration of 170,000 Ordinary Shares of the Burmah Oil Company, Limited, credited as fully paid, representing at the market price of the day approximately £900,000, in addition to the sum hereinafter mentioned, being the cash expended by Mr. D'Arcy in connection with the Concession. Lord Strathcona subsequently purchased from the Burmah Oil Company, Limited, One-twentieth of the interests so acquired by that Company. The Concessions Syndicate, Limited, of 175, West George Street, Glasgow, the Burmah Oil Company, Limited, and Lord Strathcona, who together are the Vendors, sell to this Company the Concession, &c., and the above-mentioned Shares of The First Exploitation Company, Limited, and of the Bakhtiari Oil Company, Limited, in consideration of this Company's (A) repaying to them in cash the cash expenditure incurred by them (other than the value of The Burmah Oil Company's Shares) amounting to £380,249 4s. 4d., together with interest; (B) allotting to them the 1,000,000 Ordinary Shares of the Company credited as fully paid; and (C) assuming all liabilities of the Concessionaire and of the Vendors under existing agreements, and all current liabilities of The Burmah Oil Company, Limited, and of The Concessions Syndicate, Limited, in connection with the Concession. Notwithstanding the purchase consideration having been fixed as aforesaid, The Burmah Oil Company, Limited, has agreed on behalf of itself and its co-vendors, and without any addition to the price or other consideration for doing so, to guarantee to the Preference Shareholders of the Company, payment of the 6 per cent. Preference Share Dividend for a period of five years. The Burmah Oil Company has undertaken this obligation in order that the Preference Shareholders may receive a half-yearly dividend from the outset instead of waiting until the refineries plant and pipe line have been erected and are in full working order. It is estimated that these works will be completed in less than three years, but the guarantee covers a period of five years. The Burmah Oil Company, Limited, reserves the right to be repaid its expenditure under the said guarantee, together with 5 per cent. interest thereon, out of the first surplus profits after meeting the Debenture Stock interest, 8 per cent. per annum Preference Share Dividend and making all proper provision for depreciation and other charges and carrying a suitable sum to reserve.

The following Contracts have been entered into:—

- (1). Dated respectively 31st July, 1907, and 19th May, 1908, between William Knox D'Arcy, The Concessions Syndicate, Limited, and The Burmah Oil Company, Limited.
- (2). Dated 25th March, 1909, between William Knox D'Arcy, The Burmah Oil Company, Limited, and The Concessions Syndicate, Limited.
- (3). Dated 25th March, 1909, between William Knox D'Arcy and The Burmah Oil Company, Limited.
- (4). Dated 3rd April, 1909, between The Burmah Oil Company, Limited, and Lord Strathcona and Mount Royal.
- (5). Dated 13th April, 1909, between The Concessions Syndicate, Limited, The Burmah Oil Company, Limited, Lord Strathcona and Mount Royal, and The Bakhtiari Oil Company, Limited.
- (6). Dated 15th April, 1909, between The Concessions Syndicate, Limited, The Burmah Oil Company, Limited, Lord Strathcona and Mount Royal, and this Company.
- (7). Dated 15th April, 1909, between The Burmah Oil Company, Limited, and The First Exploitation Company, Limited.
- (8). Dated 10th April, 1909, between The Concessions Syndicate, Limited, and those associated with him in the Concession, &c. other than The Concessions Syndicate, Limited, in consideration of £203,679 10s. 6d. (representing cash expended by Mr. D'Arcy in connection with the Concession) and 170,000 fully paid Ordinary Shares of The Burmah Oil Company, Limited, and by Agreement No. 4 the latter Company agrees to sell to Lord Strathcona one-twentieth part of the interests so acquired for £54,278 8s. 6d. subject to his taking over one-twentieth of the liabilities of such Company in connection therewith.

Under Agreement No. 6 The Concessions Syndicate, Limited, The Burmah Oil Company, Limited, and Lord Strathcona agree to sell to this Company the Concession, &c. and the above mentioned Shares in The First Exploitation Company, Limited, and The Bakhtiari Oil Company, Limited, of £1 each, together with interest, and 1,000,000 Ordinary Shares of the Company credited as fully paid, of which the Concessions Syndicate, Limited, receive £127,181 4s. 10d. cash and 400,000 Shares, The Burmah Oil Company £192,974 11s. 6d. cash and 570,000 Shares, and Lord Strathcona £20,112 8s. 6d. cash and 30,000 Shares.

Under Agreement No. 7 The Burmah Oil Company, Limited, agrees to guarantee the 6 per cent. Preference Dividend on the Preference Shares now offered for five years.

Mr. C. W. Wallace, Sir H. S. Barnes, Mr. J. T. Cargill, Mr. W. K. D'Arcy, Mr. C. Greenway, and Mr. J. Hamilton, Directors of this Company, are holders respectively of 5074, 180, 31108, 127500, 1324, and 3038 Ordinary Shares of £1 each in the Burmah Oil Company, Limited, which has an issued Capital of £2,275,000. Mr. C. W. Wallace, Mr. J. T. Cargill, and Mr. J. Hamilton are also holders respectively of 380, 400, and 400 Second Preference Shares of £100 each in the Burmah Oil Company, Limited, in which Company the last named also holds 450 First Preference Shares of £1 each. Mr. J. T. Cargill has also a life interest in 9075 Ordinary Shares and is also beneficially interested in 2037 First Preference Shares, both in The Burmah Oil Company, Limited. All the above Shares are fully paid. Lord Strathcona, also a Director of this Company, Mr. J. T. Cargill, The Burmah Oil Company, Limited. All the above Shares are fully paid. Mr. C. W. Wallace, Mr. J. T. Cargill, and Mr. J. Hamilton are Directors of the Burmah Oil Company, Limited, and Mr. J. T. Cargill, and Mr. J. Hamilton are Directors of the Concessions Syndicate, Limited. The qualification of each Director is the holding of Shares of the Company of the nominal amount of £1000 reckoned exclusively of Shares represented by Share Warrants to issue.

The Articles of Association provide as follows:—Each Director (other than the Chairman) shall be entitled to receive by way of remuneration £500, and the Chairman £1000, in each year, but they shall only be entitled to one-half of such remuneration in respect of any year prior to the first year in which the profits available for Dividends shall be more than sufficient to pay a Dividend of 6 per cent. per annum on the Preference Shares of the Company for the time being issued. Any Director holding office for part of a year shall be entitled to a proportionate part of such remuneration. In addition to the remuneration above mentioned the Directors shall be repaid such reasonable traveling, hotel and other expenses as they may incur in attending the meetings of the Board or of Committees of the Board or General Meetings, or which they may otherwise incur in or about the business of the Company.

The Directors have power at any time (A) to appoint from time to time any one or more of their number to be Managing Director or Managing Directors on such terms as to remuneration and with such powers and authorities and for such period as they deem fit, and to revoke such appointment; (B) to appoint from time to time any one or more of their number to be Director or Directors on such terms as to remuneration for the duties or services so performed or to be rendered as they may think fit; and (C) to appoint any one or more of their number to be members of Local Boards, Local Managing or Consulting Committees, or local agencies in the United Kingdom or abroad, and to fix their remuneration.

Every Member will be entitled to one vote in respect of every Share held by him. The Company will pay the preliminary expenses of and incidental to the formation of the Company, and all legal and other expenses in connection with the transfer of the properties, which, exclusive of brokerage, are estimated at £11,000. The Company will also pay a brokerage to its Brokers of 4½d. per Share on all Preference Shares, and ½ per cent. on all Debenture Stock allotted on applications from the public. Out of this the Company's Brokers will pay 2½d. per Preference Share, and ¼ per cent. on Debenture Stock allotted on all applications bearing a Broker's Stamp.

The Report of Sir Bouverie Redwood, with the accompanying Reports of Messrs. H. T. Barla, W. H. Dalton, and E. H. Cunningham-Craig, copies of the translations in French and English of the Concession, copies of the Memorandum and Articles of Association of this Company and of the above-mentioned Contracts, and Draft Trust Deed securing the Debenture Stock, can be inspected at the Offices of the Company at any time during business hours whilst the lists are open.

A copy of the Company's Memorandum of Association is printed at the back of this Prospectus, and forms part thereof.

Applications will be made to the Committee of the Stock Exchanges at London and Glasgow in due course for a settlement and quotation for the Debenture Stock and Preference Shares.

Application for Shares and Debenture Stock should be made upon the forms accompanying the Prospectus, and be sent to any of the Company's Bankers, together with a remittance of the amount of the deposit.

A reasonable preference to allotment will be given to Shareholders in The Burmah Oil Company, Limited. Where no allotment is made the deposit will be returned in full, and where the number of Shares or amount of Stock allotted is less than that applied for, the balance of the deposit will be applied towards the sums payable on allotment, and any surplus will be repaid.

Failure to pay any future instalment when due will render previous payments liable to forfeiture. Prospectuses and Forms of Application can be obtained at the office of the Company, or from the Bankers, the Brokers, or from The Burmah Oil Company, Limited, in Glasgow and London, (Winchester House, Old Broad Street, E.C.).

15th April, 1909.

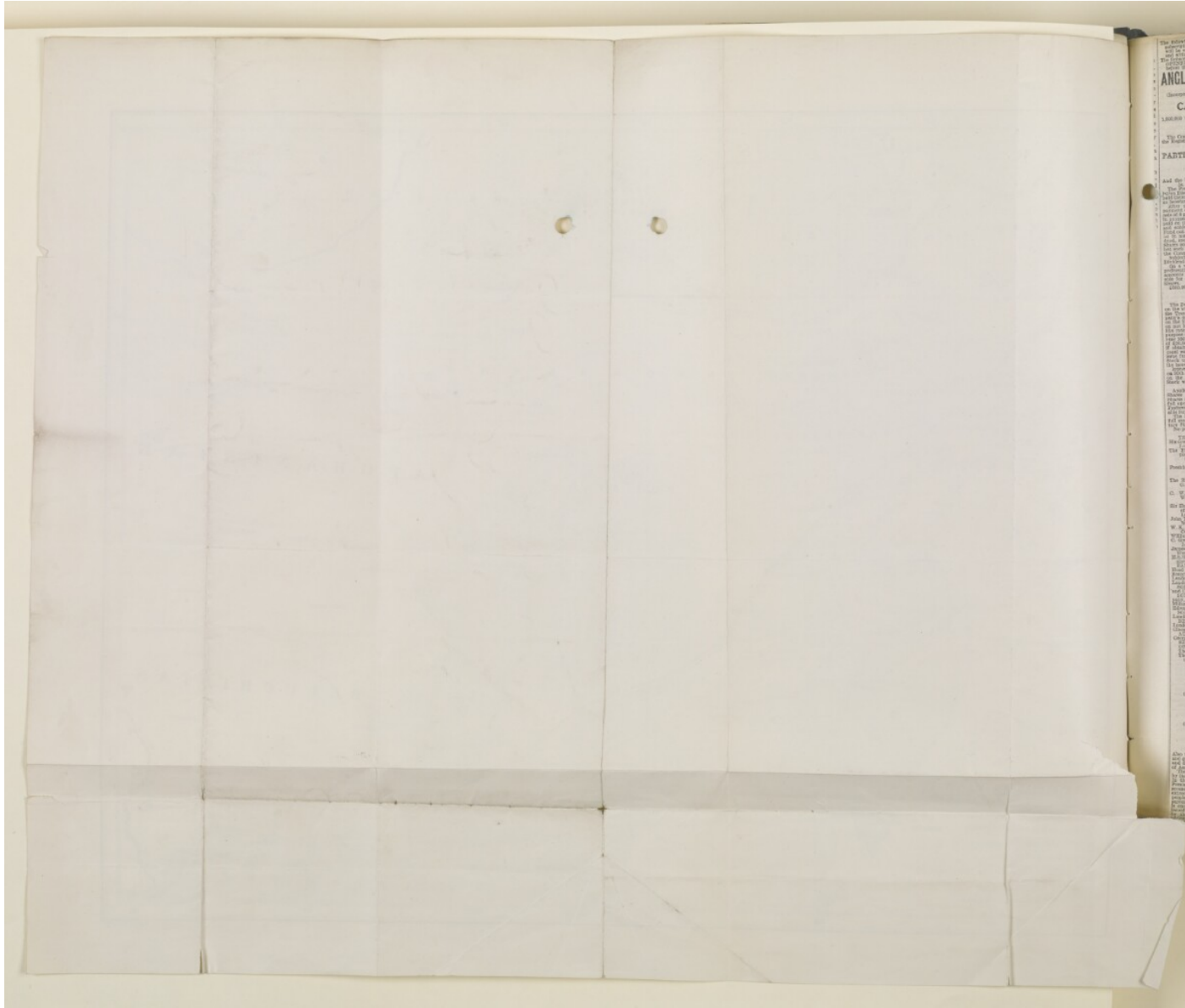


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١٦ و] [٢٨٩/٢٩٢]





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١٦ظ] (٢٩٢/٢٩٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-
فارسية والبختاريين؛ [٢١٧و] (٢٩٢/٢٩١)

هذه الصفحة لا يمكن إتاحتها نظراً لضوابط متعلقة بحقوق النشر أو حماية
البيانات.

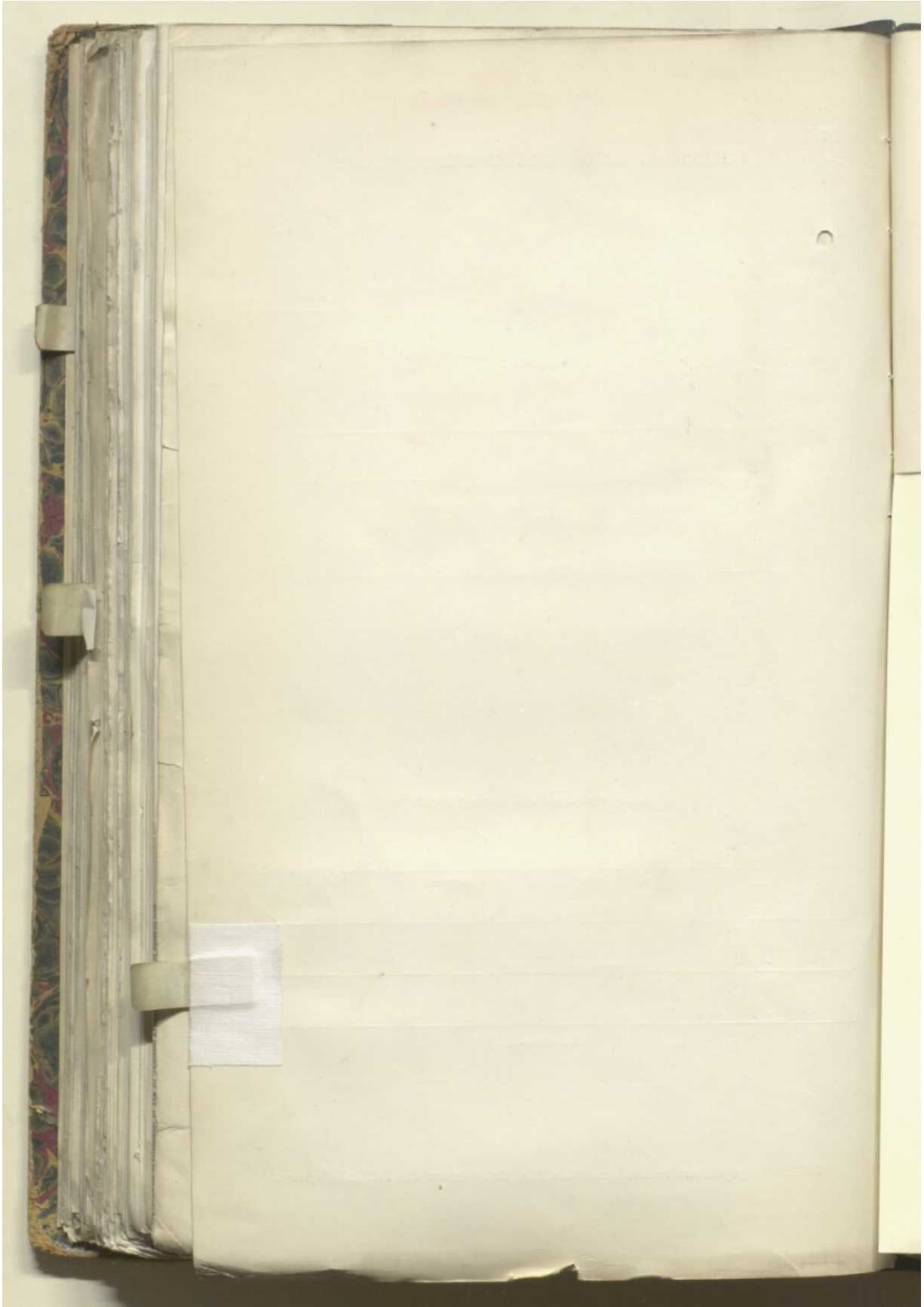


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٤، "بلاد فارس: النفط؛ شركة النفط الأنجلو-فارسية والبختاريين؛ [٢١٧ظ] (٢٩٢/٢٩٢)

هذه الصفحة لا يمكن إتاحتها نظراً لضوابط متعلقة بحقوق النشر أو حماية البيانات.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢١٨ظ] (٣٣٨/٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [١٩٠٢ و] (٣٣٨/٣)

COPY TO		F.O. D.M.I.	SECRET. (219)
			POLITICAL DEPARTMENT.
			P.
	Date.	Initials.	
To			
Under Secretary.....	3. X	W.S.	
Secretary of State ...			
Committee	4	T. W. H. / W.S.	

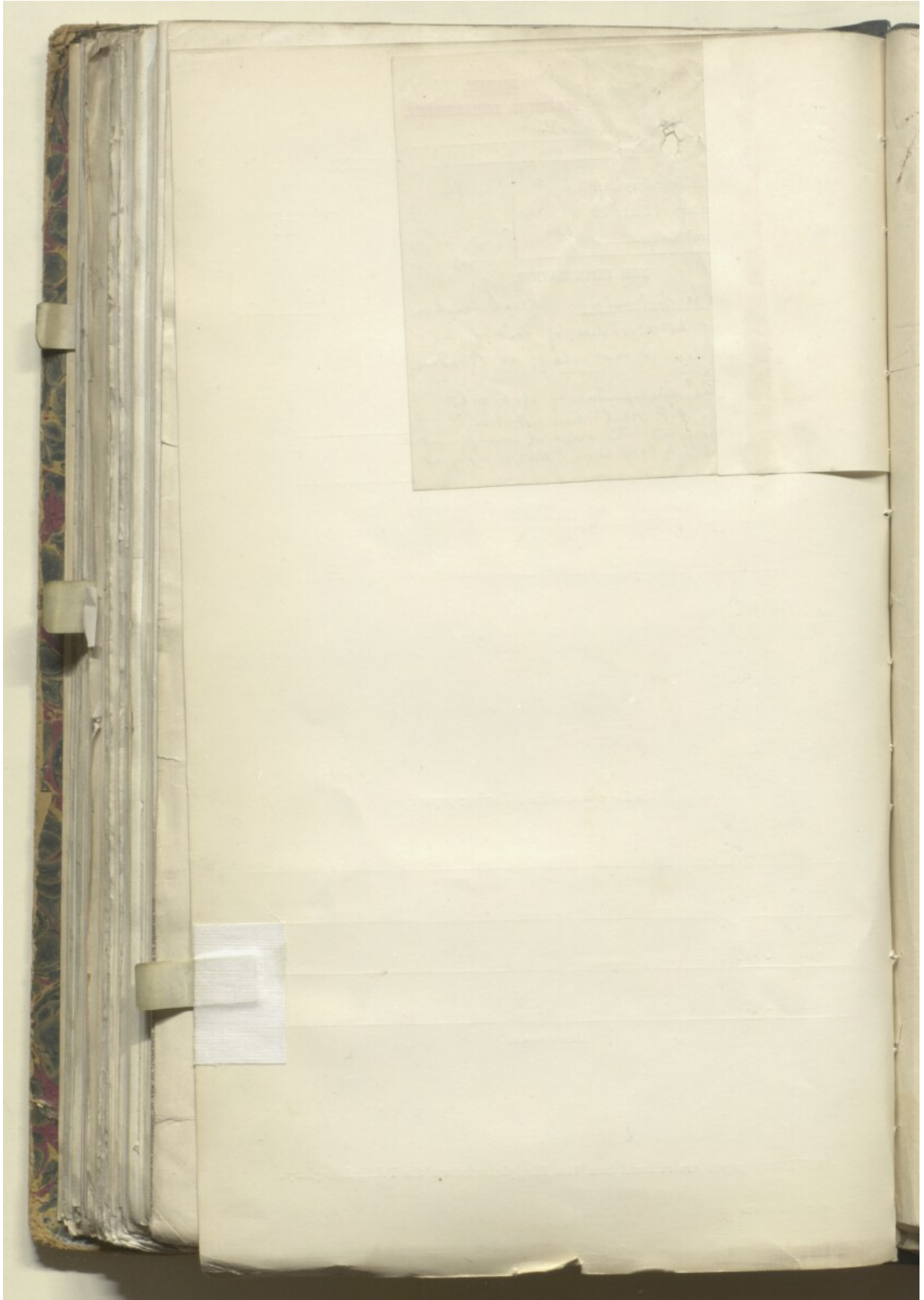
FOR INFORMATION. *see 17/10*

Ms 17/10
Mesopotamia. Re-allocation
of the incidence of cost of the
Police detachment at Abadan.

W.S.
The correspondence of 1916 with
the A.P. Oil Co. has not been
received. The original arrangement
of July 1914 is in P. 2512/14 - flagged



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢١٩ظ] (٣٣٨/٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٠ و] (٣٣٨/٥)

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No. 2/830
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Office of the Civil Commissioner,
Baghdad the 19th July, 1919.

To

✓ (1) The Under-Secretary of State for India, London,
S.W.I. (3 copies),

(2) The Secretary to the Government of India in the
Foreign and Political Department, Simla.

Memorandum.

A copy of the undernoted correspondence is
forwarded with compliments for information.

Lieut.-Col., I.A.,
Acting Civil Commissioner in Mesopotamia.

Copy to:-
D.A.G. ref. A/1491/2, March 29th, 1916.

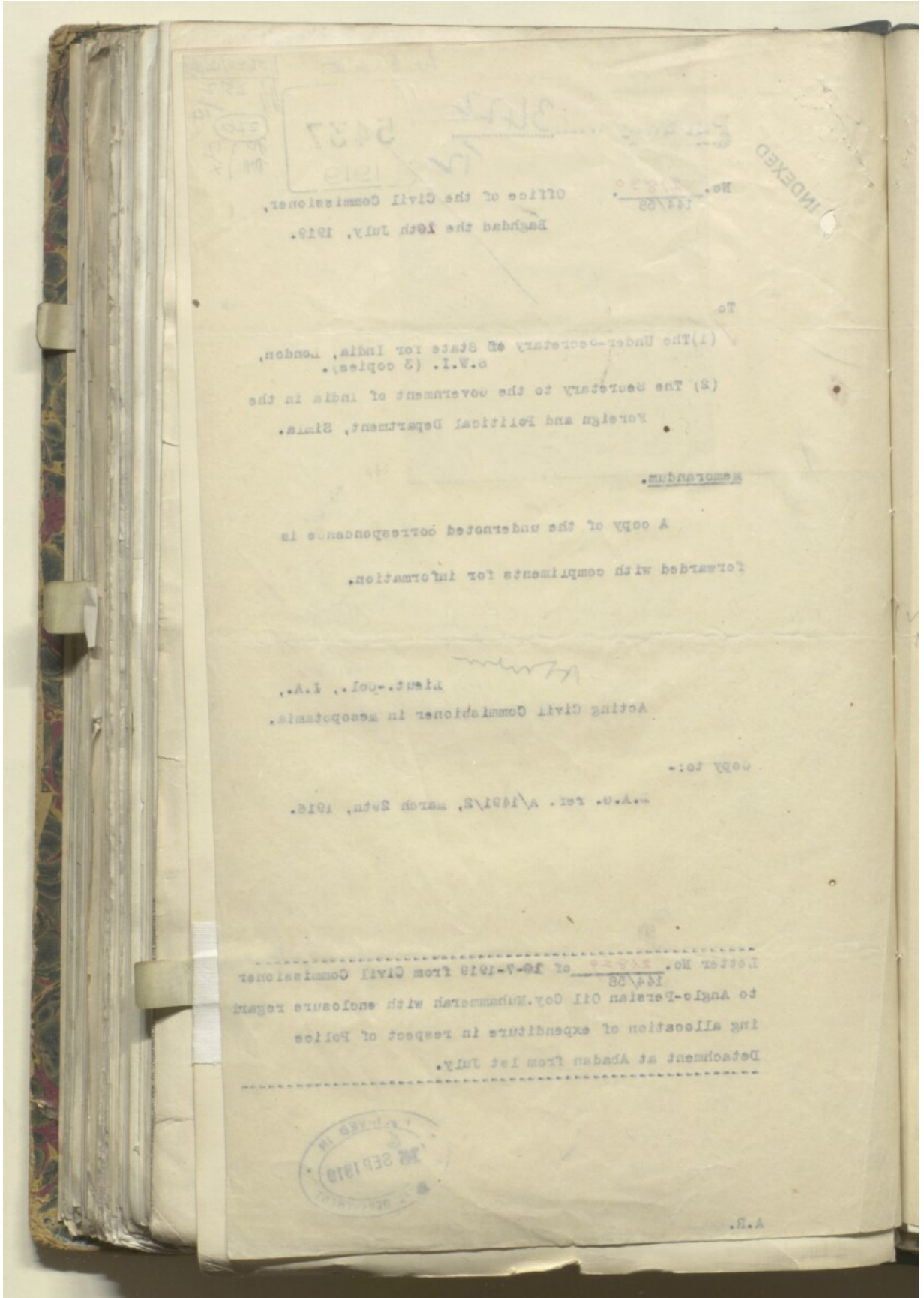
Letter No. 2/829 of 19-7-1919 from Civil Commissioner
144/58
to Anglo-Persian Oil Coy. Muhammerah with enclosure regard
ing allocation of expenditure in respect of Police
Detachment at Abadan from 1st July.

RECEIVED IN
25 SEP 1919
AL DEPARTMENT

A.R.

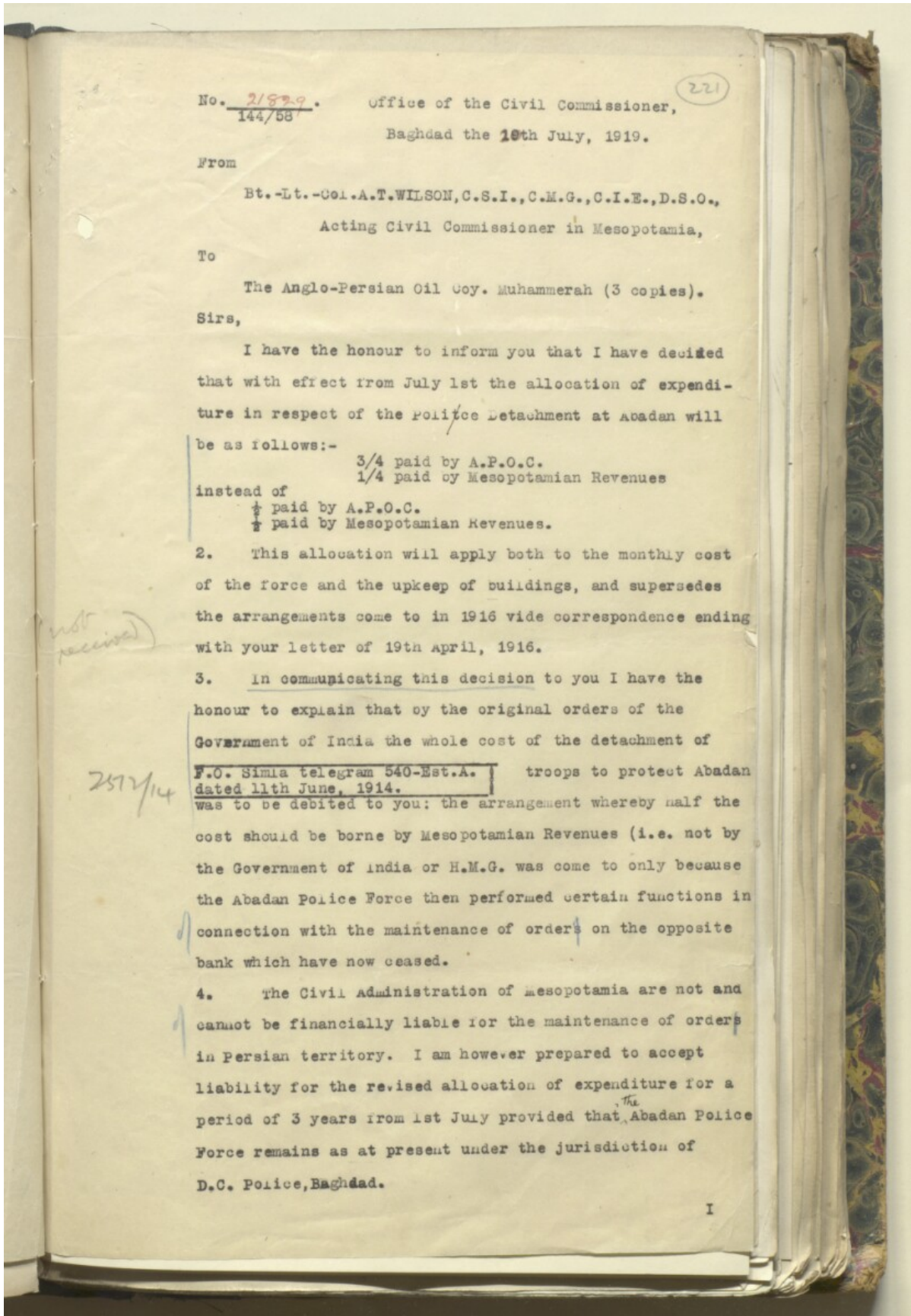


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٠ ظ] (٣٣٨/٦)



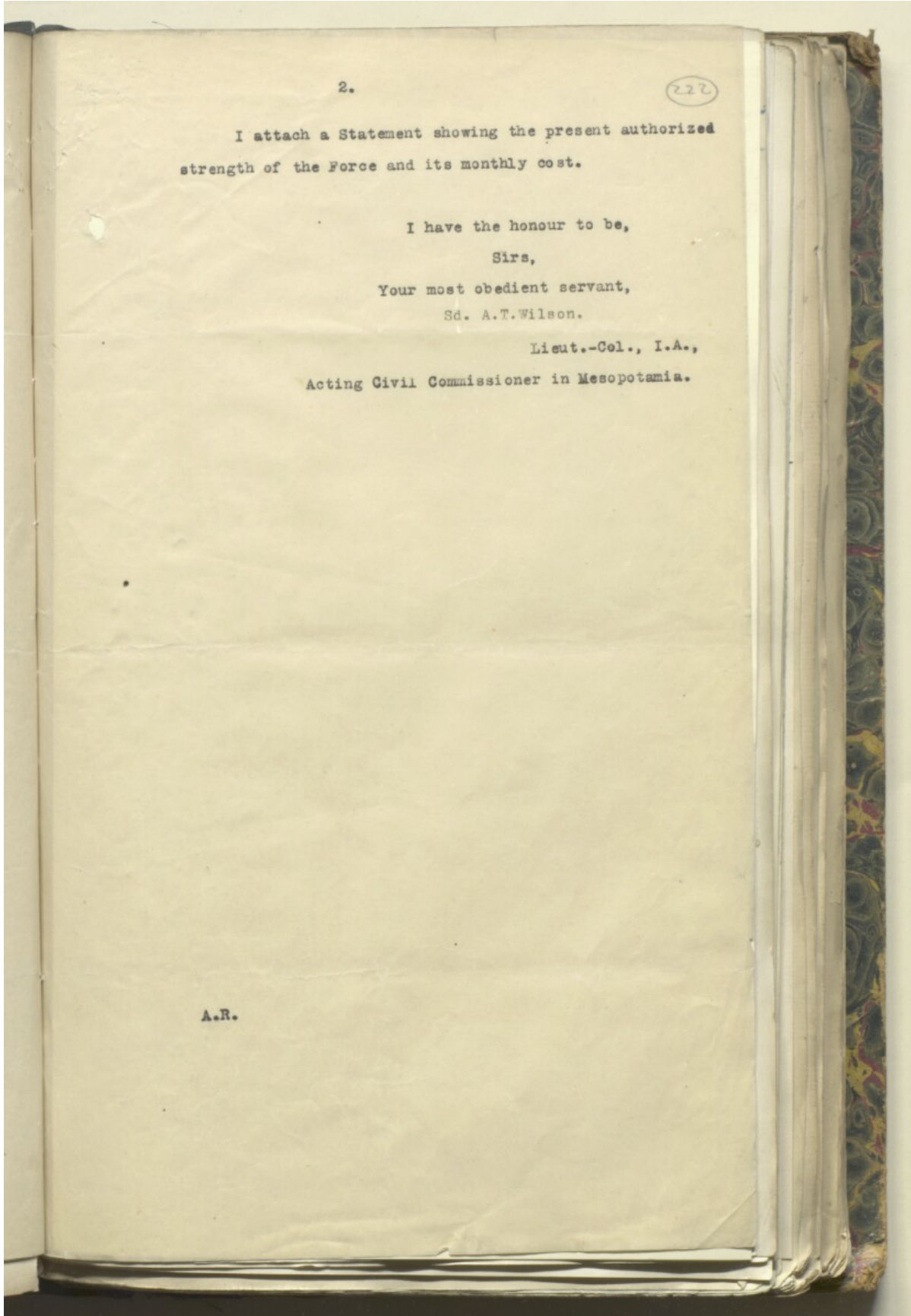


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢١ و] (٣٣٨/٧)



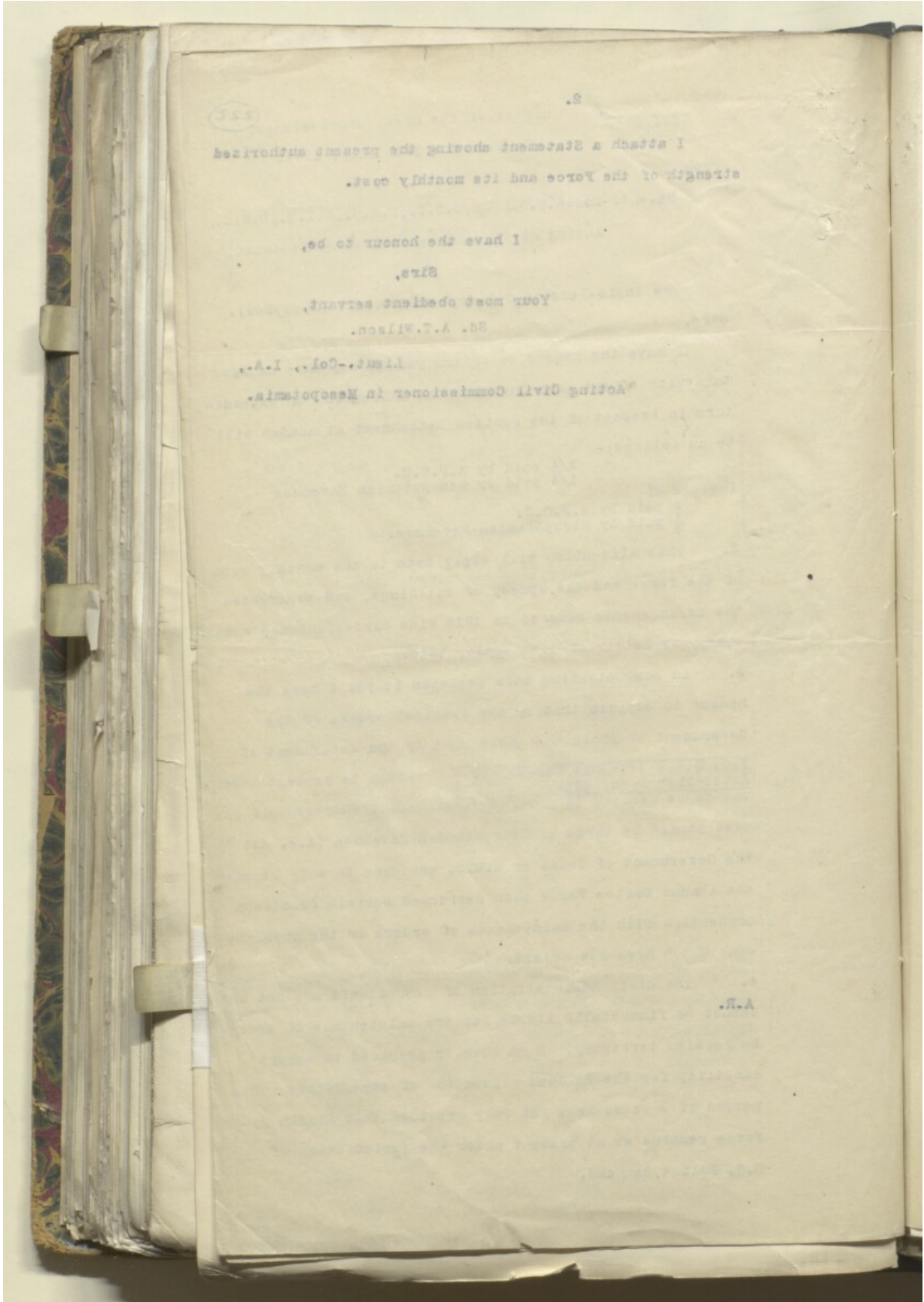


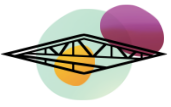
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٢ و] (٣٣٨/٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٢ظ] (٣٣٨/١٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٣ و] (٣٣٨/١١)

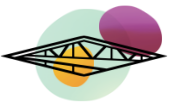
(223)

STRENGTH OF ABADAN POLICE
DETACHMENT.

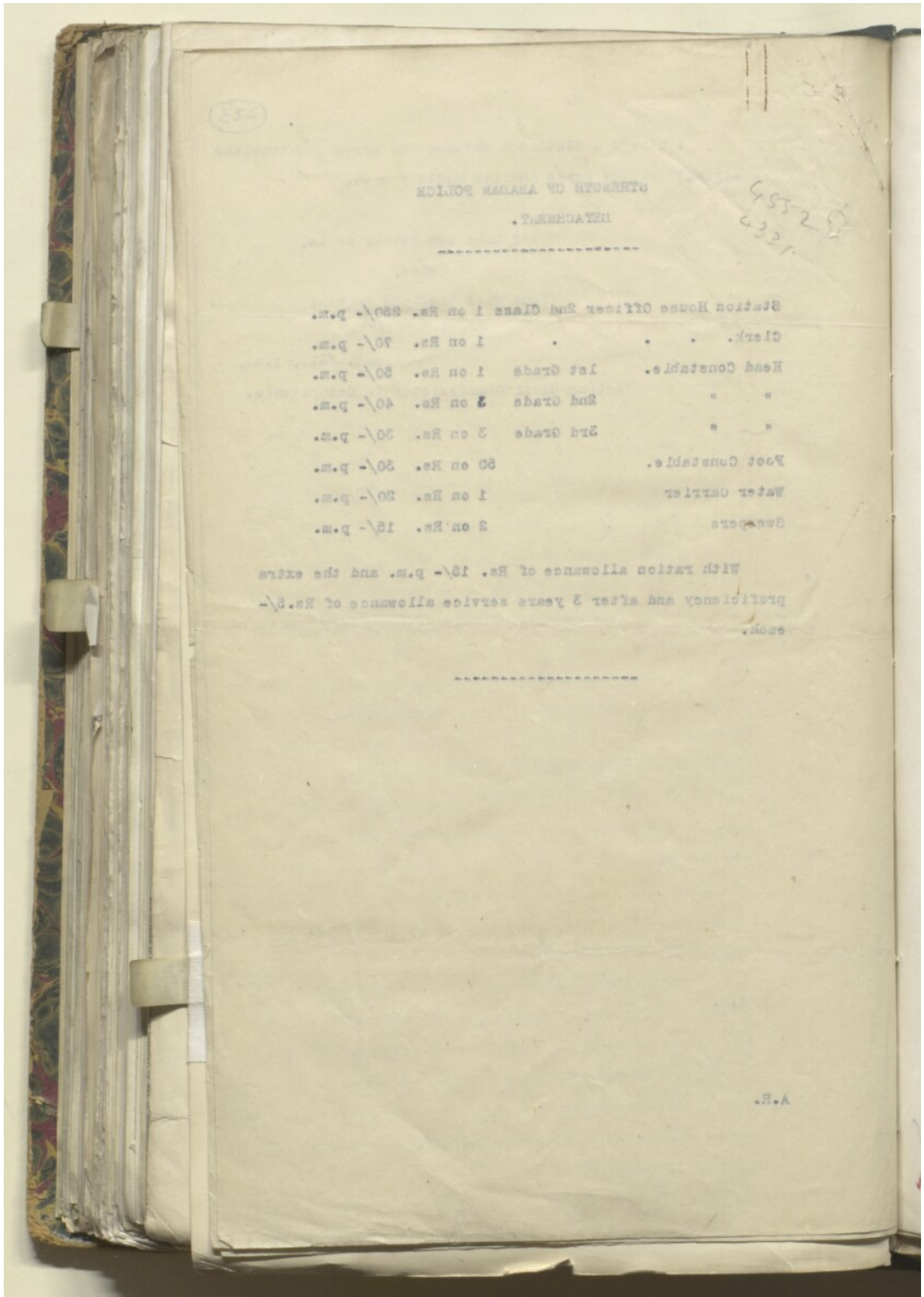
Station House Officer 2nd Class	1 on	Rs. 250/-	p.m.
Clerk.	1 on	Rs. 70/-	p.m.
Head Constable. 1st Grade	1 on	Rs. 50/-	p.m.
" " 2nd Grade	3 on	Rs. 40/-	p.m.
" " 3rd Grade	3 on	Rs. 30/-	p.m.
Foot Constable.	50 on	Rs. 30/-	p.m.
Water Carrier	1 on	Rs. 20/-	p.m.
Sweepers	2 on	Rs. 15/-	p.m.

With ration allowance of Rs. 15/- p.m. and the extra
proficiency and after 3 years service allowance of Rs.5/-
each.

A.R.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٣ظ] (٣٣٨/١٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٤ و] (٣٣٨/١٣)

Register No. 4831

Put away with 224

Minute Paper. Secret Department.

Enclosure in 47 M. Dated 19 Nov. 1914.
Rec. 11 Dec

	Date.	Initials.	SUBJECT.
Under Secretary.....	15 Dec.	AM	Mohammara Repayment by Sheikh of 5 th instalment of his loan of £10,000.
Secretary of State.....			
Committee.....	16	J. W. H.	
Under Secretary.....			
Secretary of State.....			

Copy to 30. 15/12

FOR INFORMATION.

Sec. of Comtee,
16 Dec 1914

Previous Papers :-
5113/13 etc

17365 I. 1006. 2000.—7/1914

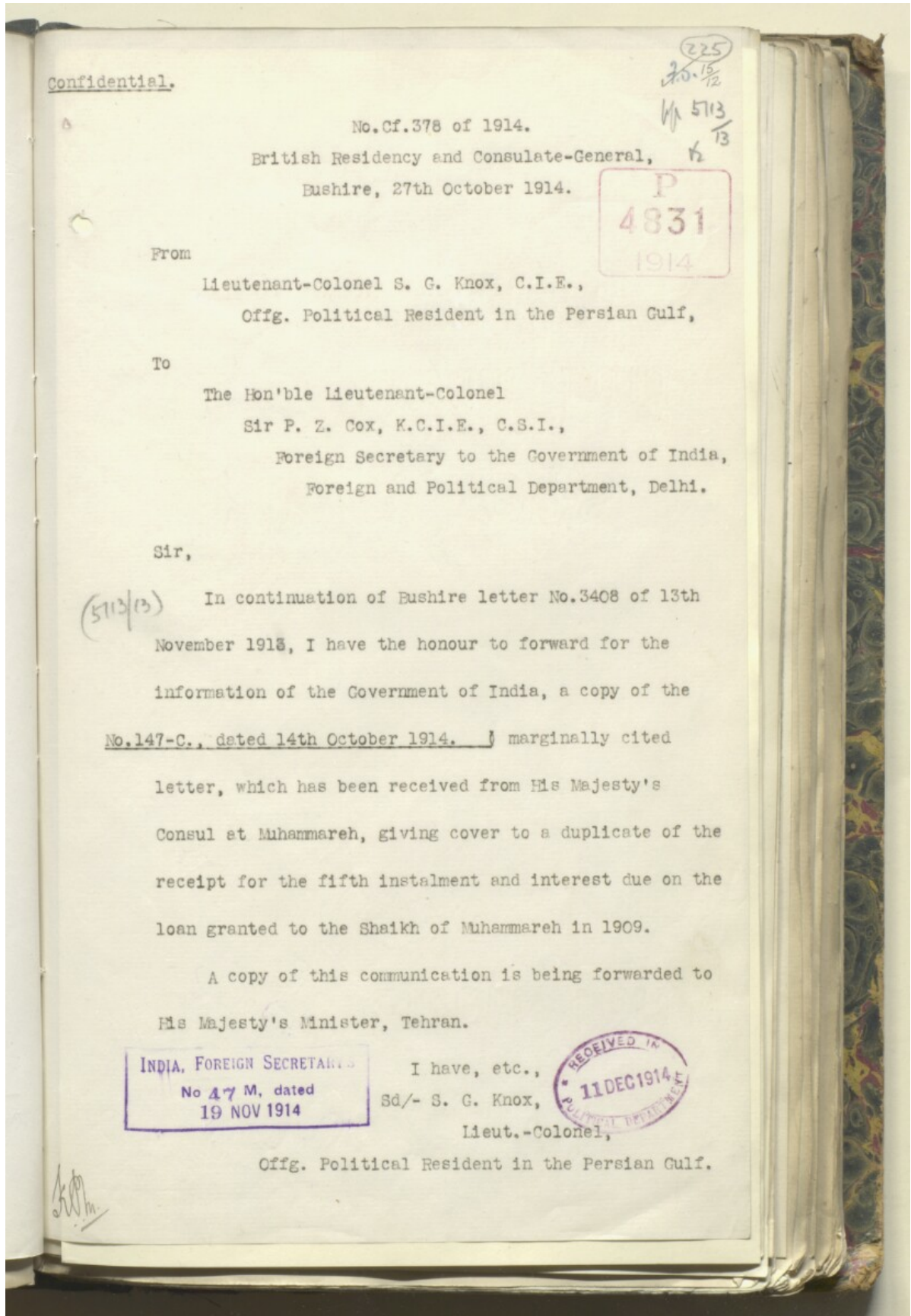


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٤ظ] (٣٣٨/١٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٥ و] (٣٣٨/١٥)



Confidential.

No. Cf. 378 of 1914.

British Residency and Consulate-General,
Bushire, 27th October 1914.

From

Lieutenant-Colonel S. G. Knox, C.I.E.,
Offg. Political Resident in the Persian Gulf,

To

The Hon'ble Lieutenant-Colonel
Sir P. Z. Cox, K.C.I.E., C.S.I.,
Foreign Secretary to the Government of India,
Foreign and Political Department, Delhi.

Sir,

(513/13) In continuation of Bushire letter No. 3408 of 13th
November 1913, I have the honour to forward for the
information of the Government of India, a copy of the
No. 147-C., dated 14th October 1914. } marginally cited
letter, which has been received from His Majesty's
Consul at Muhammareh, giving cover to a duplicate of the
receipt for the fifth instalment and interest due on the
loan granted to the Shaikh of Muhammareh in 1909.

A copy of this communication is being forwarded to
His Majesty's Minister, Tehran.

INDIA, FOREIGN SECRETARIES
No 47 M, dated
19 NOV 1914

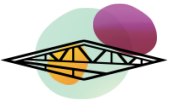
I have, etc.,

Sd/- S. G. Knox,

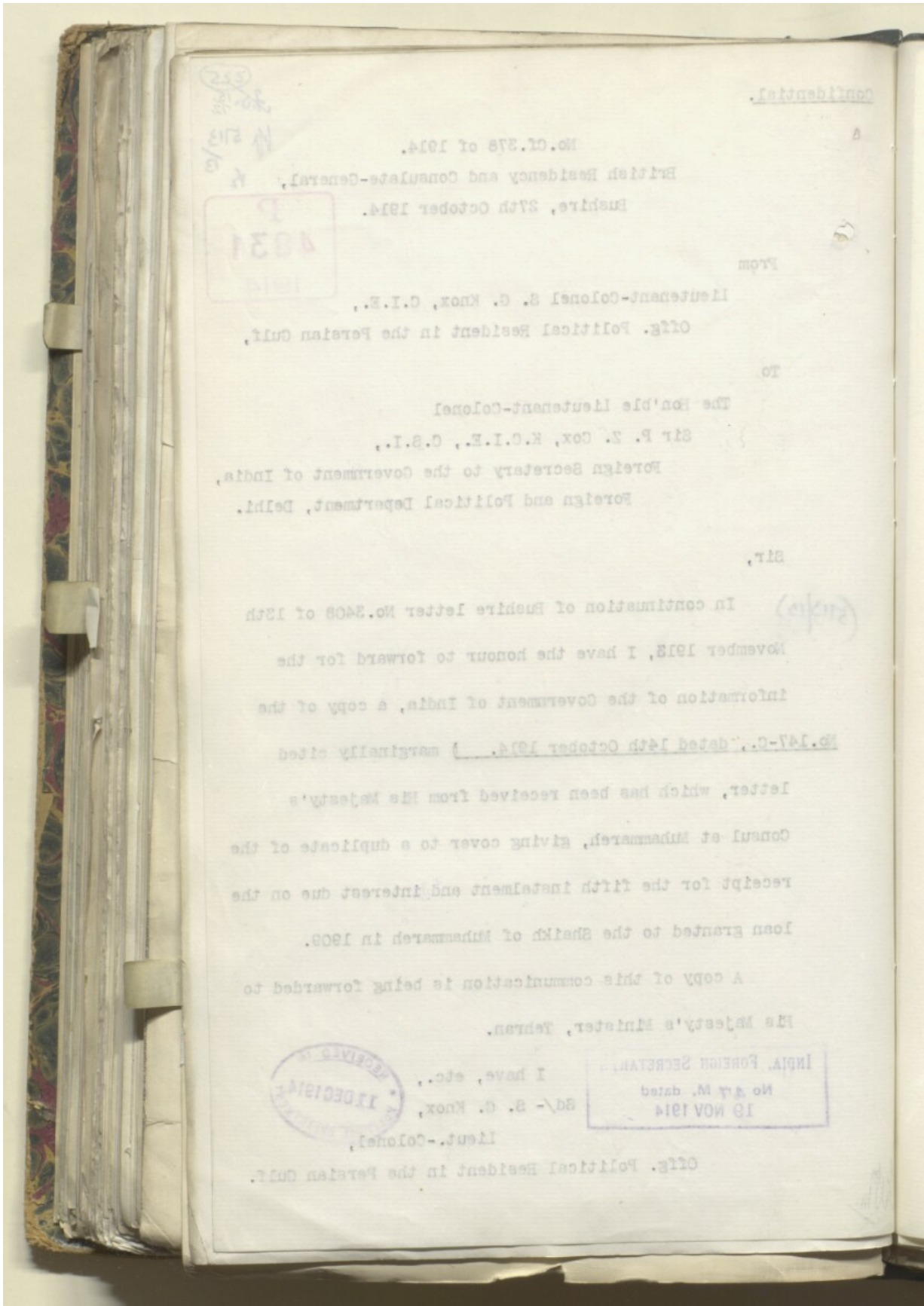
Lieut.-Colonel,

Offg. Political Resident in the Persian Gulf.



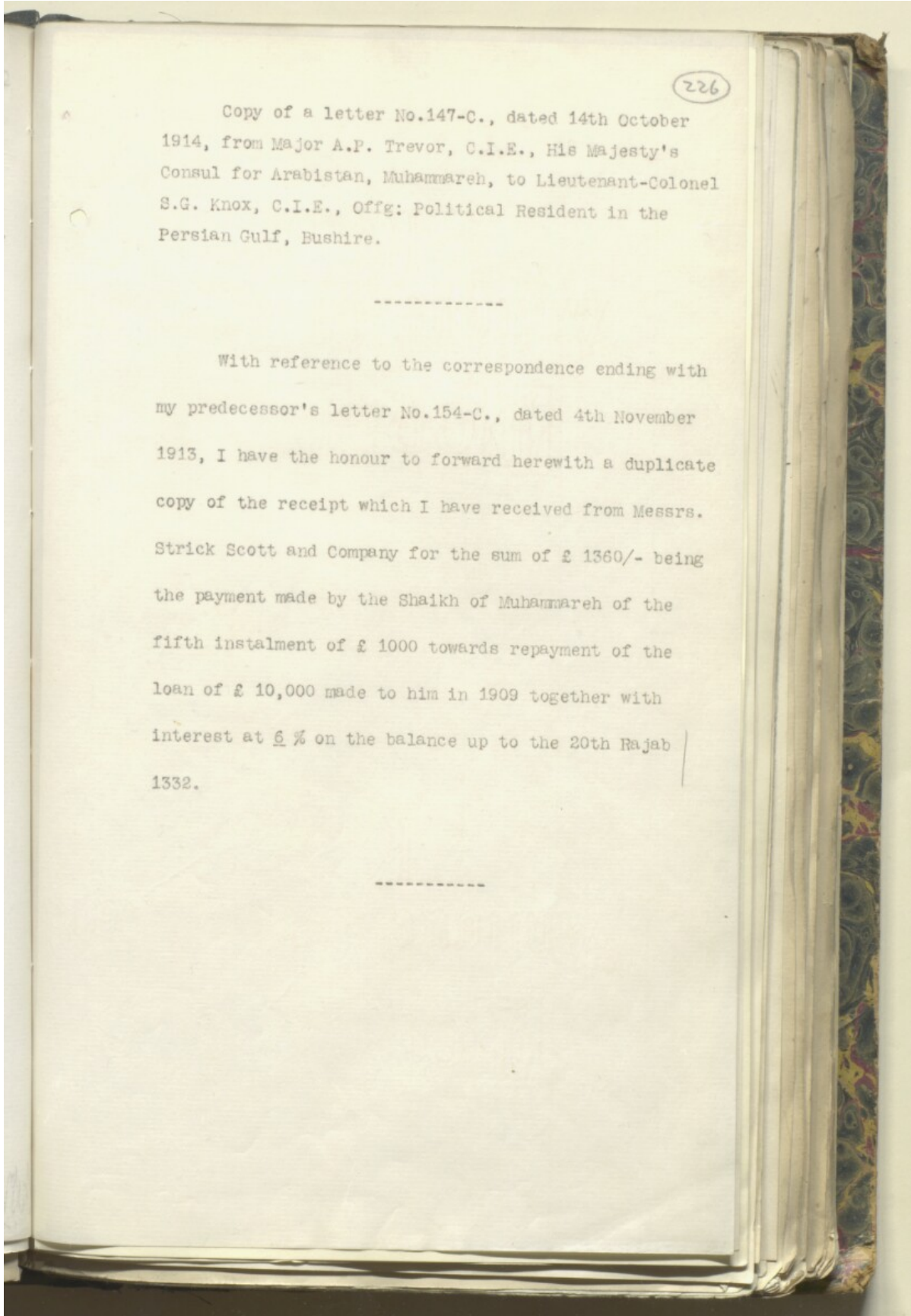


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٥ظ] (٣٣٨/١٦)



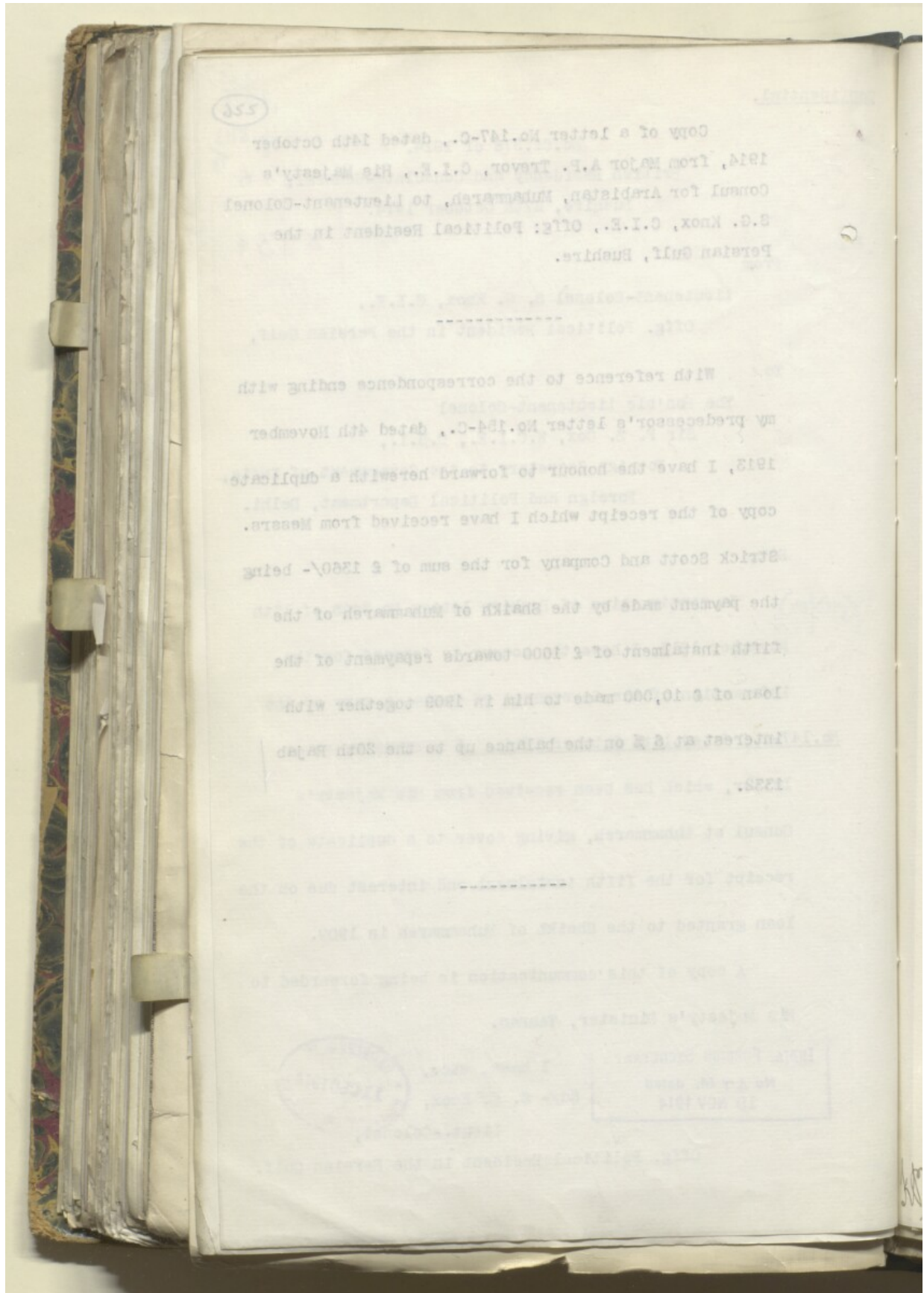


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٦ و] (٣٣٨/١٧)



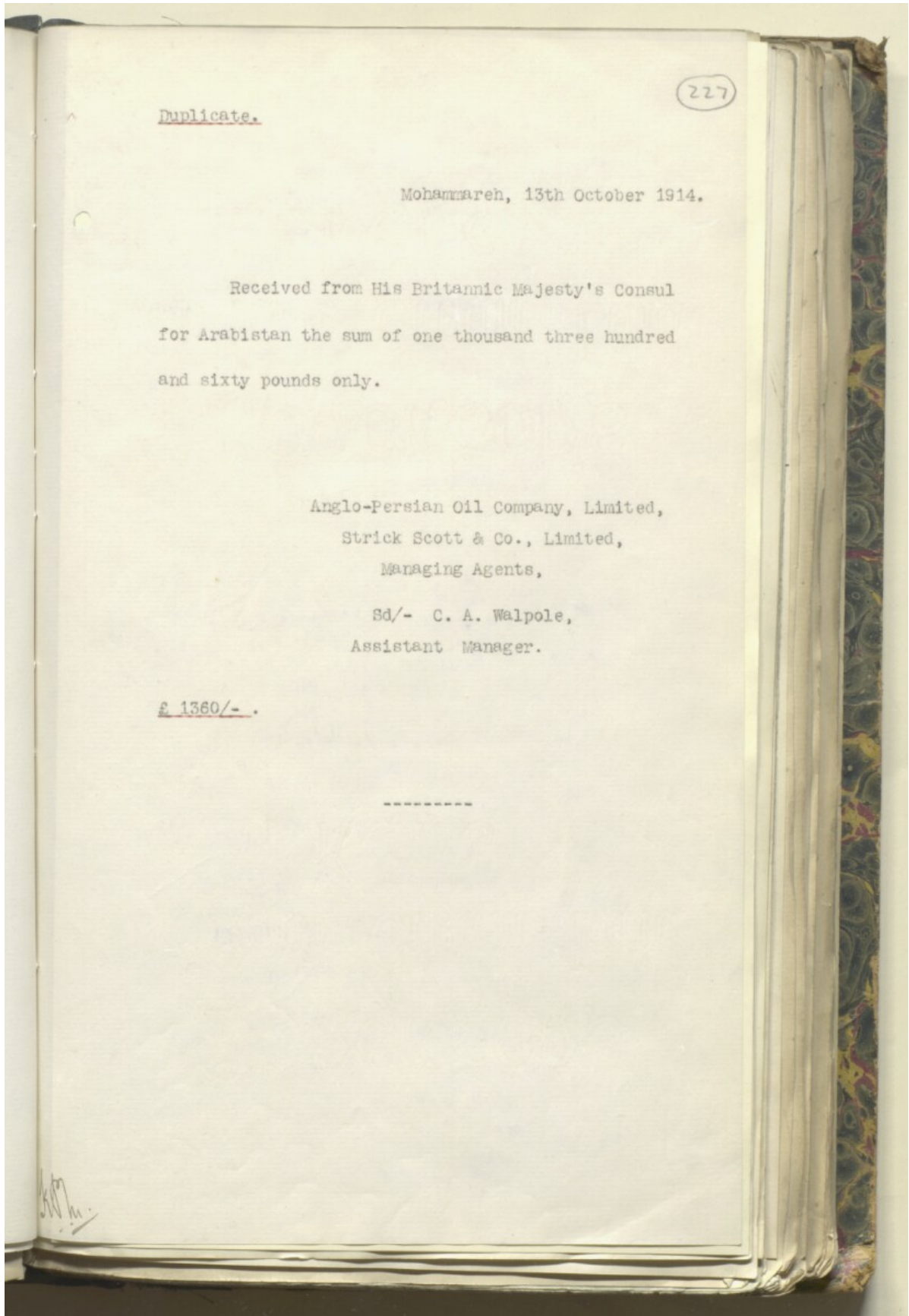


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٦ظ] (٣٣٨/١٨)



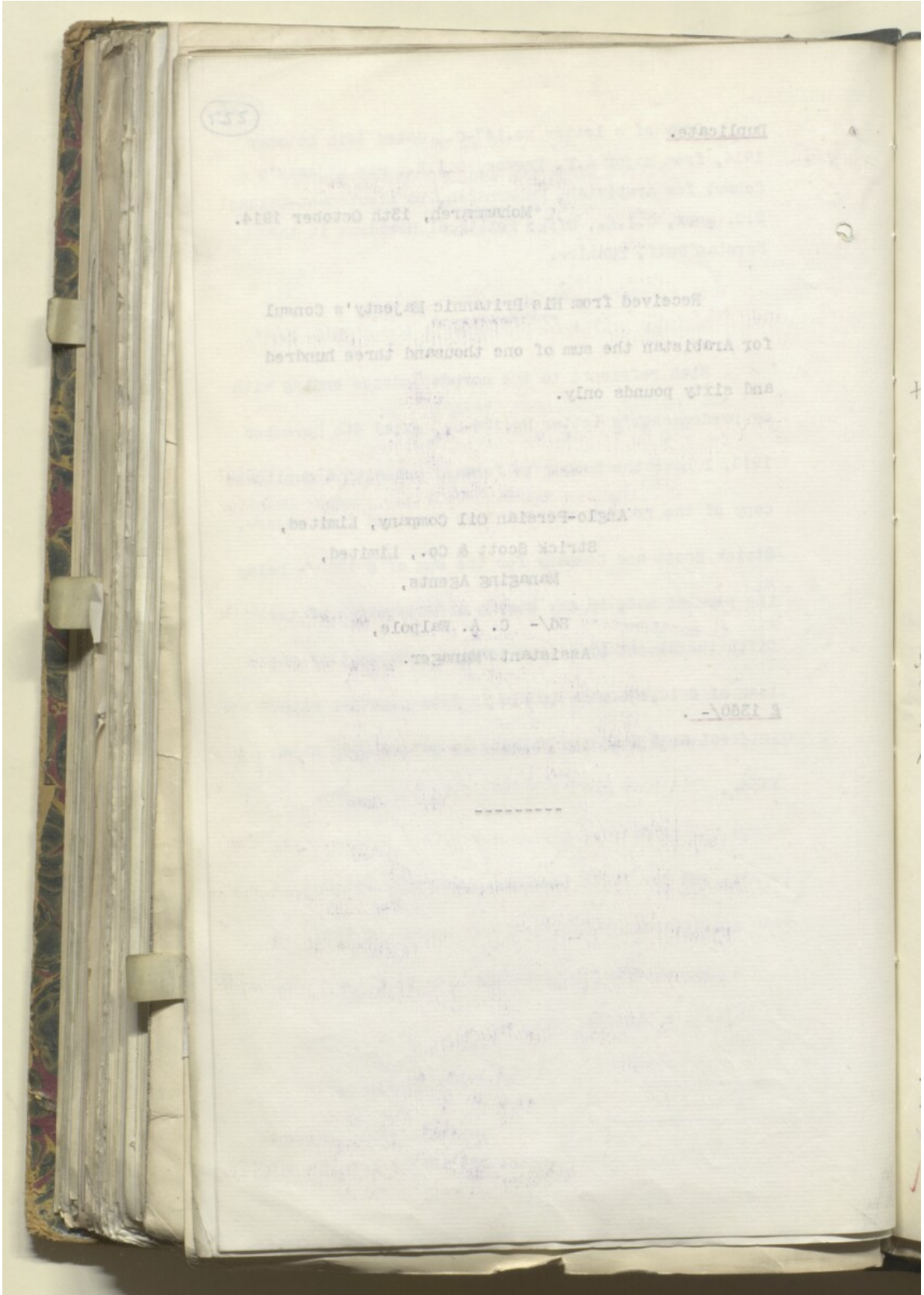


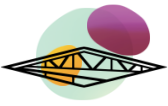
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٧و] (٣٣٨/١٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٧ظ] (٣٣٨/٢٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٨ و] (٣٣٨/٢١)

Register No. 2512 Put away with 3022 (228) 12

Minute Paper. Secret Department.

INDIA, FOREIGN SECRETARY'S
No 24 M, dated
11 JUN 1914

Dated
Rec. 29 June, 1914.

	Date.	Initials.	SUBJECT.
Under Secretary.....	3 July	J.S.S.	<u>Persia</u> Guards for Anglo-Persian Oil Co's refinery on Abadan Island: question of obtaining men from India
Secretary of State.....	6	J.W.H.	
Committee.....	6	J.	
Under Secretary.....			
Secretary of State.....			

Copy to 70 Sent 6/7

FOR INFORMATION.

The G. of I.'s orders will be found
on p. 11; the reply appended by
them on p. 2.

S/S. *Parsons a good impression*
This is interesting in view
of the possible requirements for
protection of H.M.'s forces as
the predominant partner, may
consider necessary. - Time-
expired men of Punjab
regiment are to be recruited.
6/7 J.W.H.

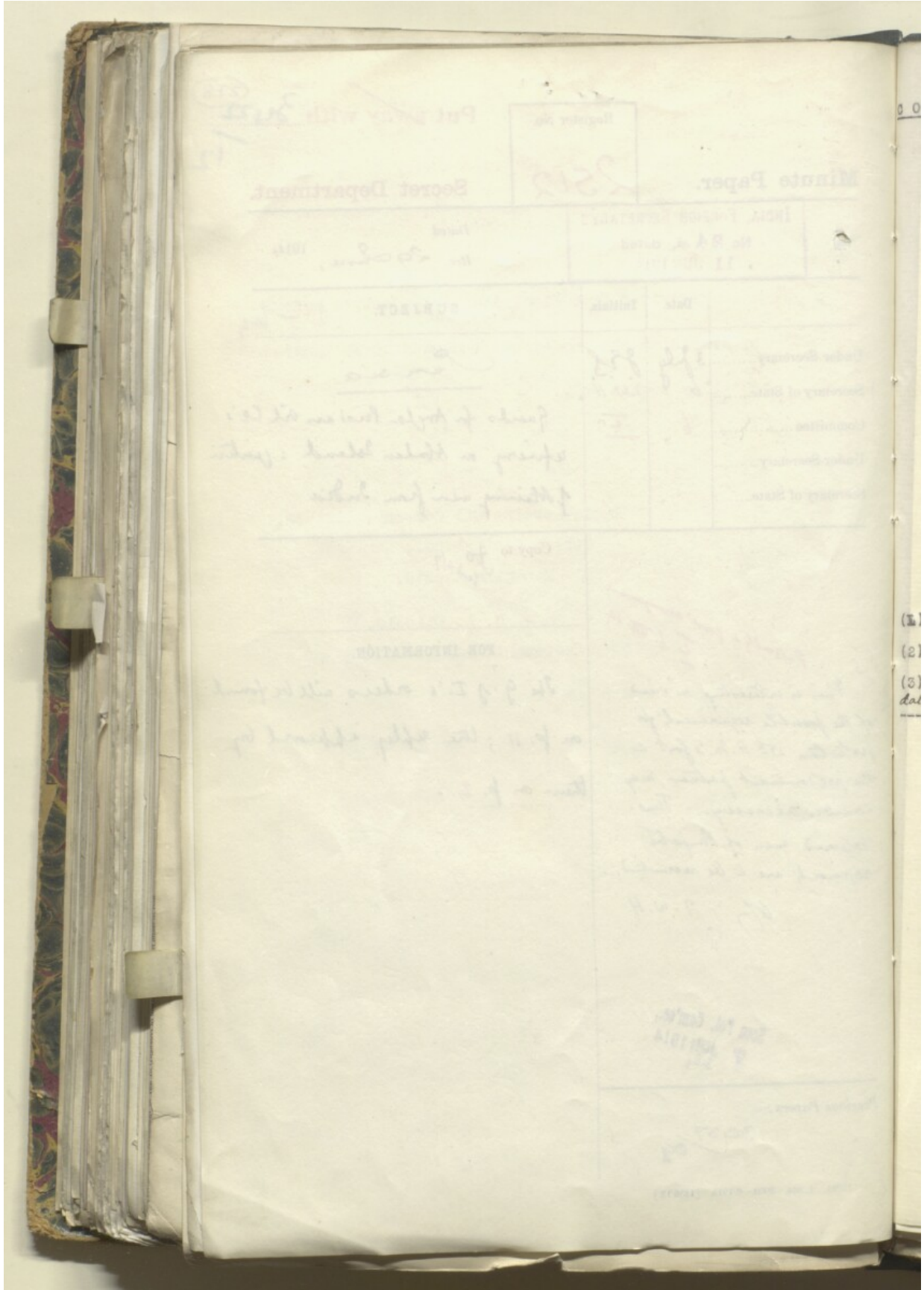
Seen Pol. Com'ee,
7 JUN 1914
J.S.S.

Previous Papers:—
3937/09

15294. I. 864. 2000.—6/1913. [1486/12.]

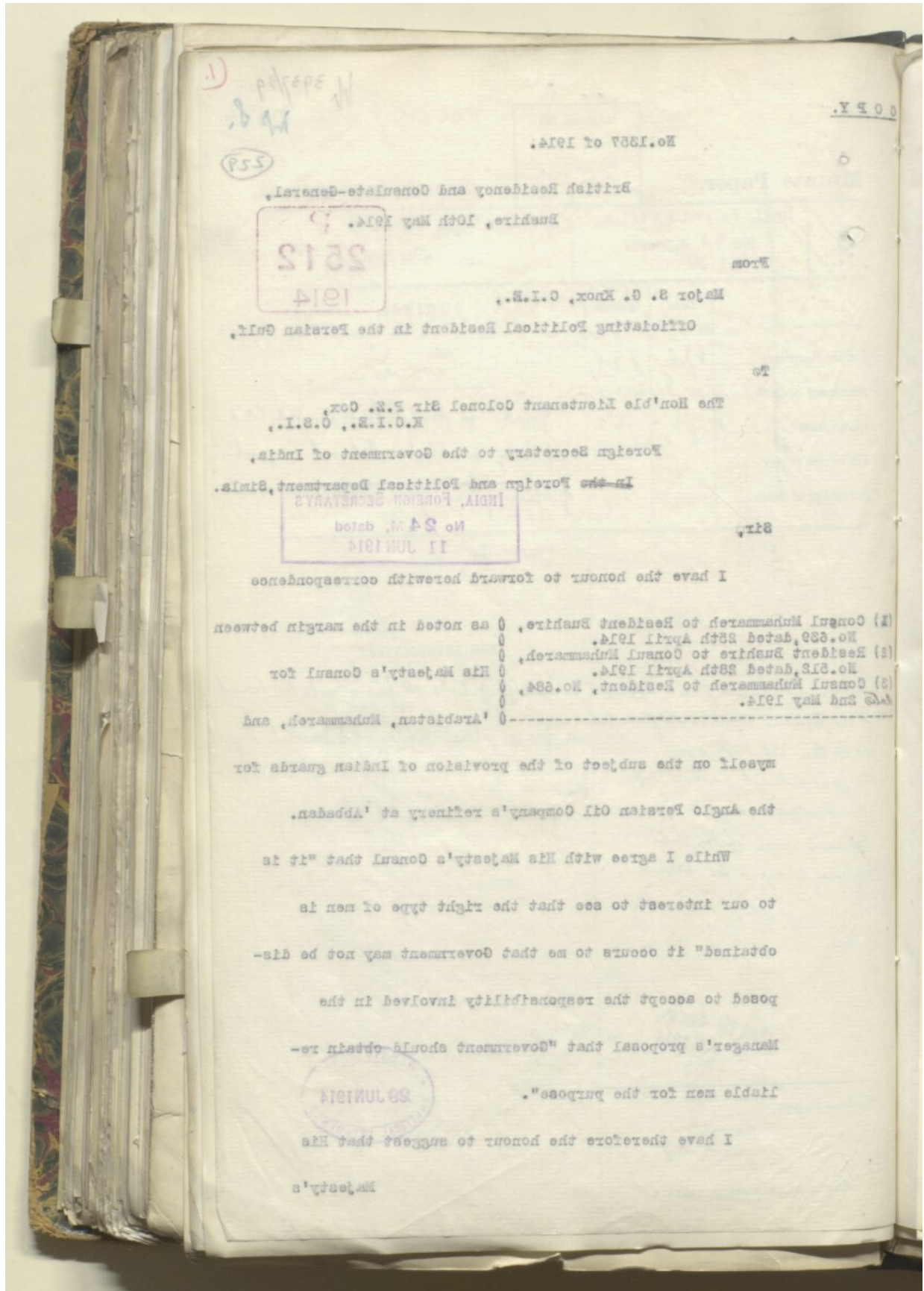


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٨ظ] (٣٣٨/٢٢)



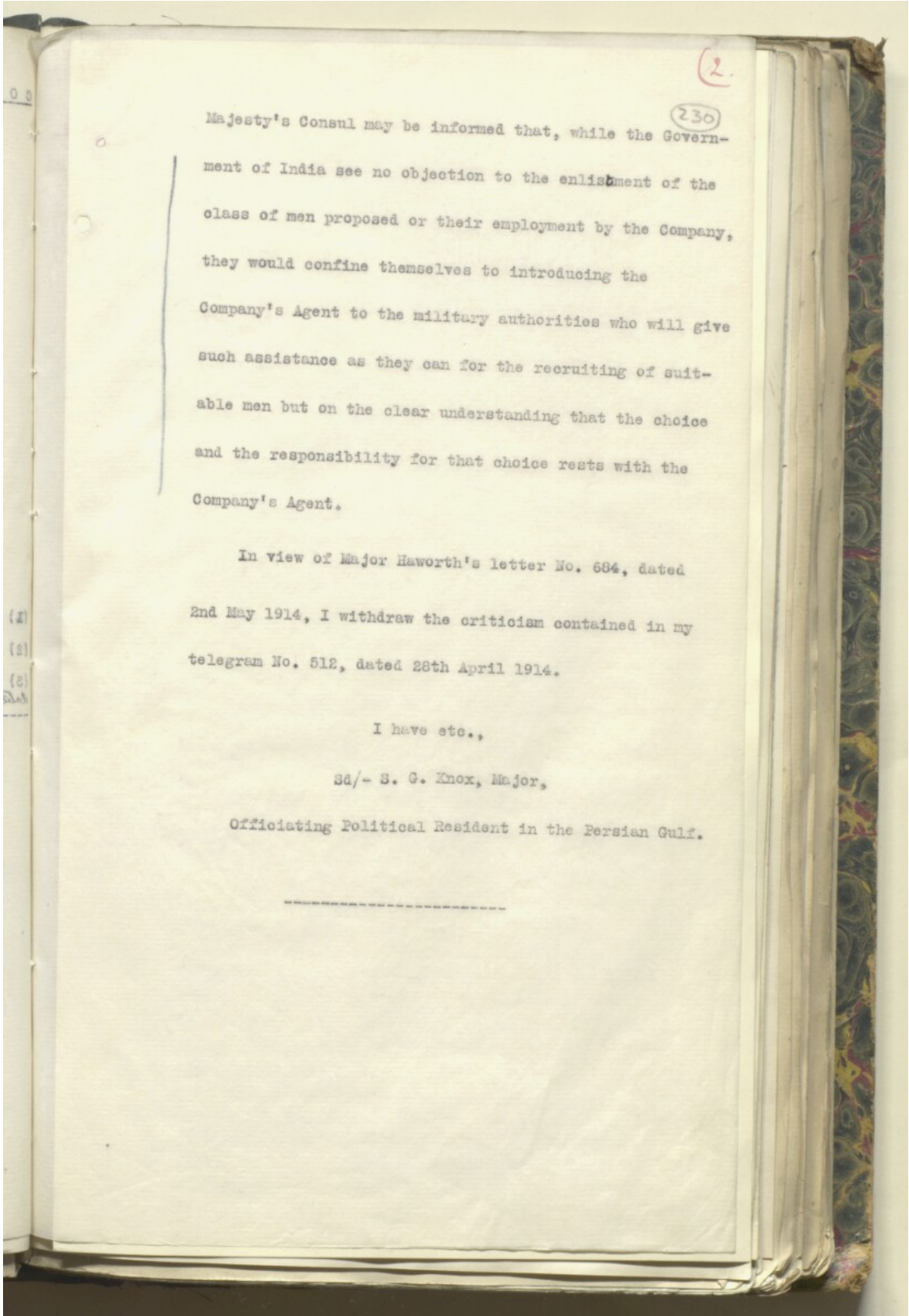


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ المحمرة وشركة النفط الأنجلو-فارسية" [٢٢٩ظ] (٣٣٨/٢٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٠ و] (٣٣٨/٢٥)



Majesty's Consul may be informed that, while the Govern-
ment of India see no objection to the enlistment of the
class of men proposed or their employment by the Company,
they would confine themselves to introducing the
Company's Agent to the military authorities who will give
such assistance as they can for the recruiting of suit-
able men but on the clear understanding that the choice
and the responsibility for that choice rests with the
Company's Agent.

In view of Major Haworth's letter No. 684, dated
2nd May 1914, I withdraw the criticism contained in my
telegram No. 512, dated 28th April 1914.

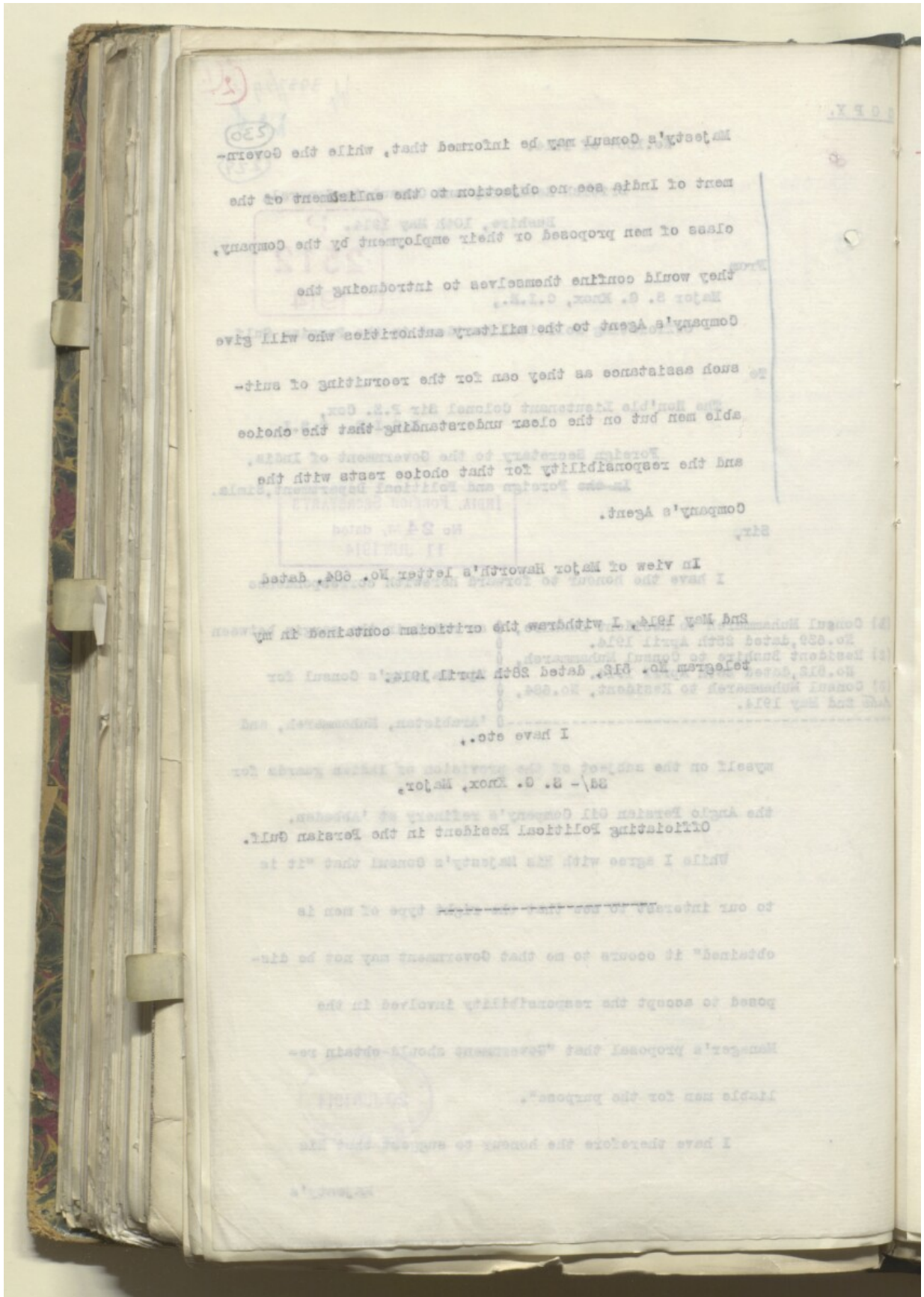
I have etc.,

Sd/- S. G. Knox, Major,

Officiating Political Resident in the Persian Gulf.

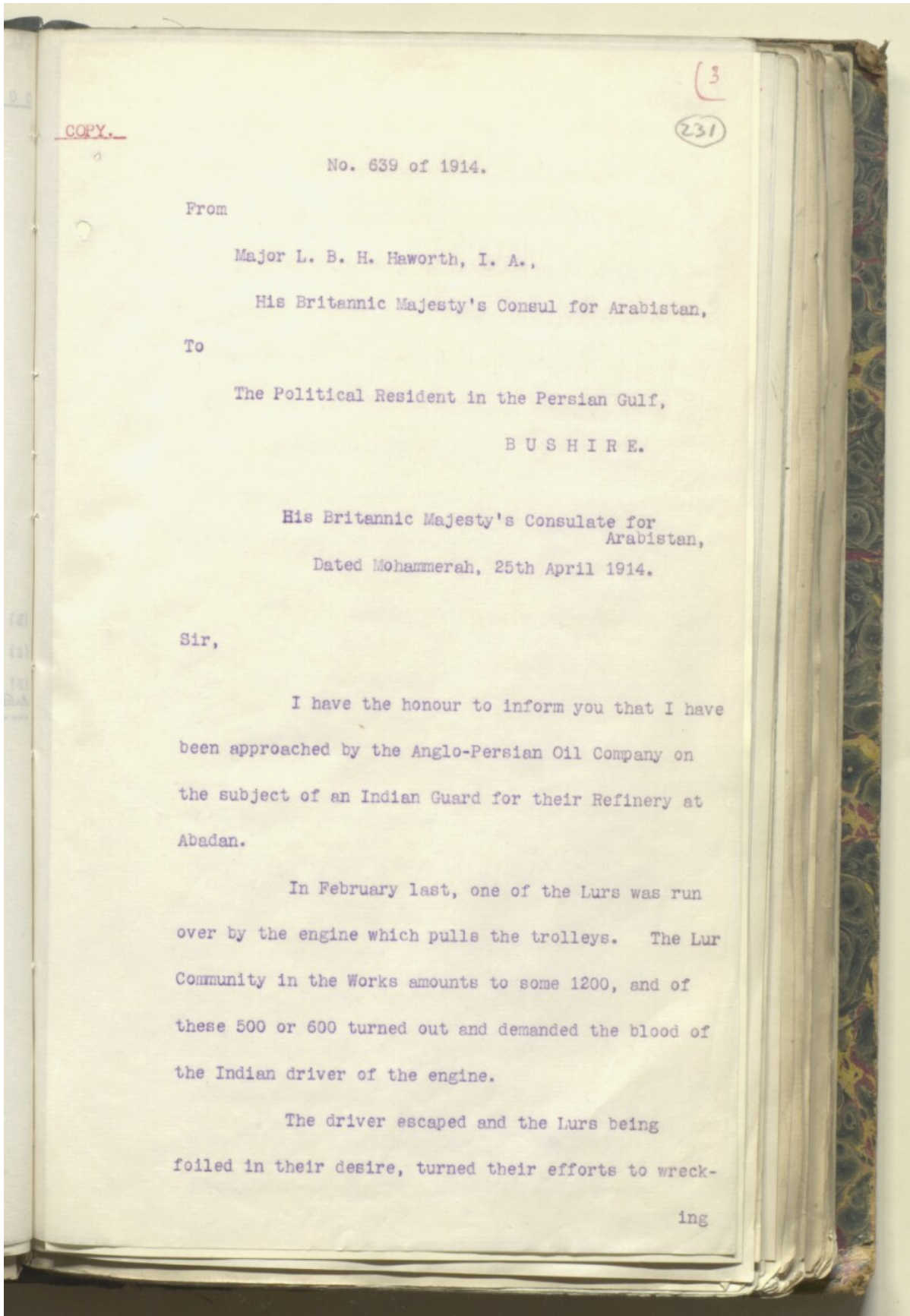


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٠ظ] (٣٣٨/٢٦)



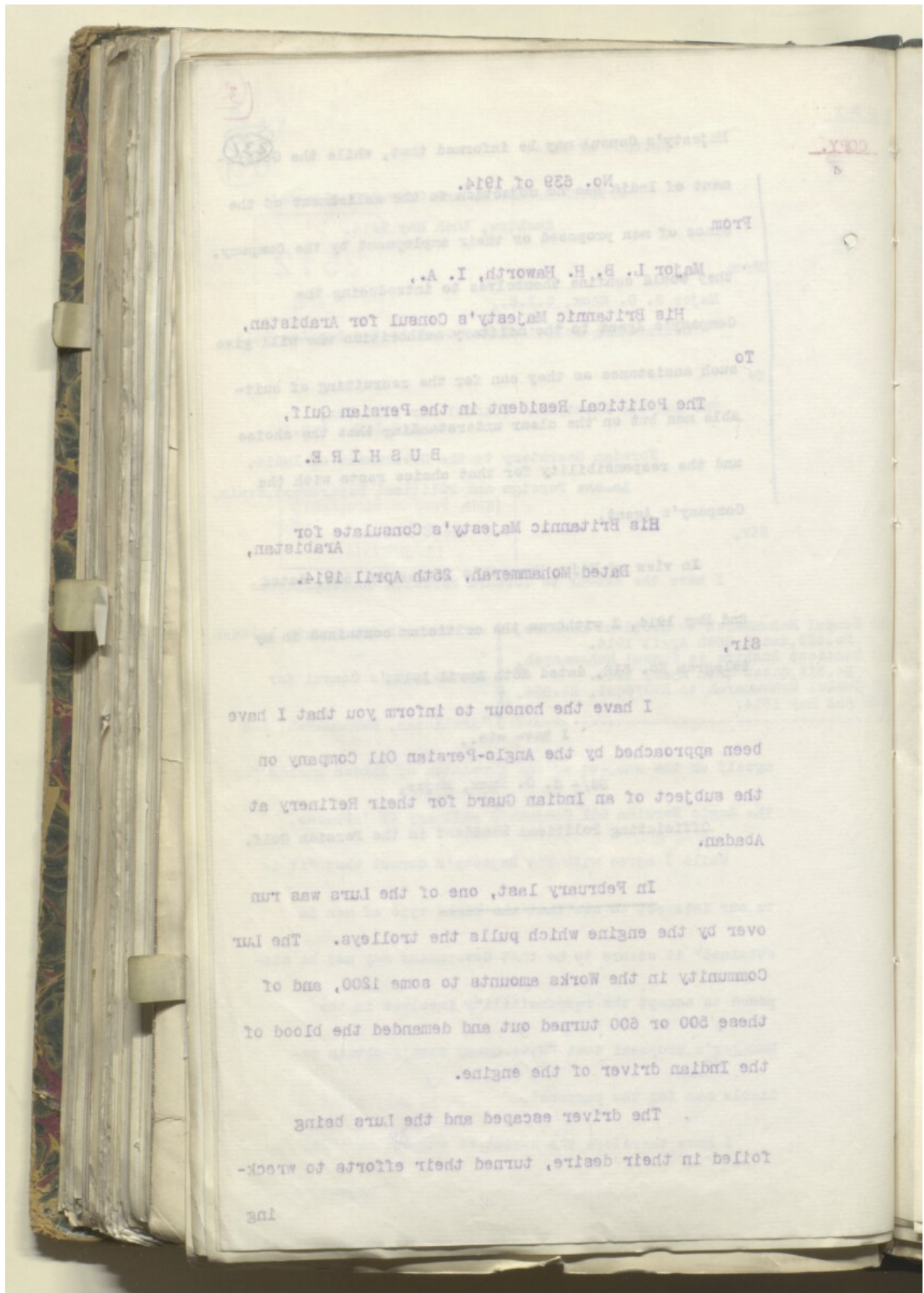


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣١ و] (٣٣٨/٢٧)



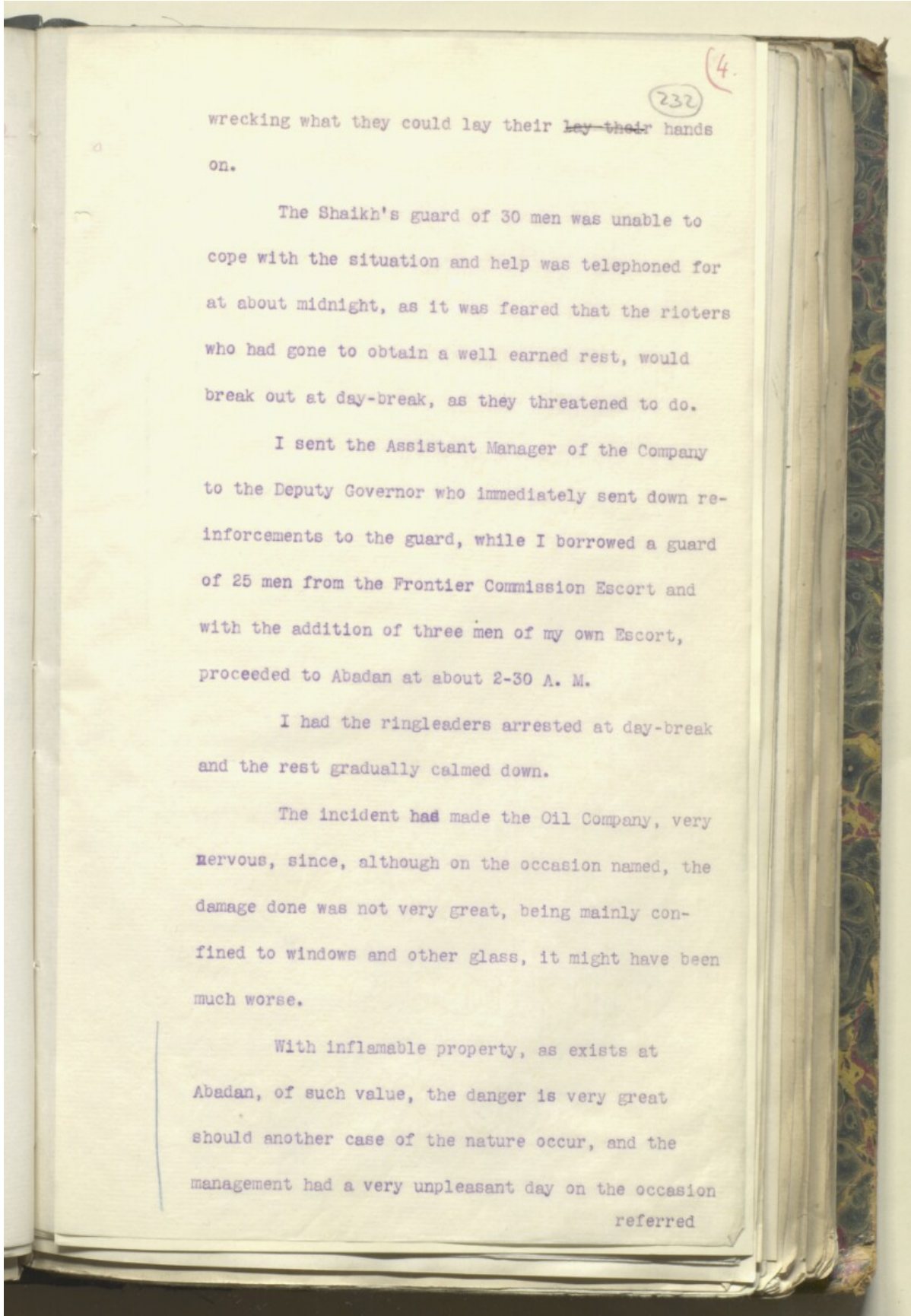


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣١ظ] (٣٣٨/٢٨)



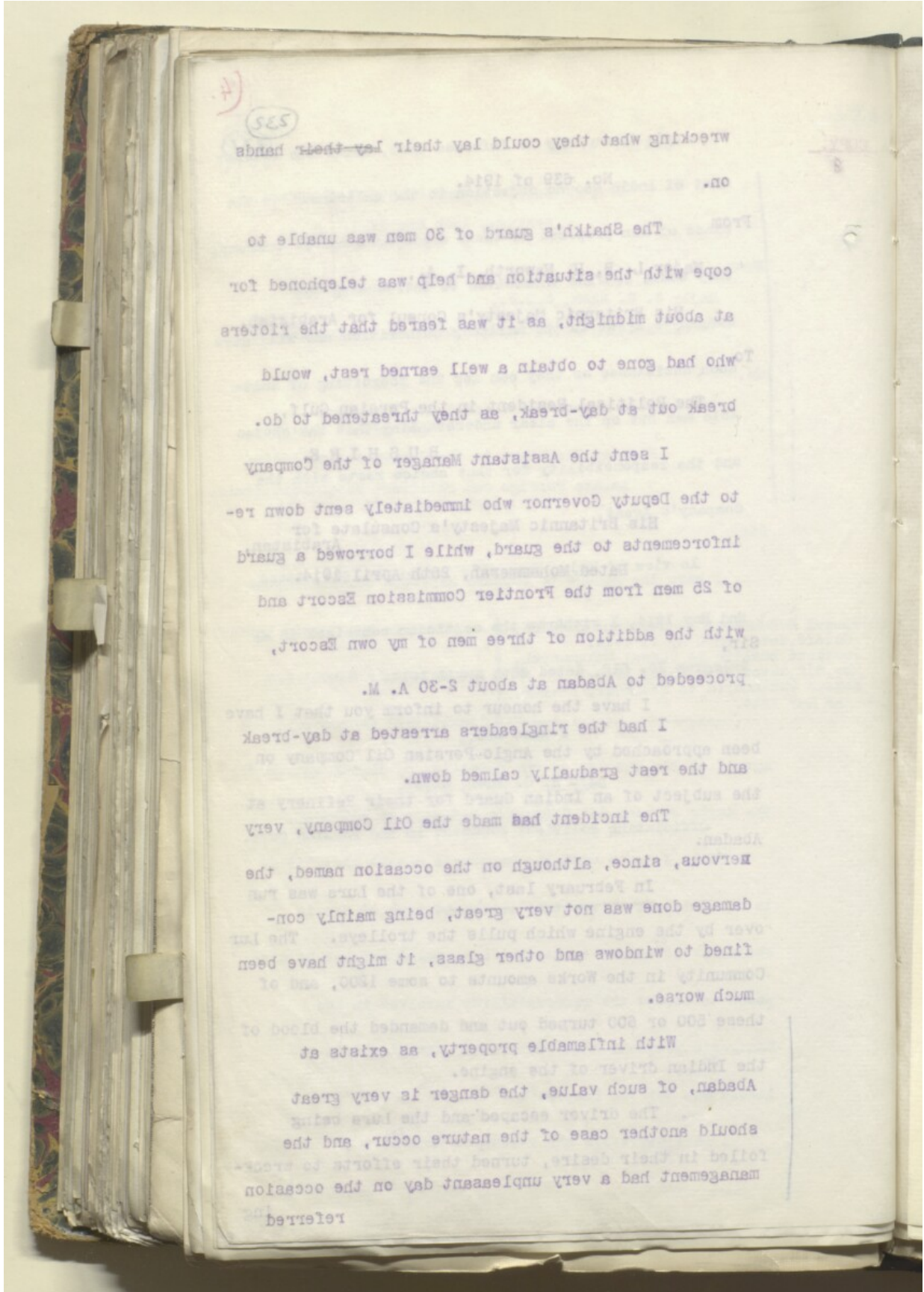


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٢ و] (٣٣٨/٢٩)



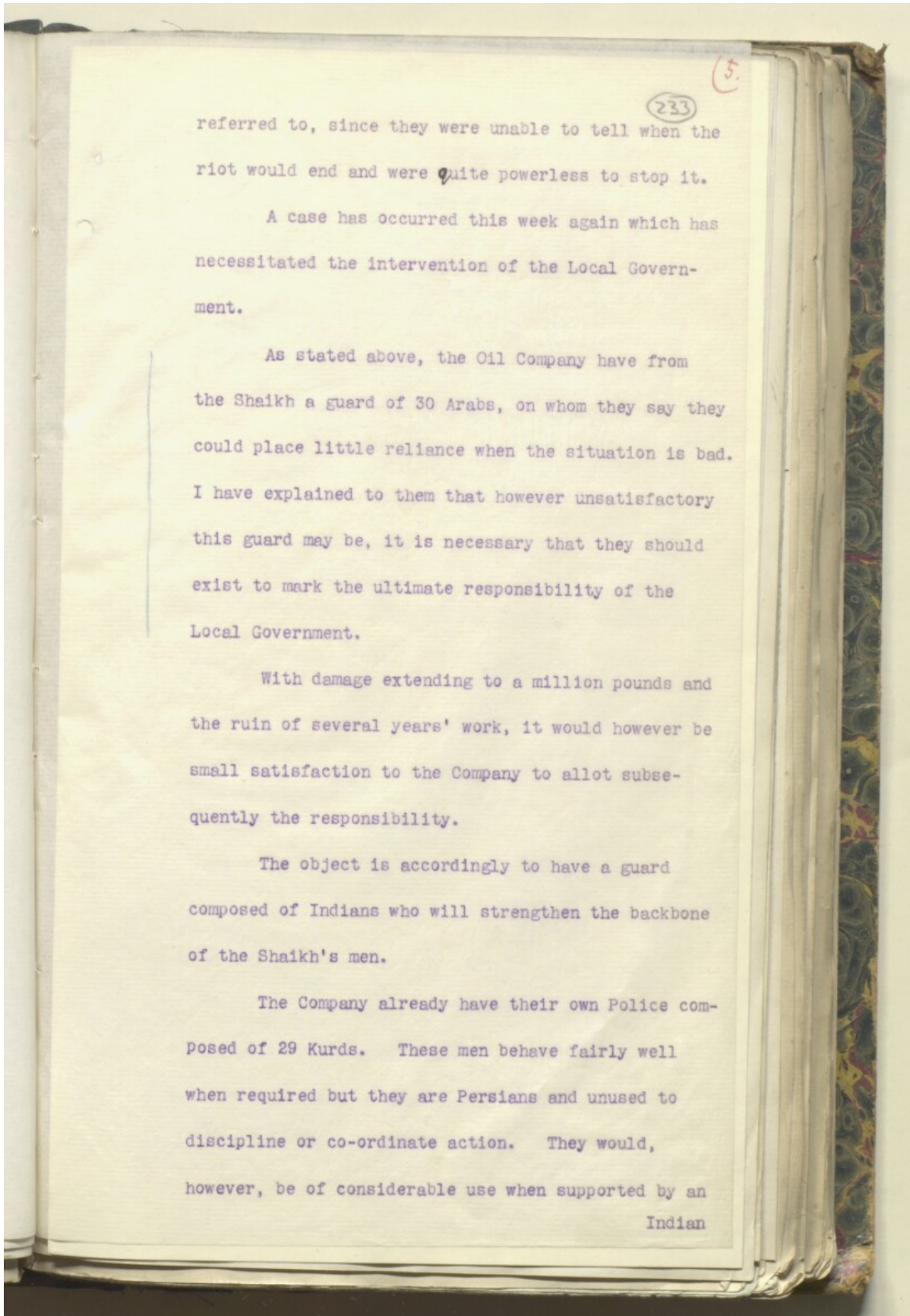


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٢ظ] (٣٠/٣٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٣و] (٣٣٨/٣١)



referred to, since they were unable to tell when the riot would end and were quite powerless to stop it.

A case has occurred this week again which has necessitated the intervention of the Local Government.

As stated above, the Oil Company have from the Shaikh a guard of 30 Arabs, on whom they say they could place little reliance when the situation is bad. I have explained to them that however unsatisfactory this guard may be, it is necessary that they should exist to mark the ultimate responsibility of the Local Government.

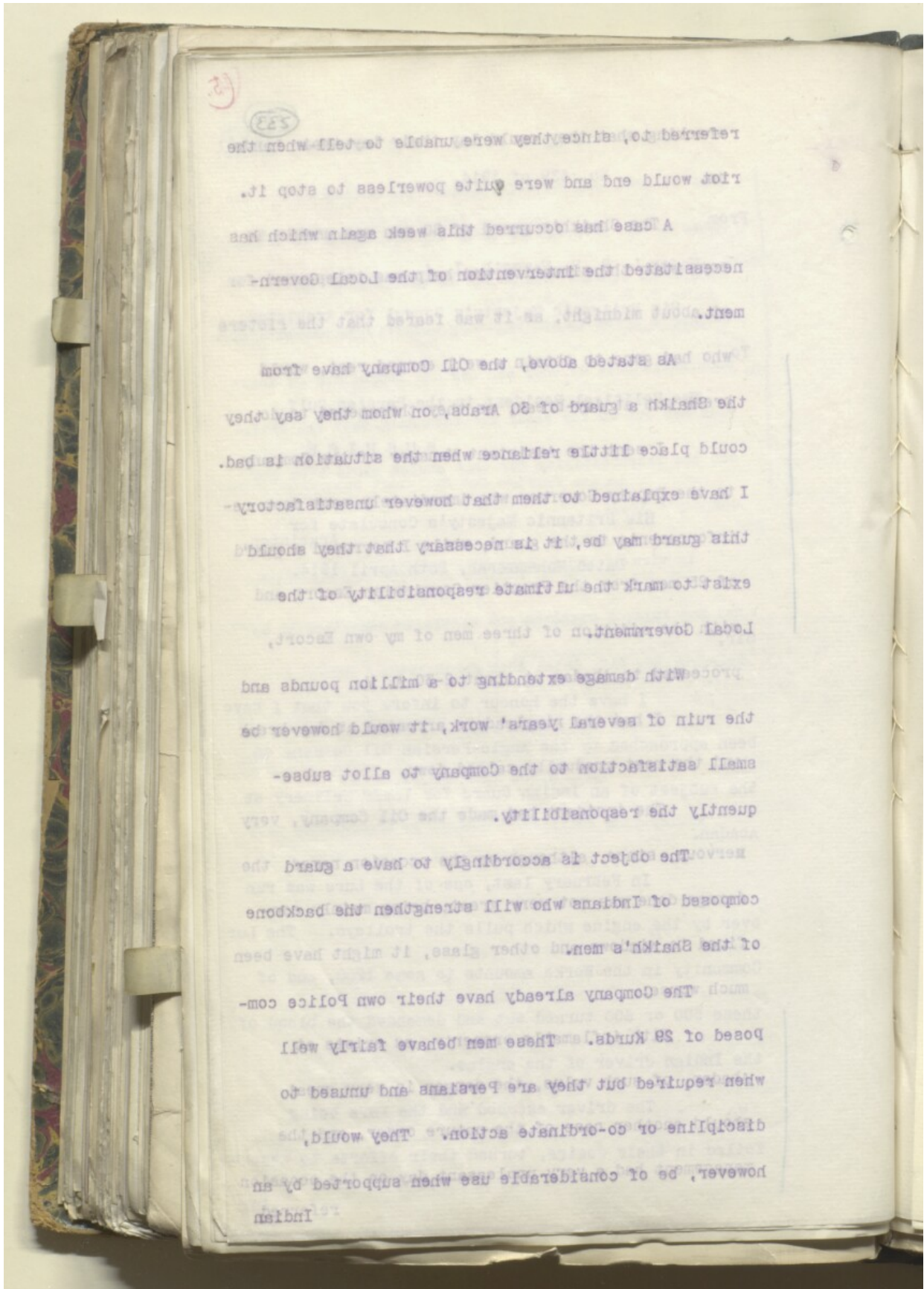
With damage extending to a million pounds and the ruin of several years' work, it would however be small satisfaction to the Company to allot subsequently the responsibility.

The object is accordingly to have a guard composed of Indians who will strengthen the backbone of the Shaikh's men.

The Company already have their own Police composed of 29 Kurds. These men behave fairly well when required but they are Persians and unused to discipline or co-ordinate action. They would, however, be of considerable use when supported by an Indian

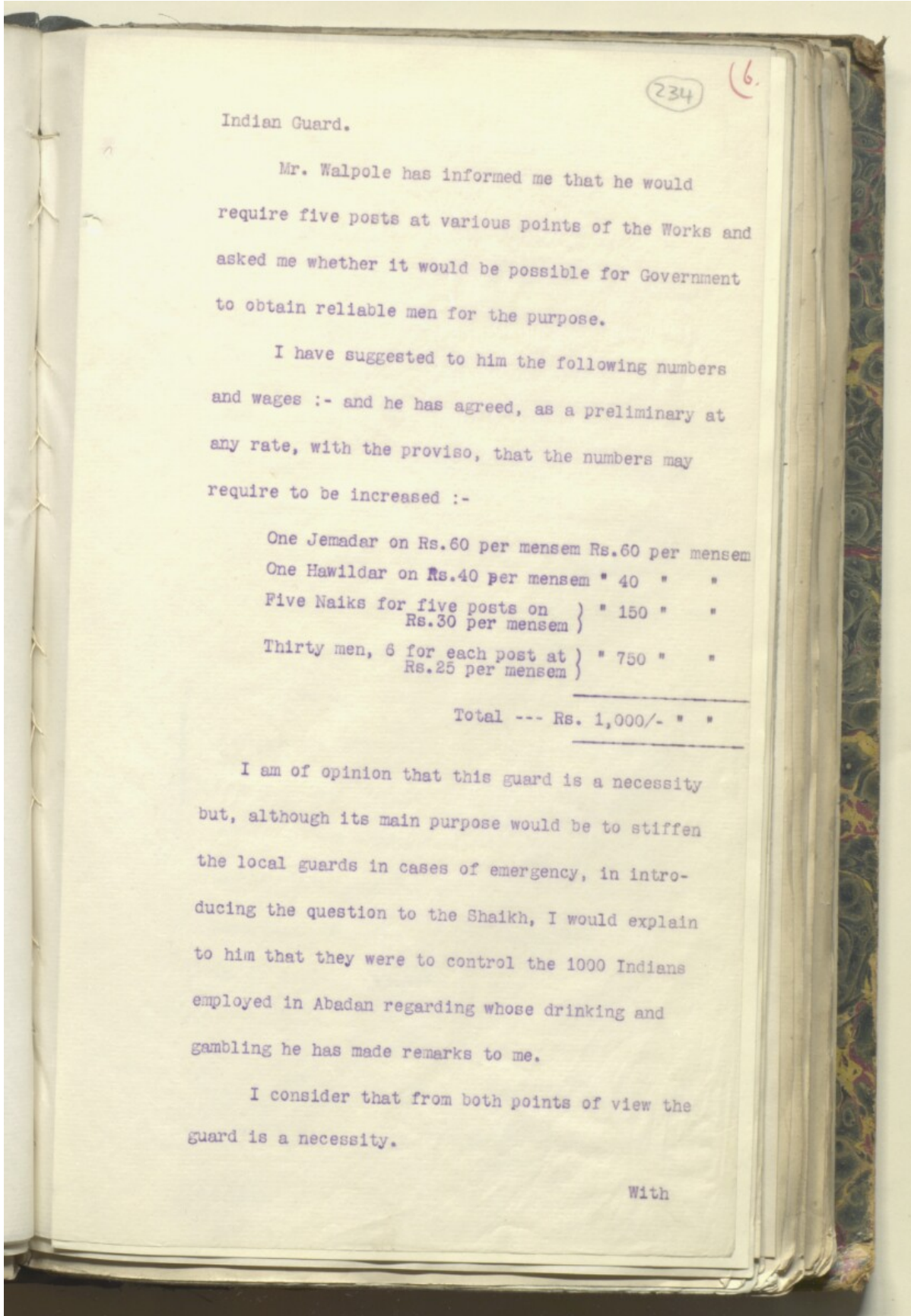


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٣ظ] (٣٢/٣٣٨)



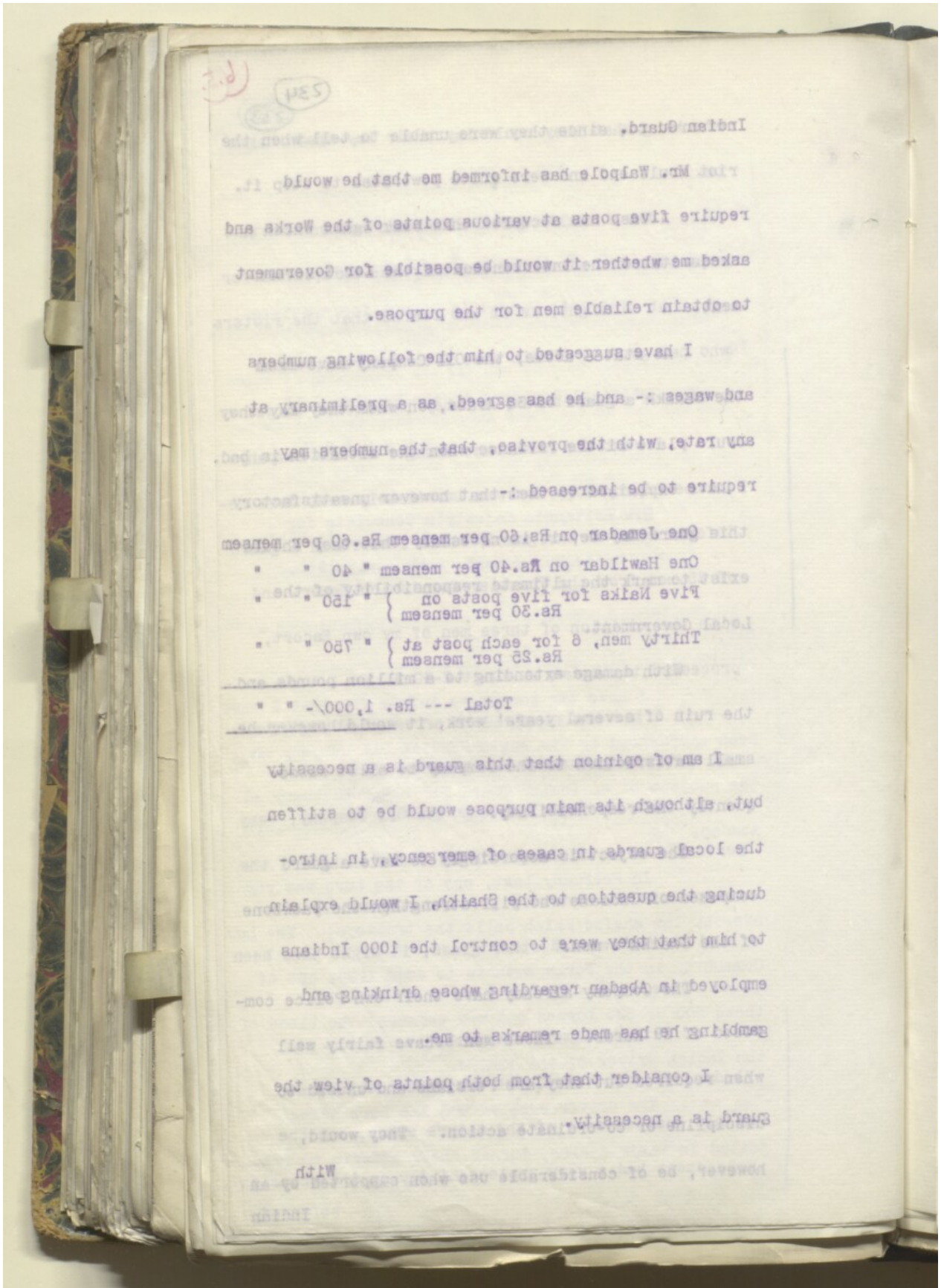


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٤و] (٣٣٨/٣٣)



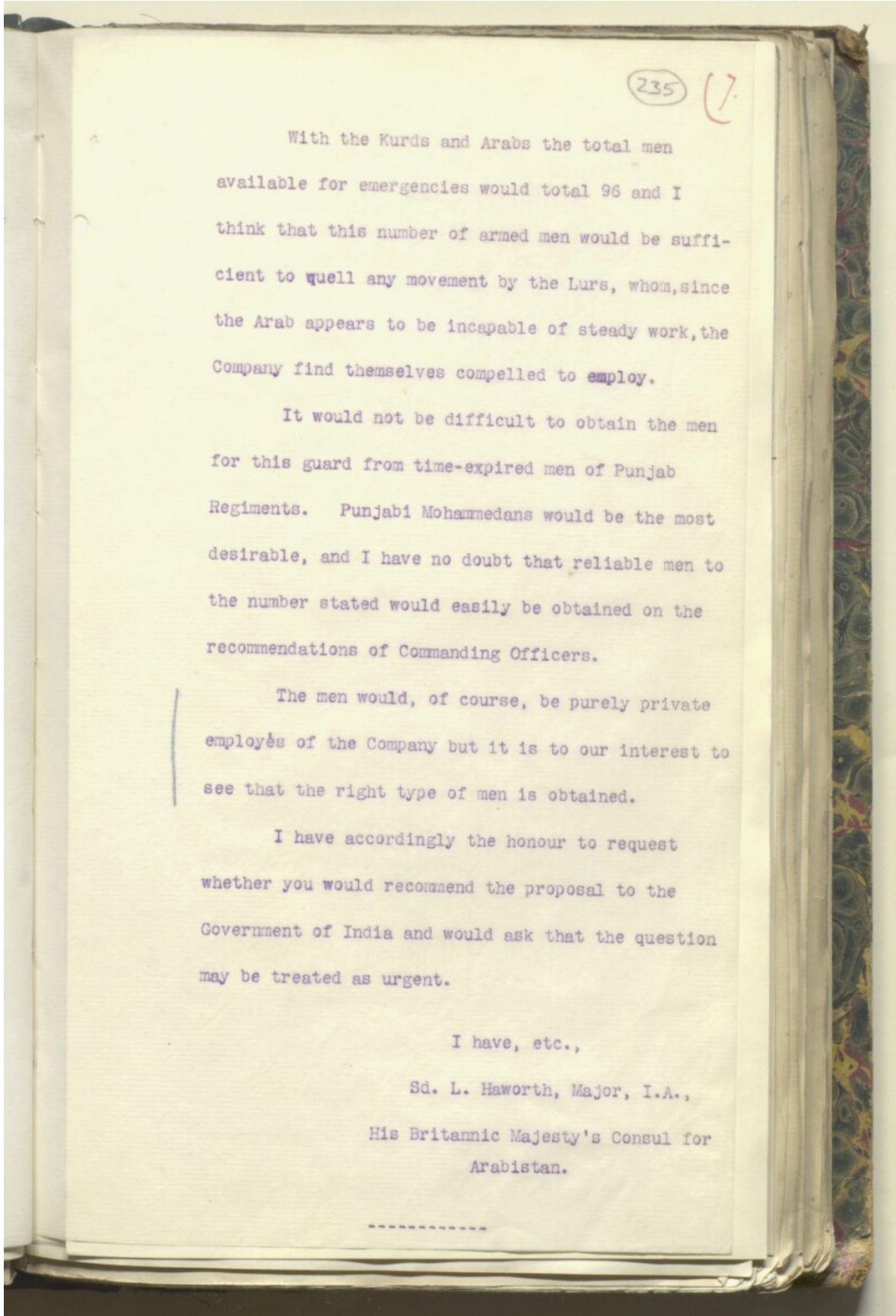


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٤ظ] (٣٣٨/٣٤)



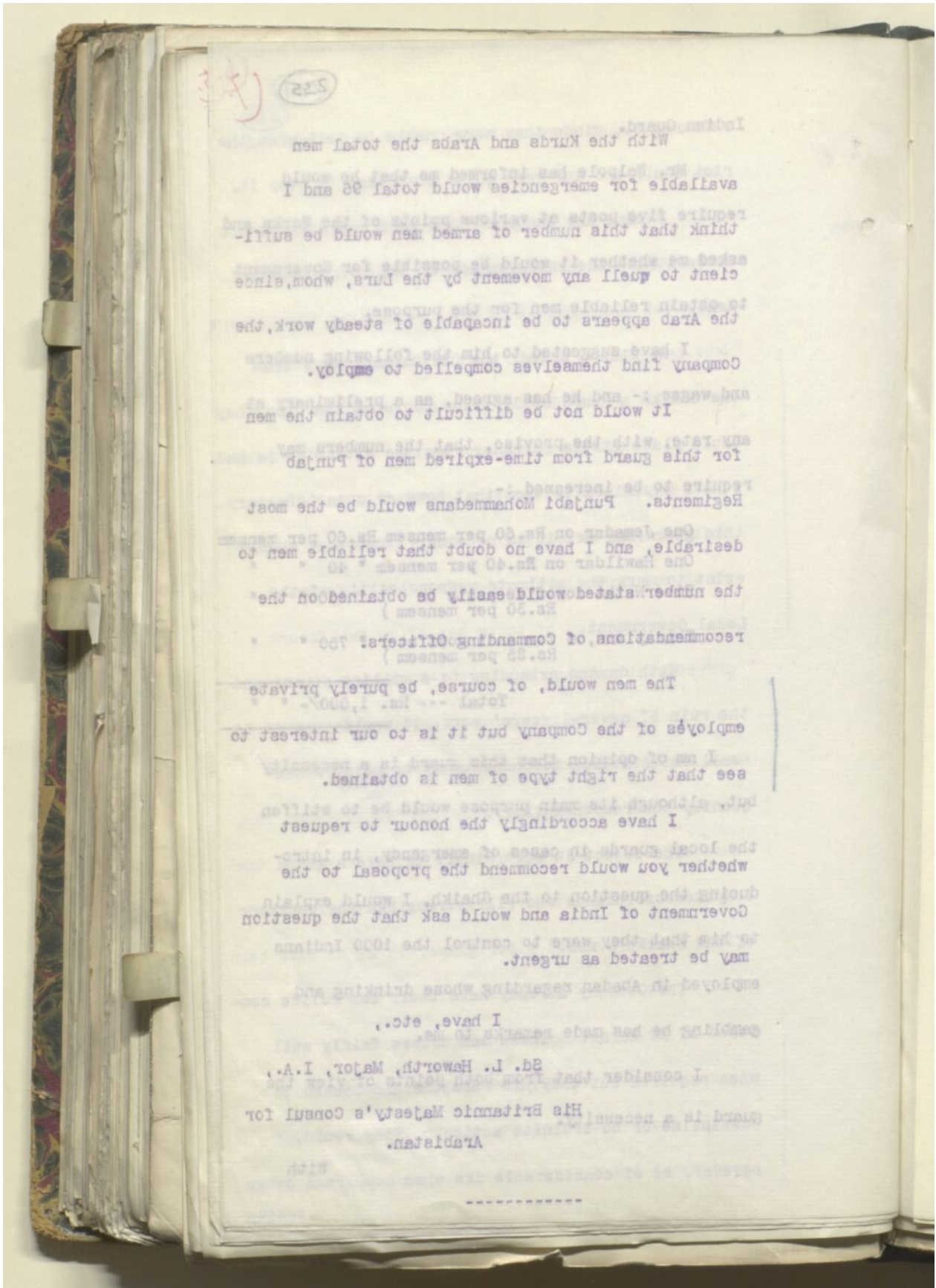


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٥ و] (٣٣٨/٣٥)



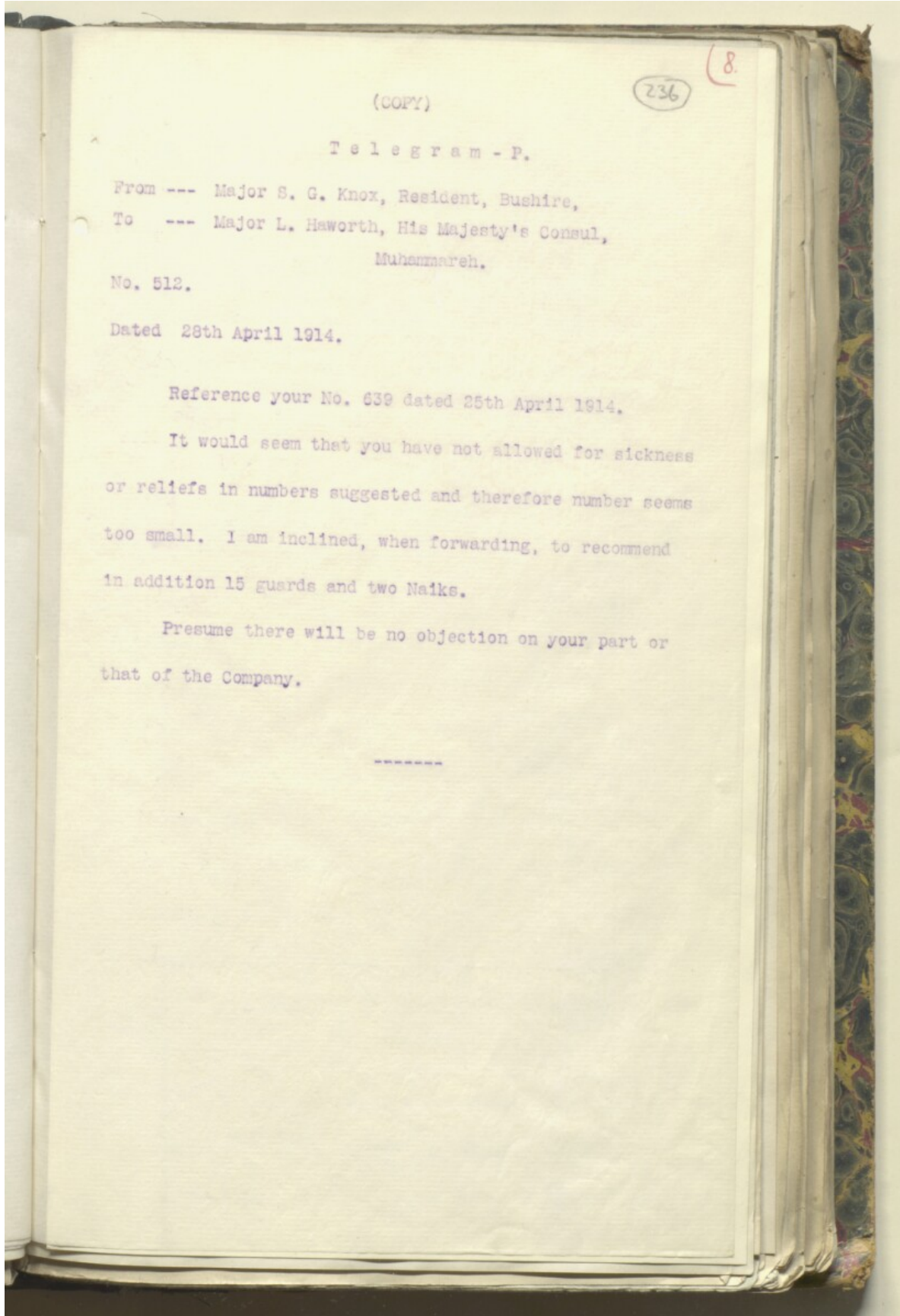


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٥ظ] (٣٣٨/٣٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٦و] (٣٣٨/٣٧)



(COPY)

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8

T e l e g r a m - P .

From --- Major S. G. Knox, Resident, Bushire,
To --- Major L. Haworth, His Majesty's Consul,
Muhammarah.

No. 512.

Dated 28th April 1914.

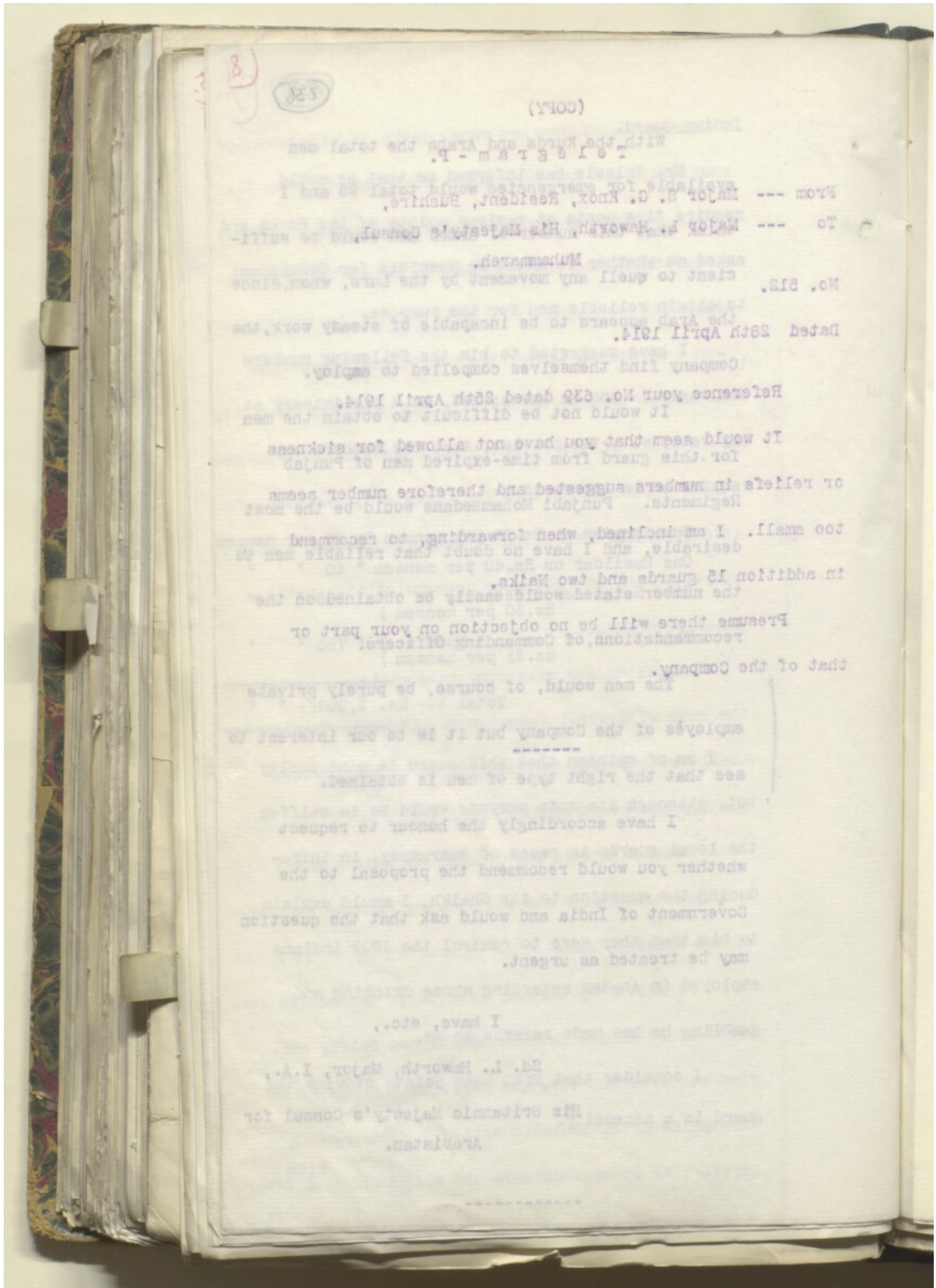
Reference your No. 639 dated 25th April 1914.

It would seem that you have not allowed for sickness
or reliefs in numbers suggested and therefore number seems
too small. I am inclined, when forwarding, to recommend
in addition 15 guards and two Naiks.

Presume there will be no objection on your part or
that of the Company.

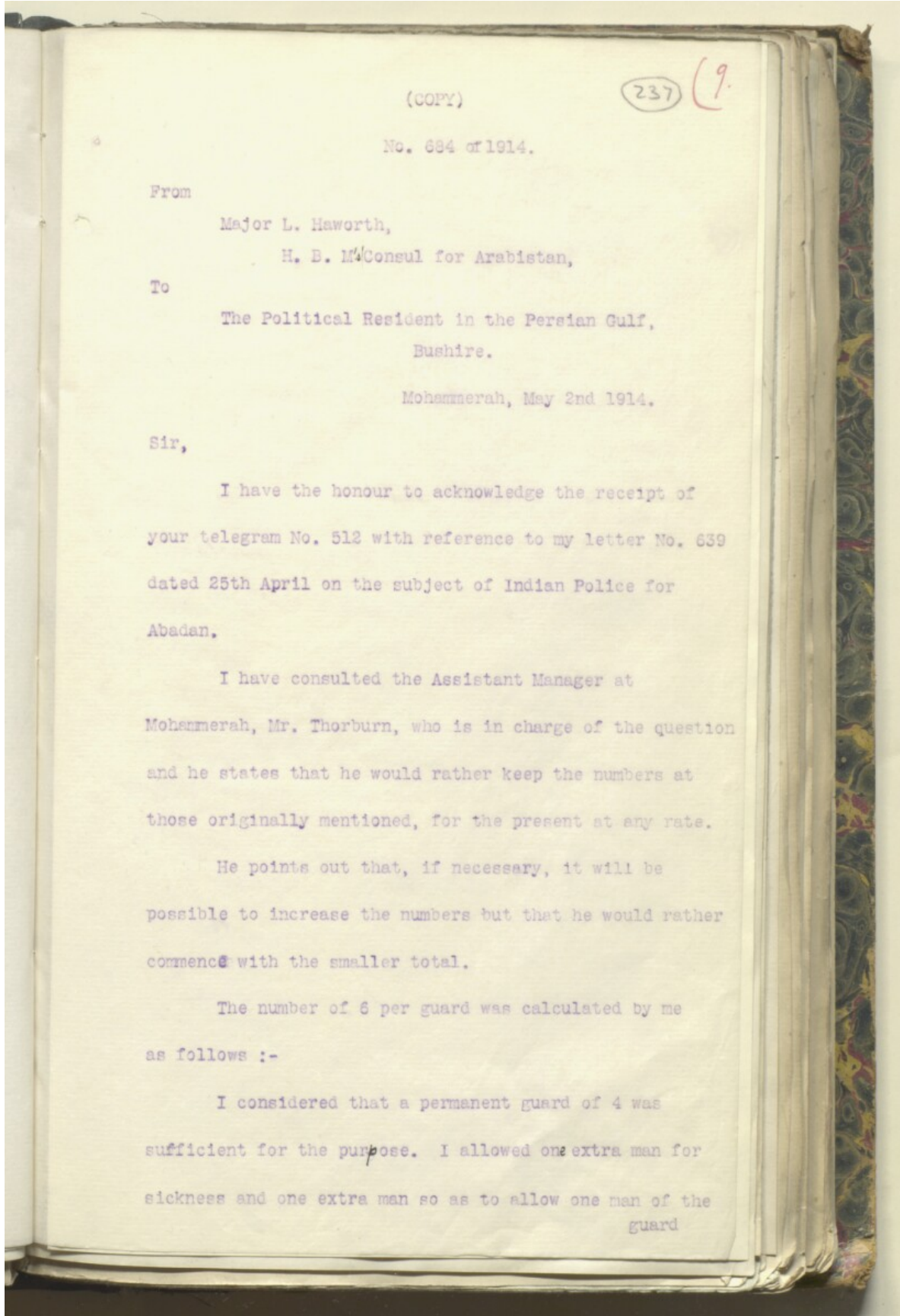


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
 المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٦ظ] (٣٣٨/٣٨)



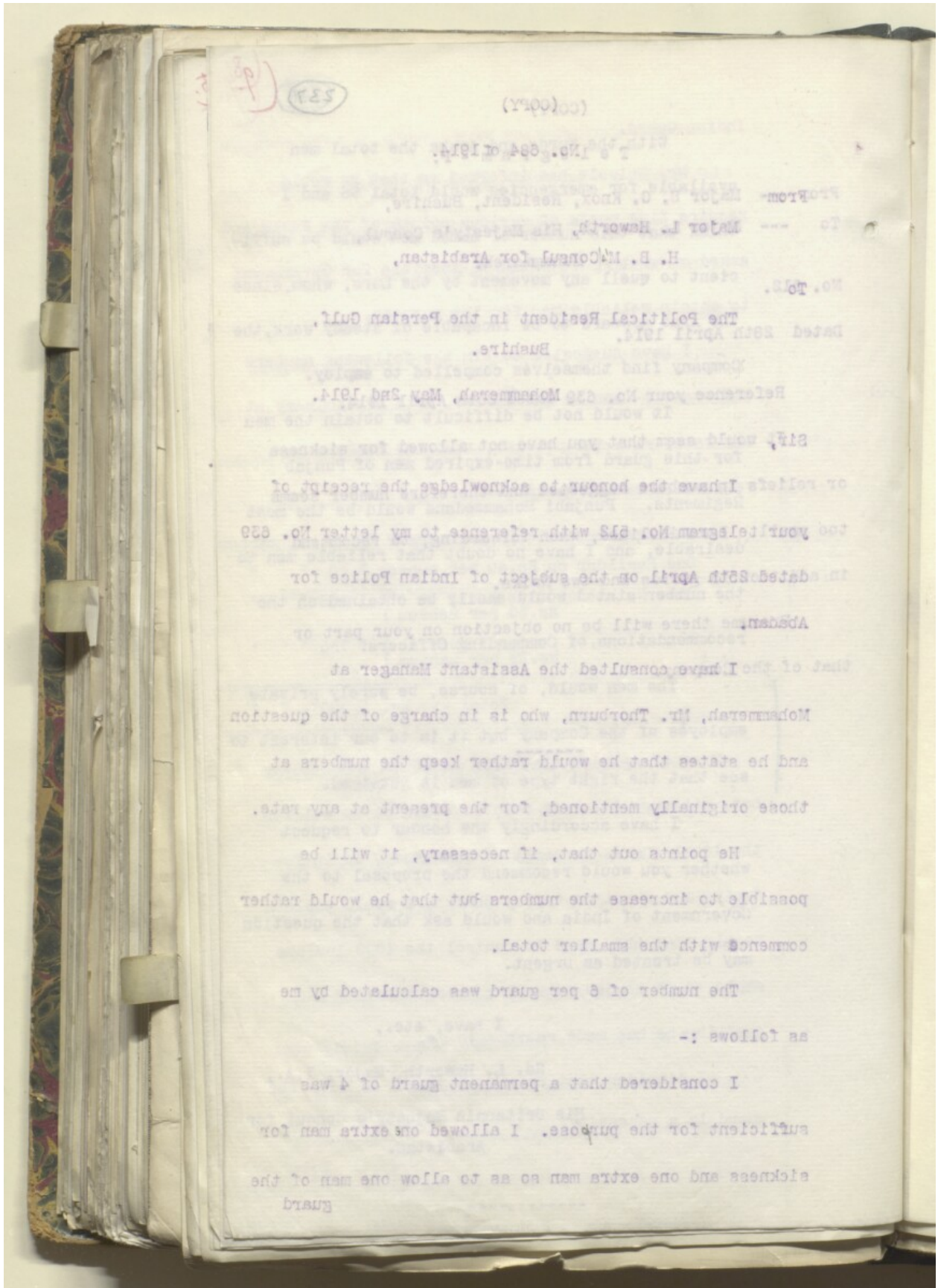


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٧ و] (٣٣٨/٣٩)



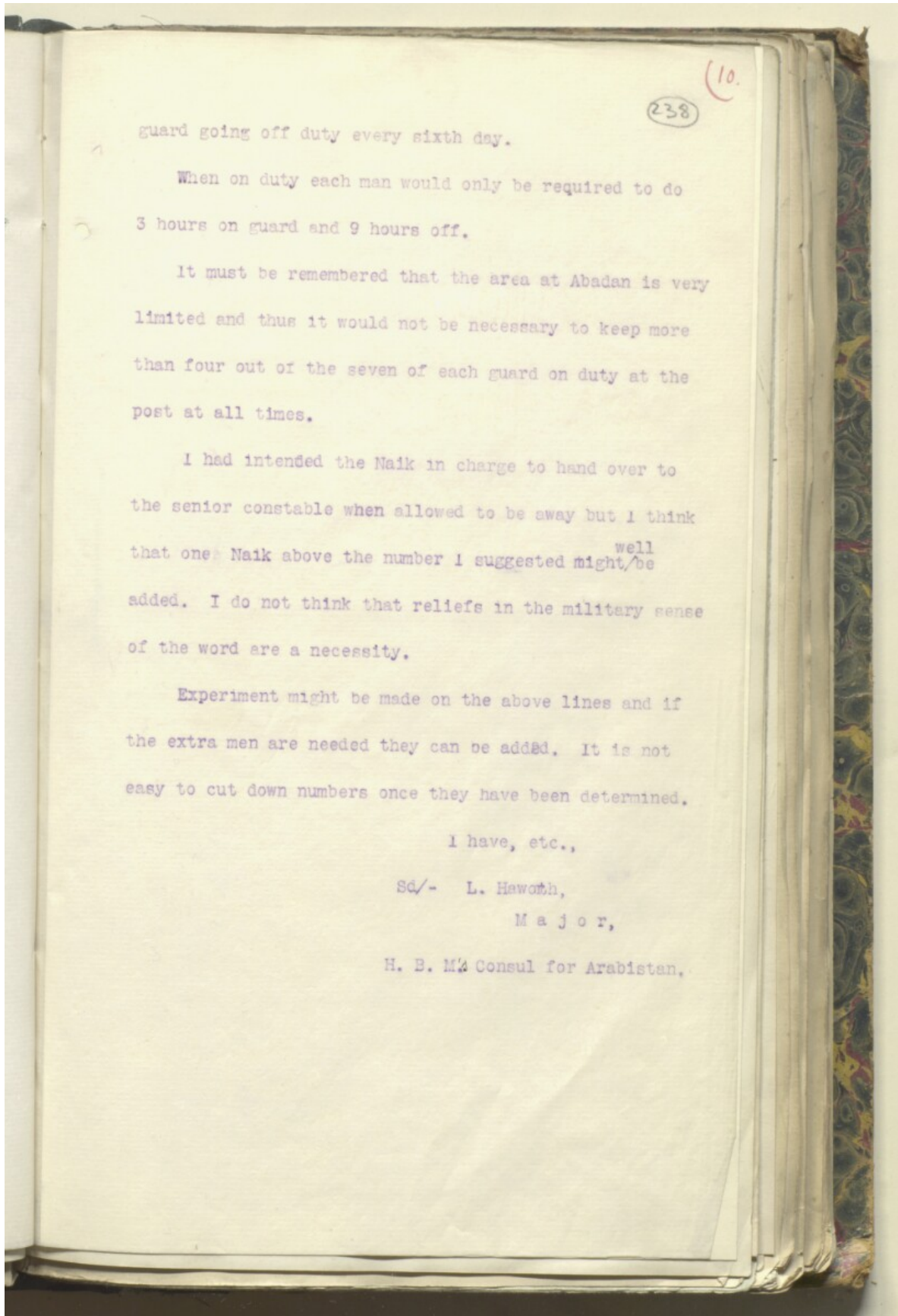


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٧ظ] (٣٣٨/٤٠)



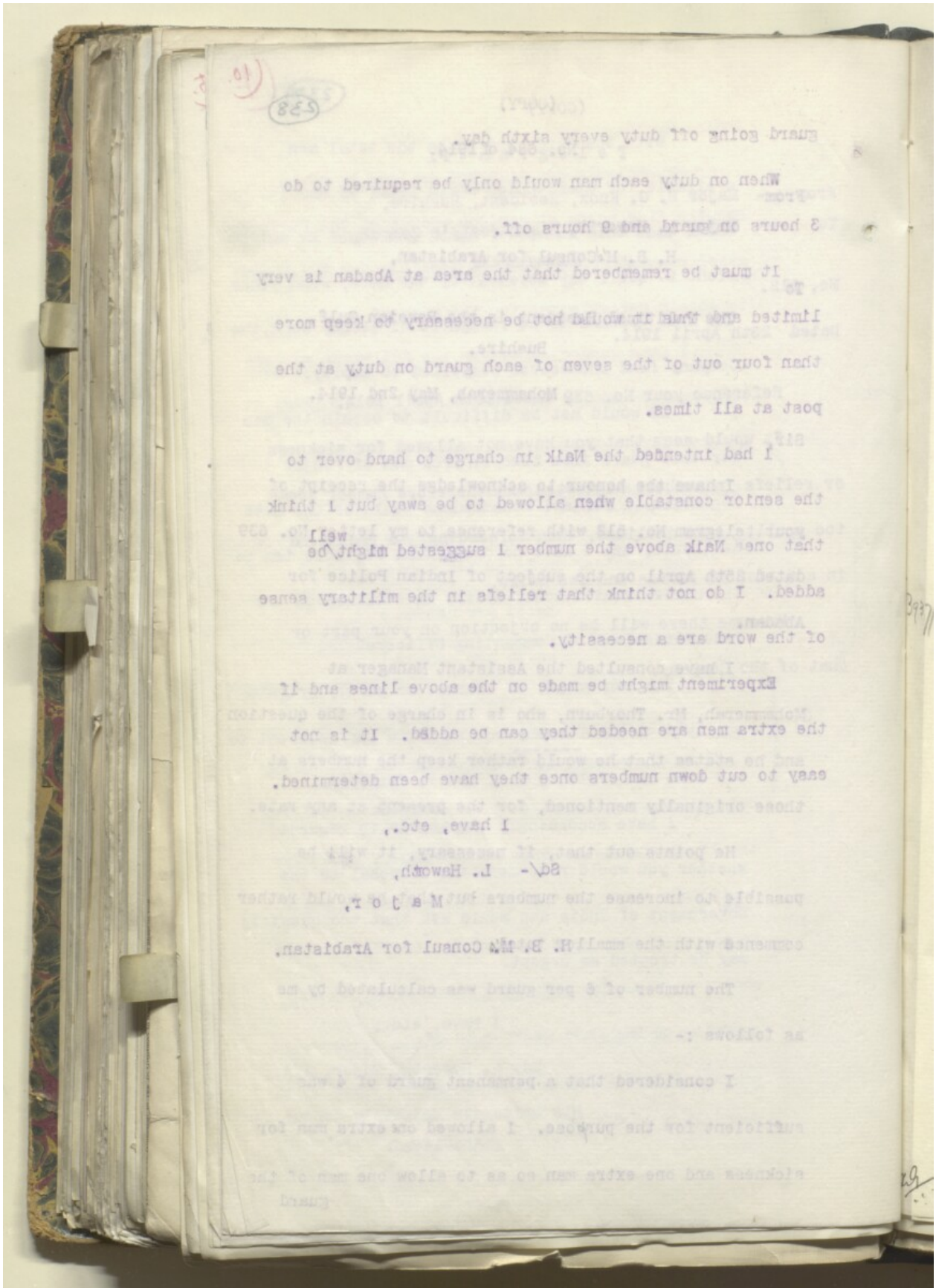


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٨ و] (٣٣٨/٤١)



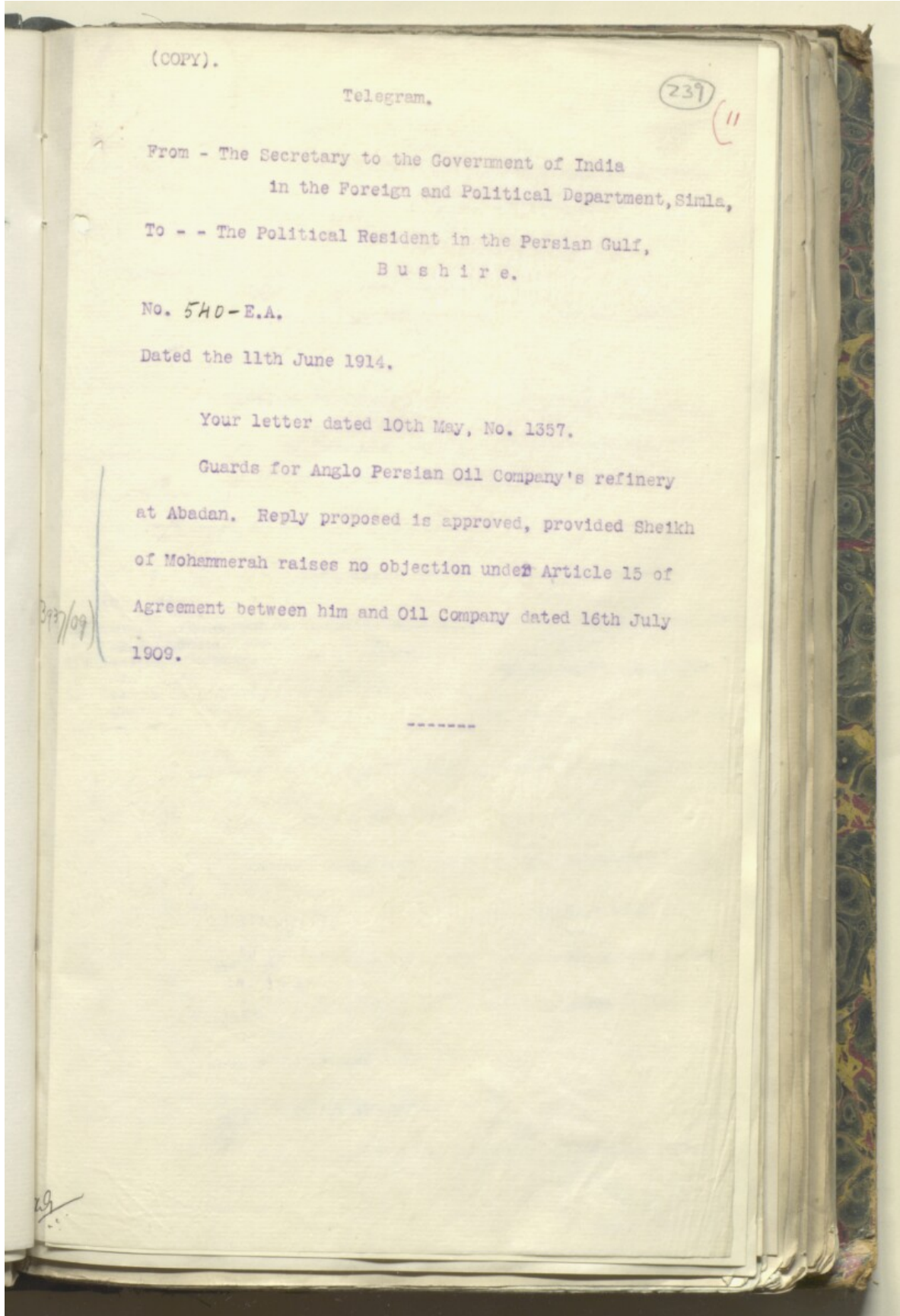


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٨ظ] (٣٣٨/٤٢)



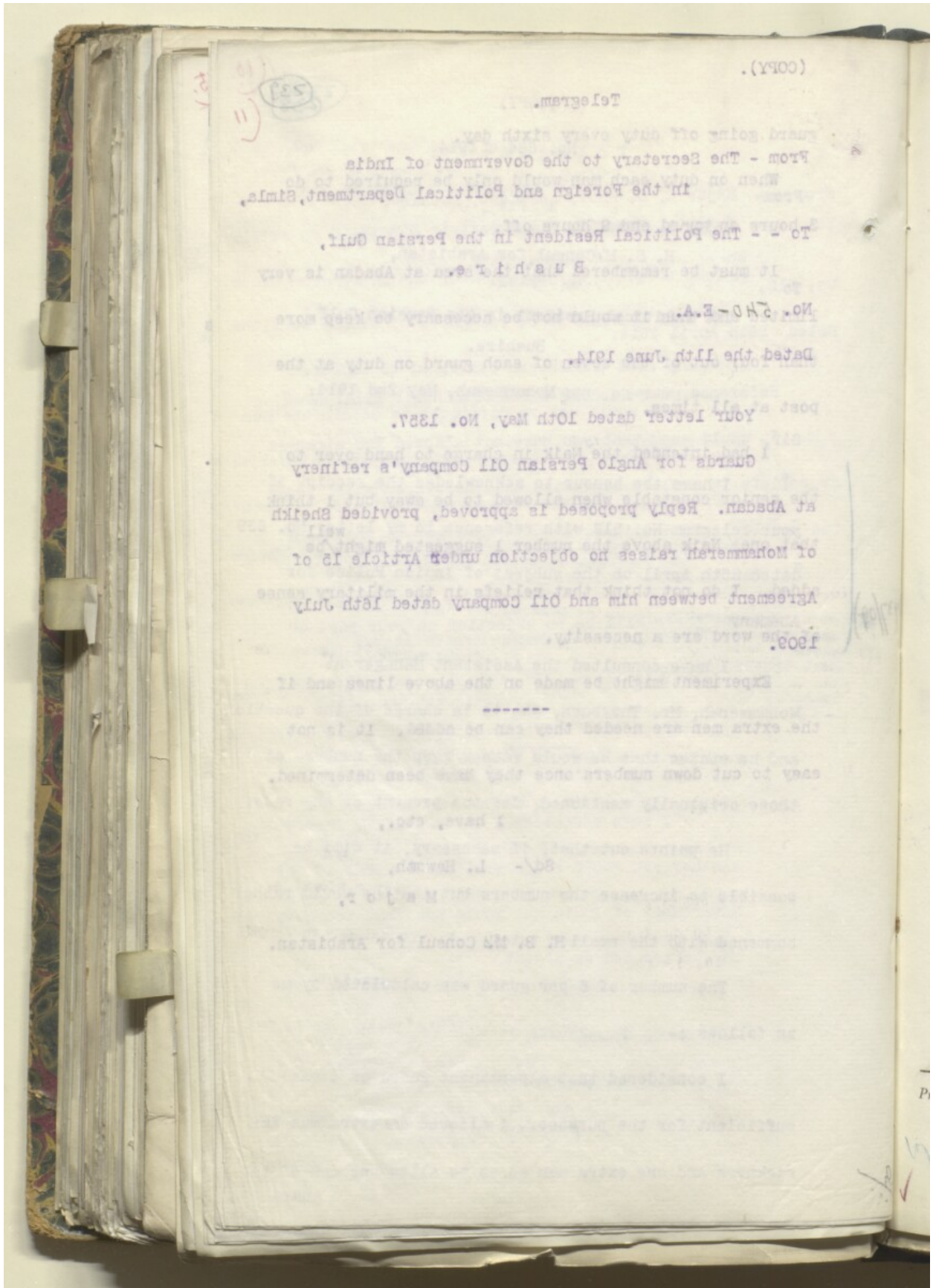


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٩ و] (٣٣٨/٤٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٣٩ظ] (٤٤/٣٣٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٠] [٣٣٨/٤٥]

Register No. **5113** Put away with 3422/12 (240)

Minute Paper. **Secret Department.**

INDIA, FOREIGN SECRETARY'S
No 49 M, dated
4 DEC 1913

Dated 1913.
Rec. 22 Dec.

	Date.	Initials.	SUBJECT.
Under Secretary.....	23 Dec.	W.H.	112 Persia
Secretary of State.....			
Committee.....	24	W.H.	Repayment by Sheikh of Inshammere of 4 th instalment of his loan from Anglo-Persian Oil Co.
Under Secretary.....			
Secretary of State.....			

Copy to J.O. 22 Dec.

FOR INFORMATION.

Seen Pol. Com'ce.,
6 JAN 1914

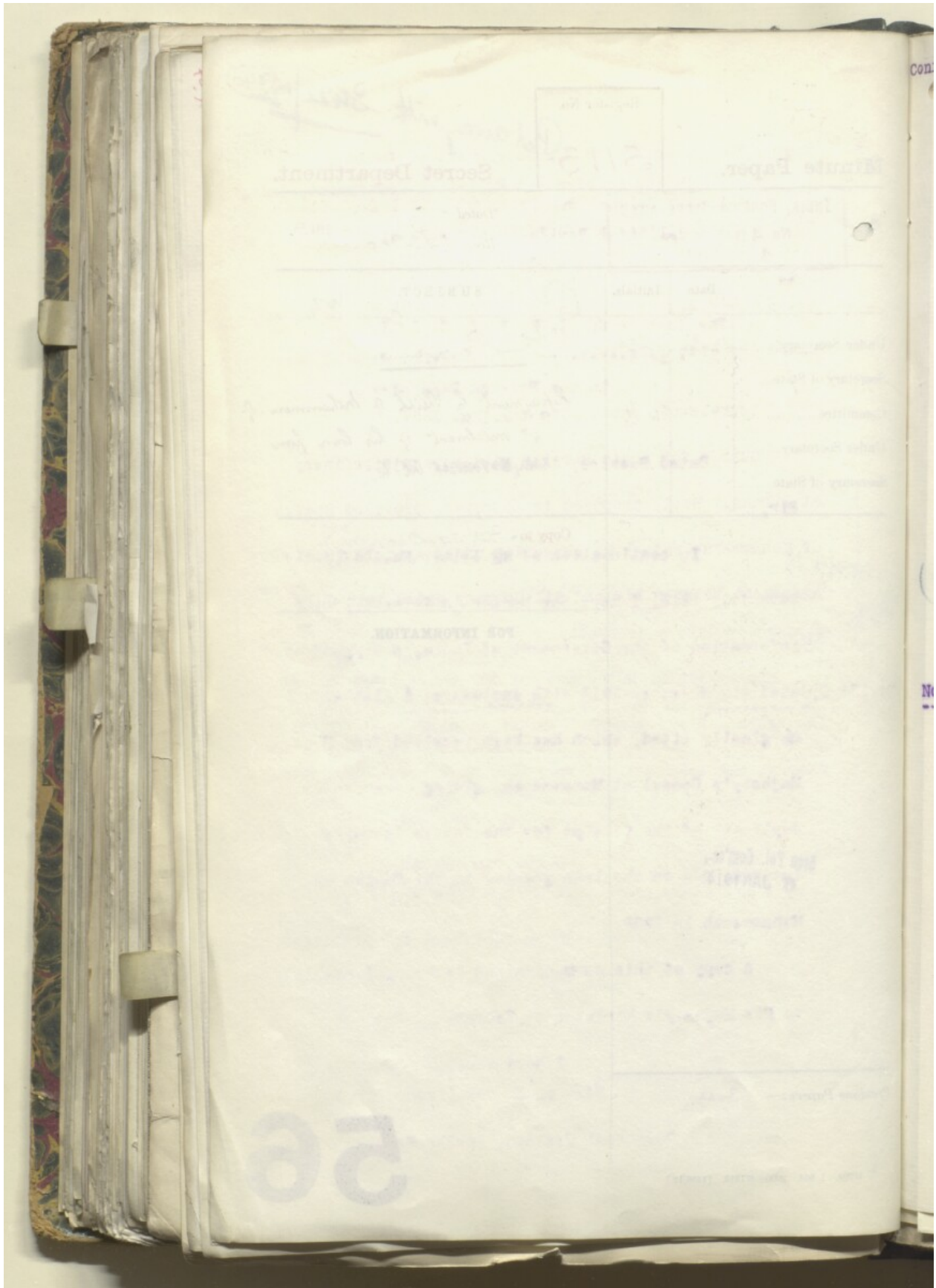
Previous Papers:— 3422/12

15294. 1. 864. 2000.—6/1913. [1486/12.]

56

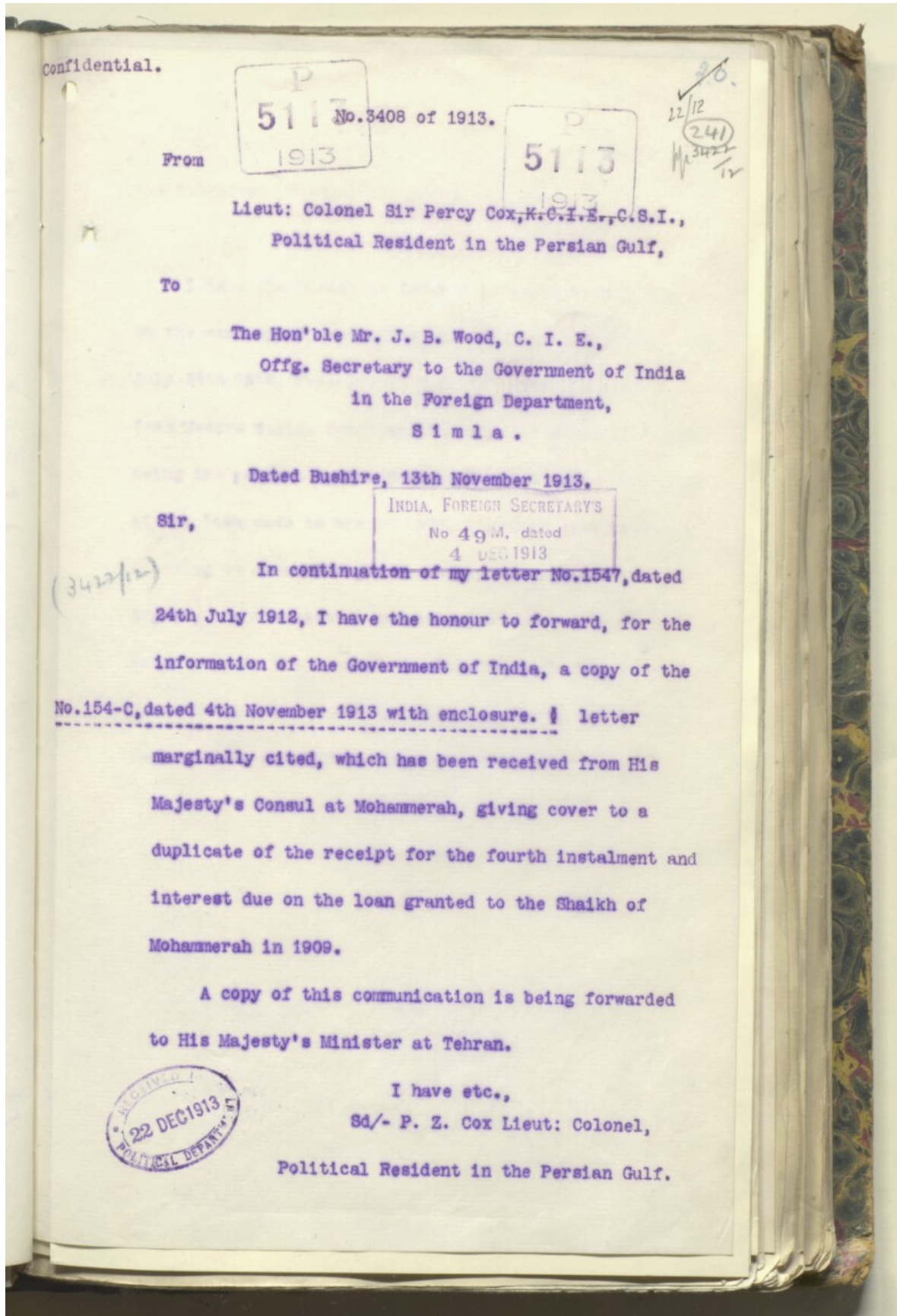


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٠ ظ] (٣٣٨/٤٦)



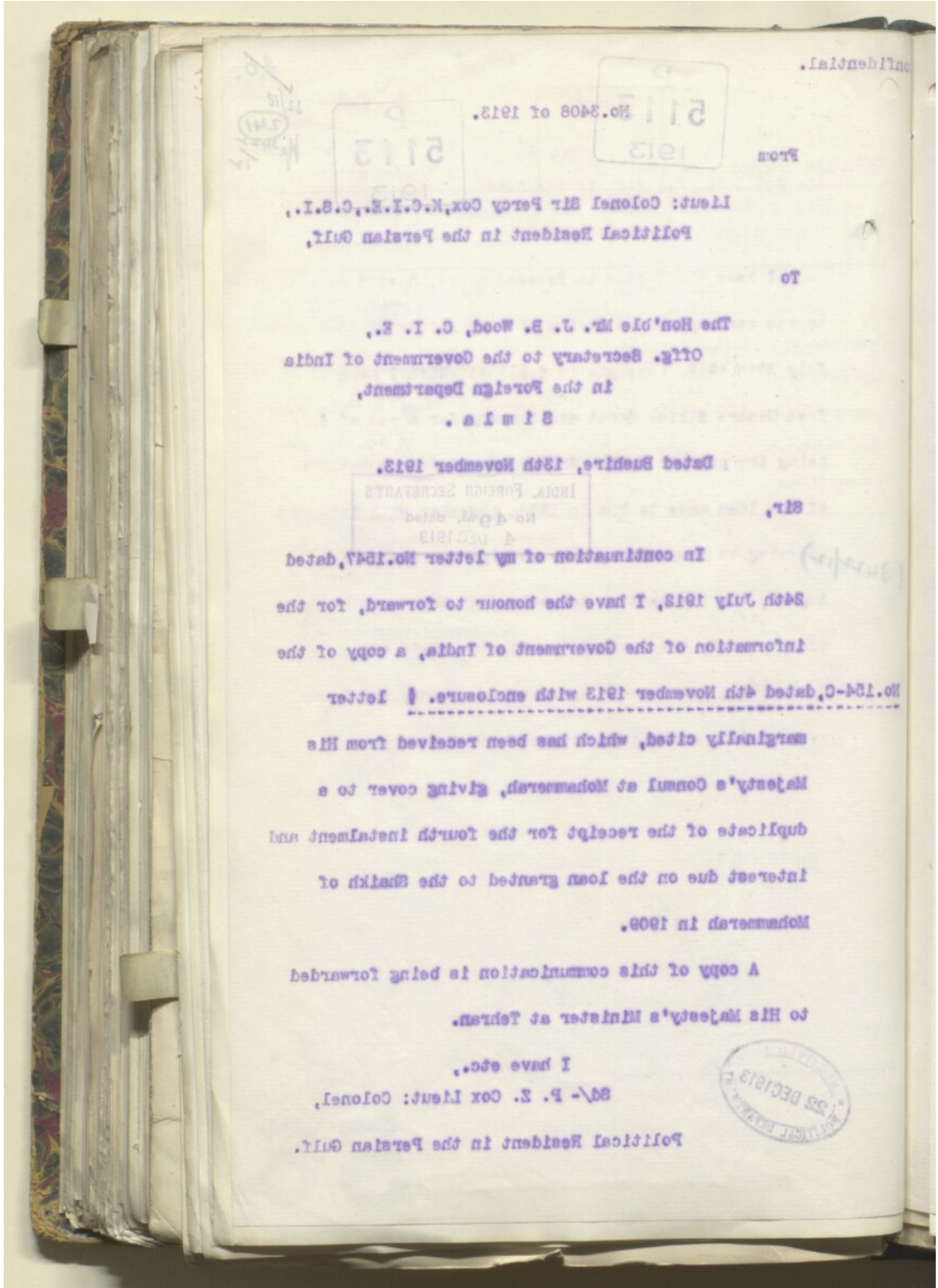


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [١٤٢١ و] (٣٣٨/٤٧)



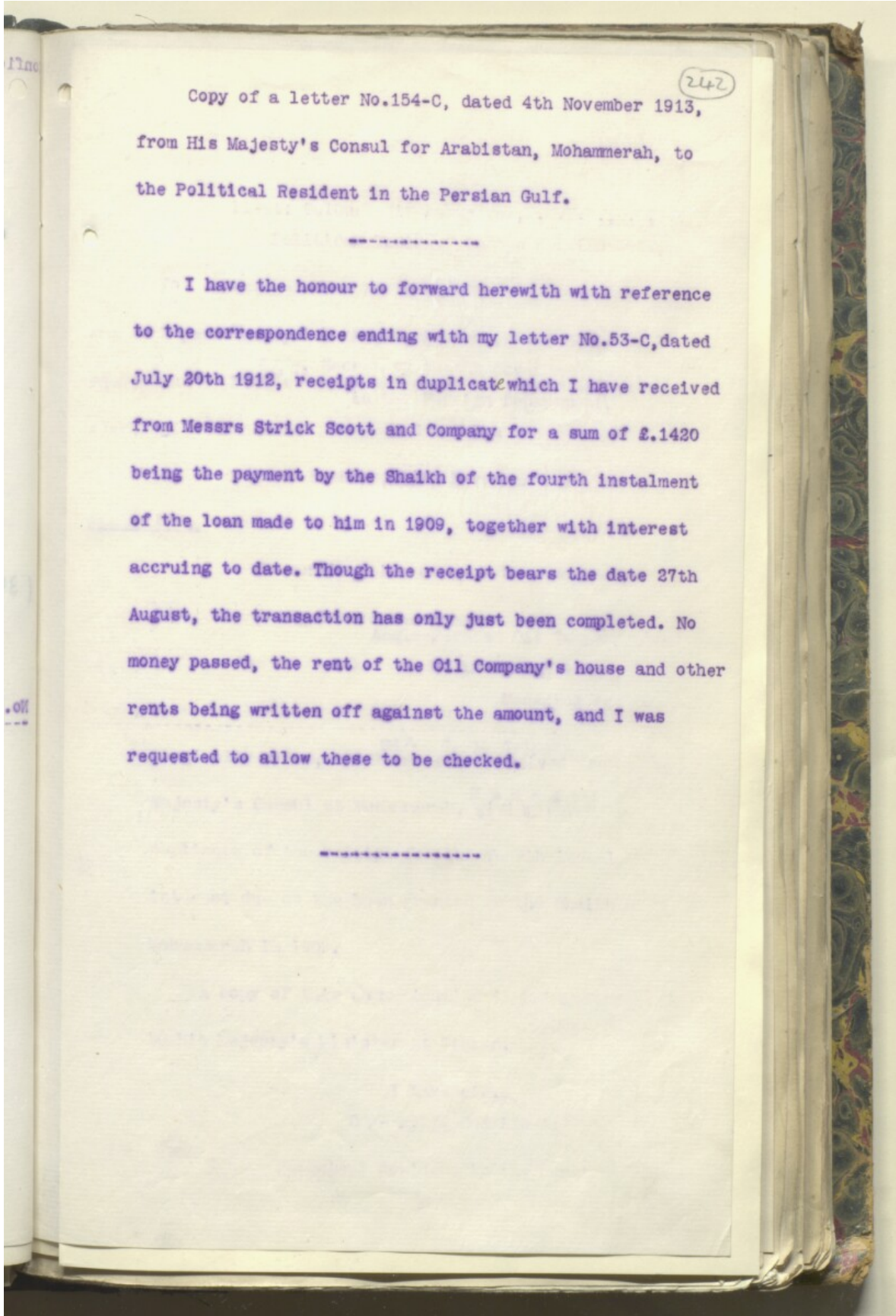


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [١٤٢٤ ظ] (٣٣٨/٤٨)



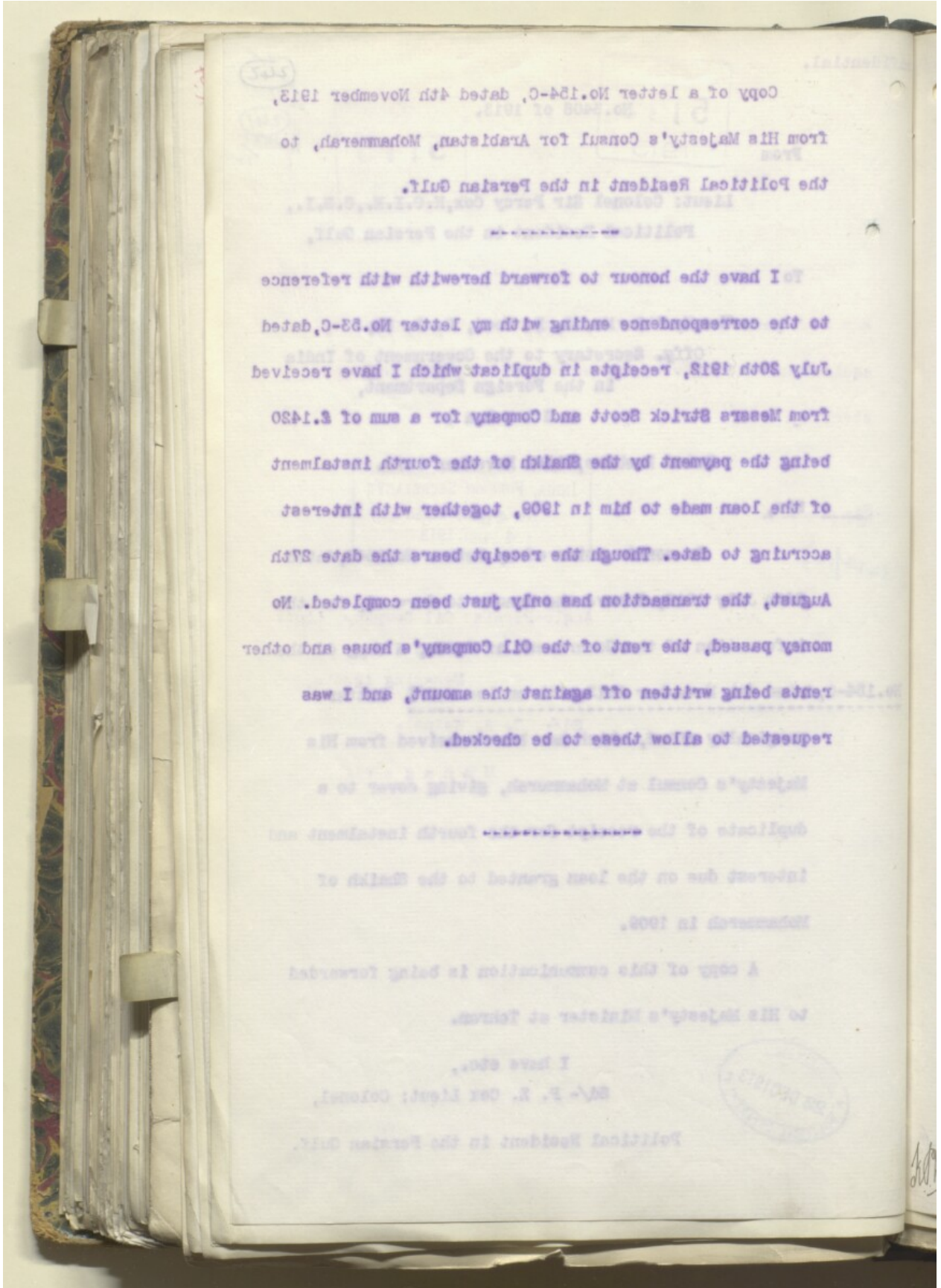


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٢ و] (٣٣٨/٤٩)



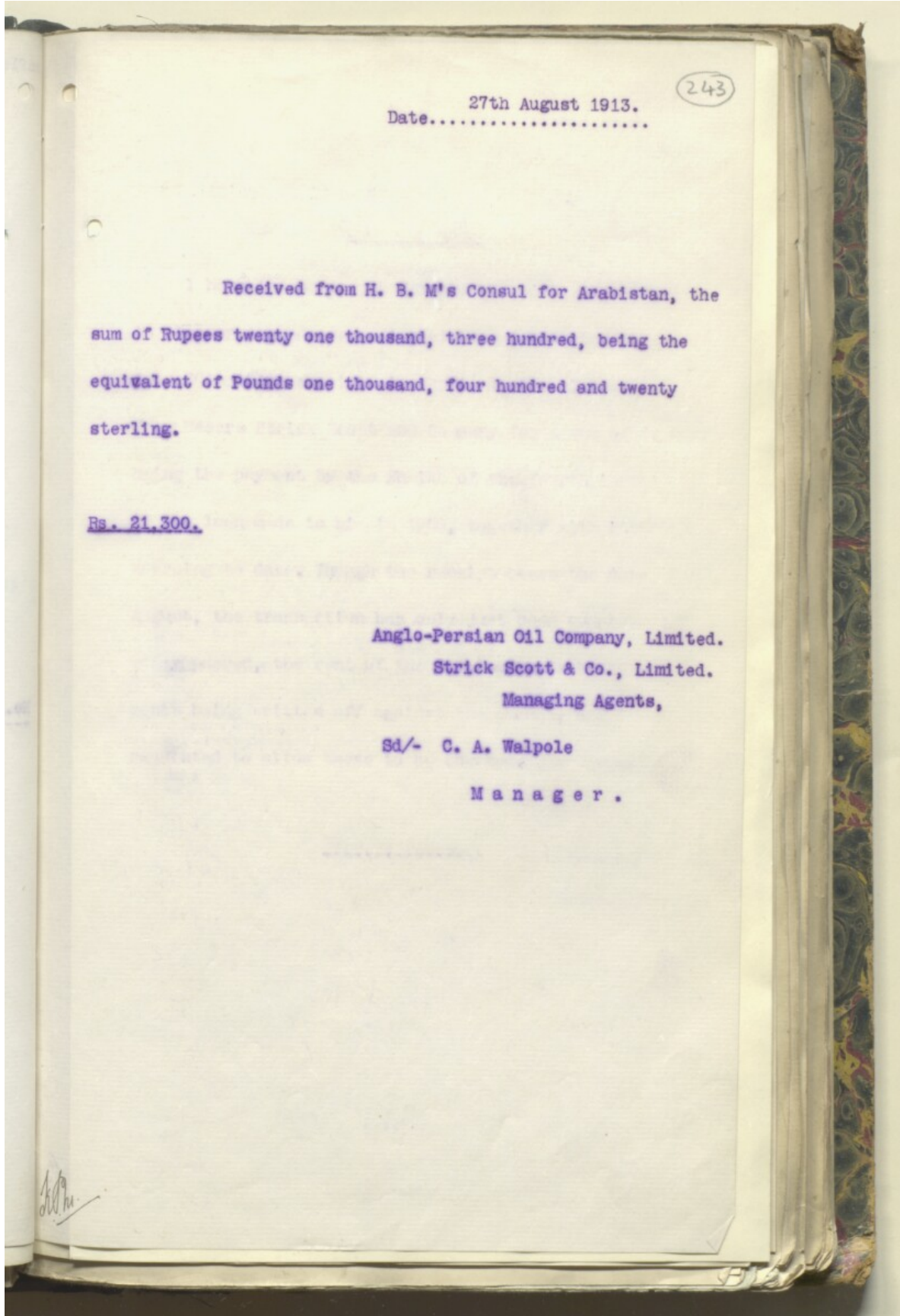


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٢ ظ (٣٣٨/٥٠)]



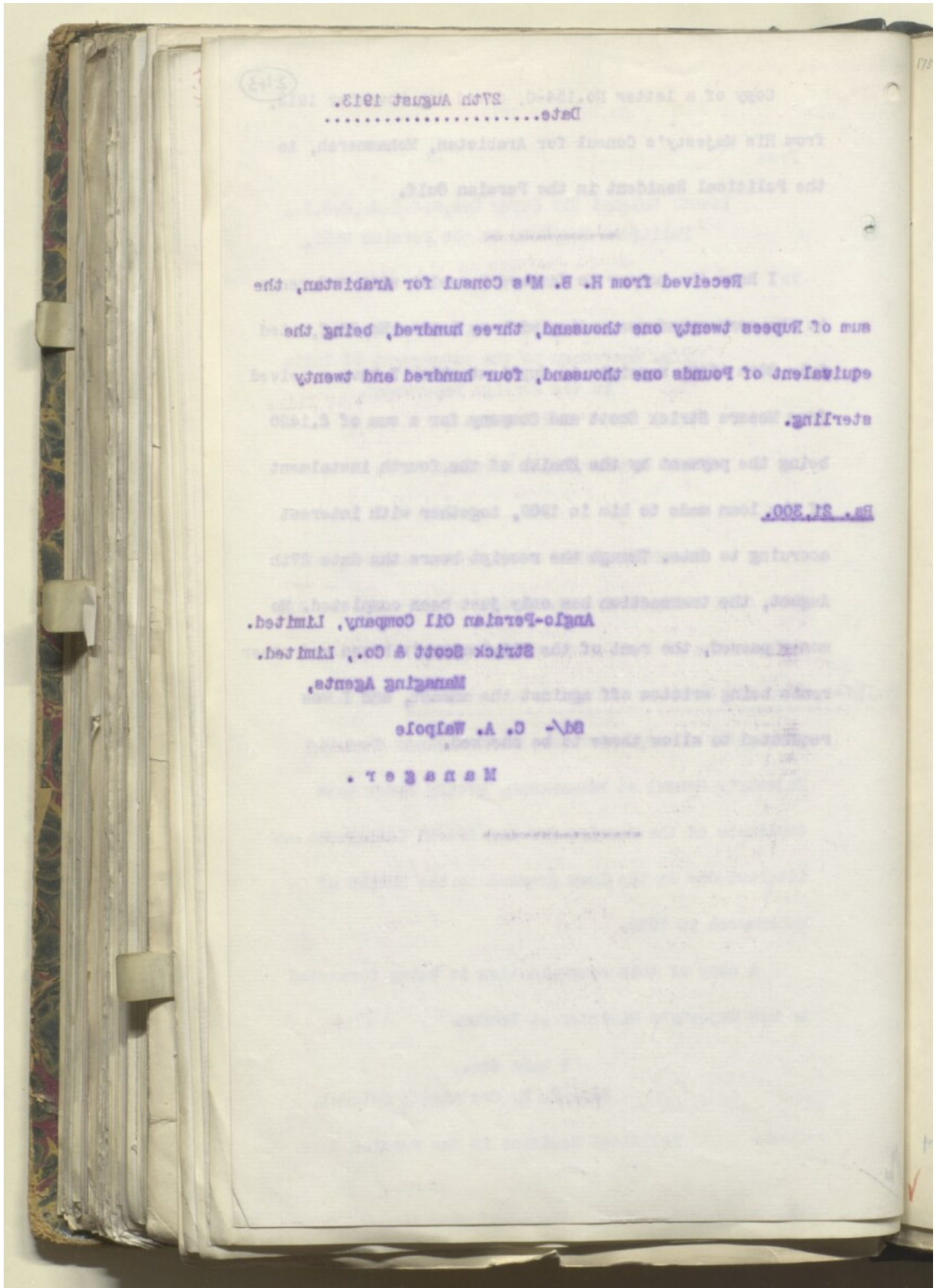


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٣ و] (٣٣٨/٥١)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٤٣] (٣٣٨/٥٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٤ و] (٣٣٨/٥٣)

1756

Register No. 3422

Minute Paper. Secret Department.

Letter from India, 33 M. Dated 15 Aug. 1912. Rec. 2 Sep.

	Date.	Initials.	SUBJECT.
Under Secretary.....	5 Sept	VT	Mohammerah. Payments by the Sheikh in respect of his loan (£10,000) from the Anglo-Pers. -oil Co.
Secretary of State.....	5	ka.	
Committee.....	7	E.	
Under Secretary.....			
Secretary of State.....			

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1756

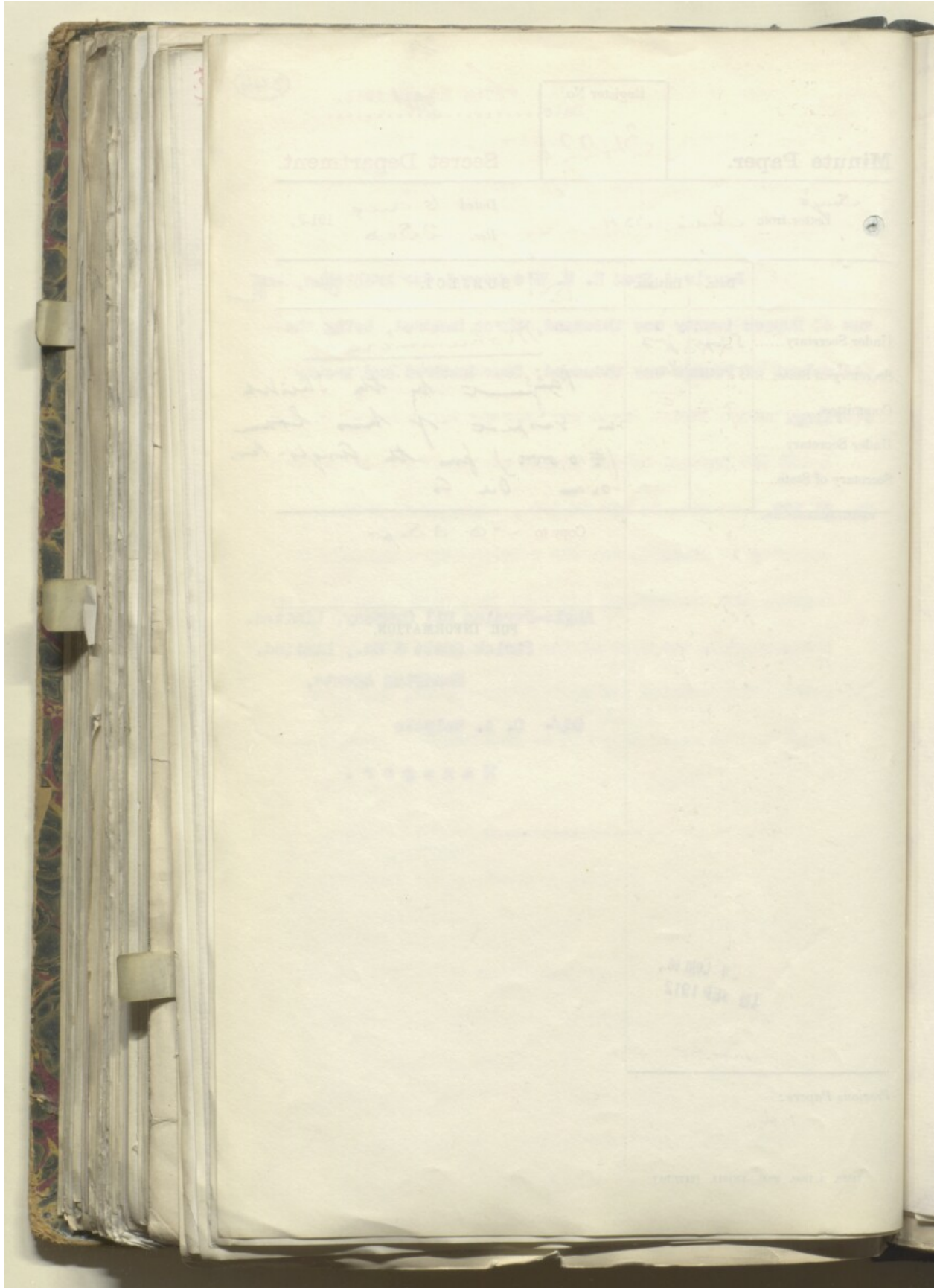
17 SEP 1912

Previous Papers:—
1756

11856. I. 1900. 2000.—10/1911. [2127/10.]

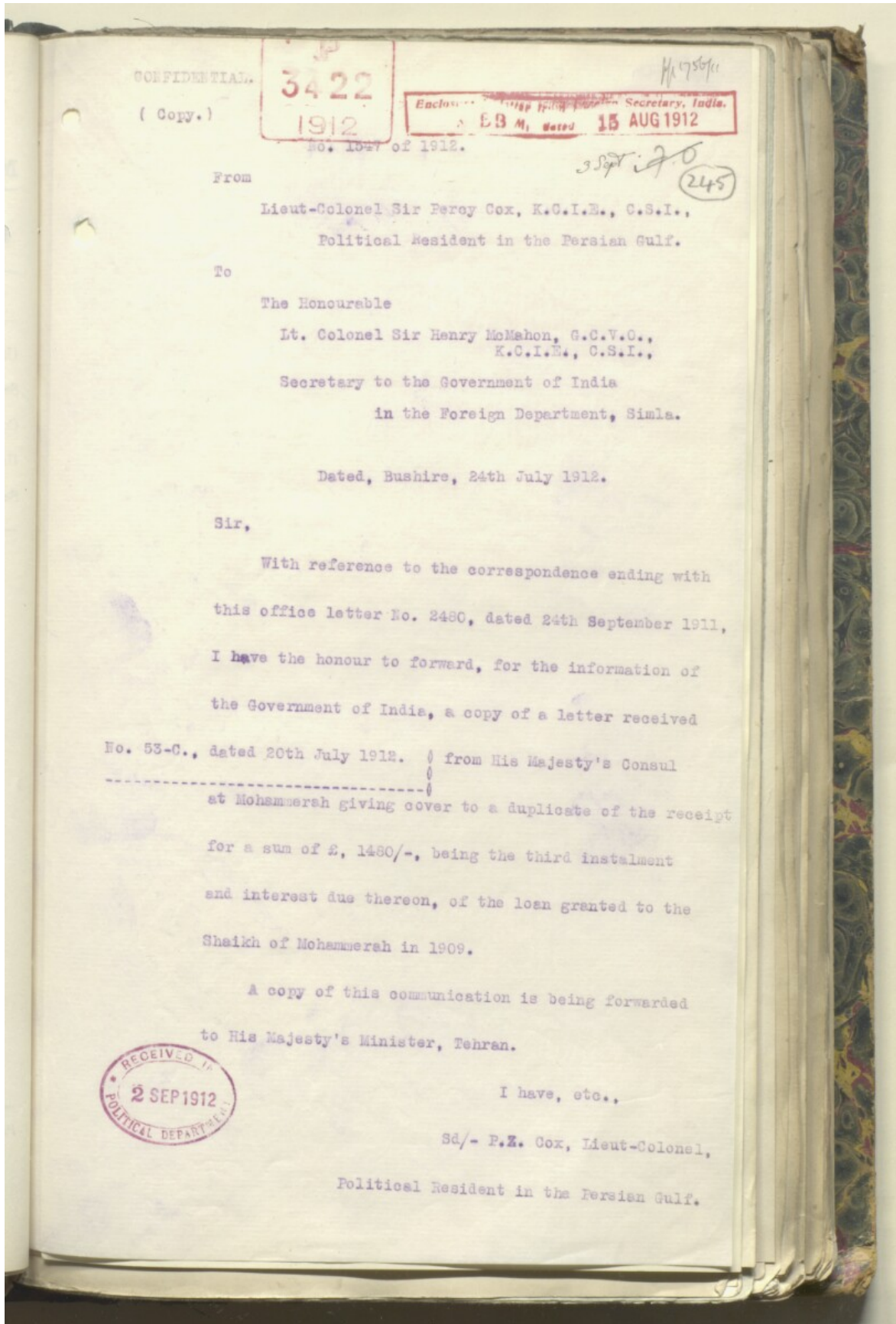


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٤ظ] (٣٣٨/٥٤)



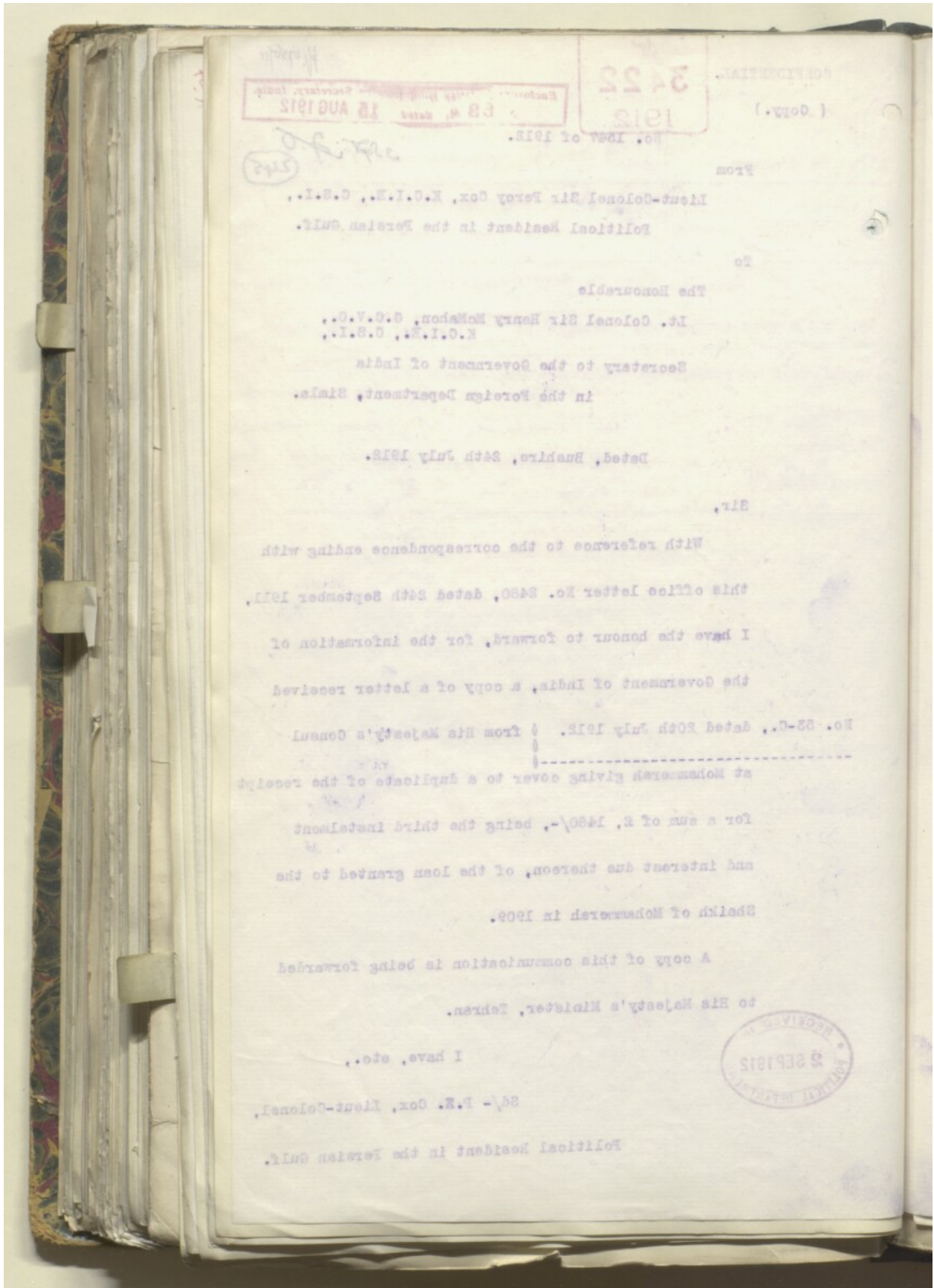


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٥ و] (٣٣٨/٥٥)



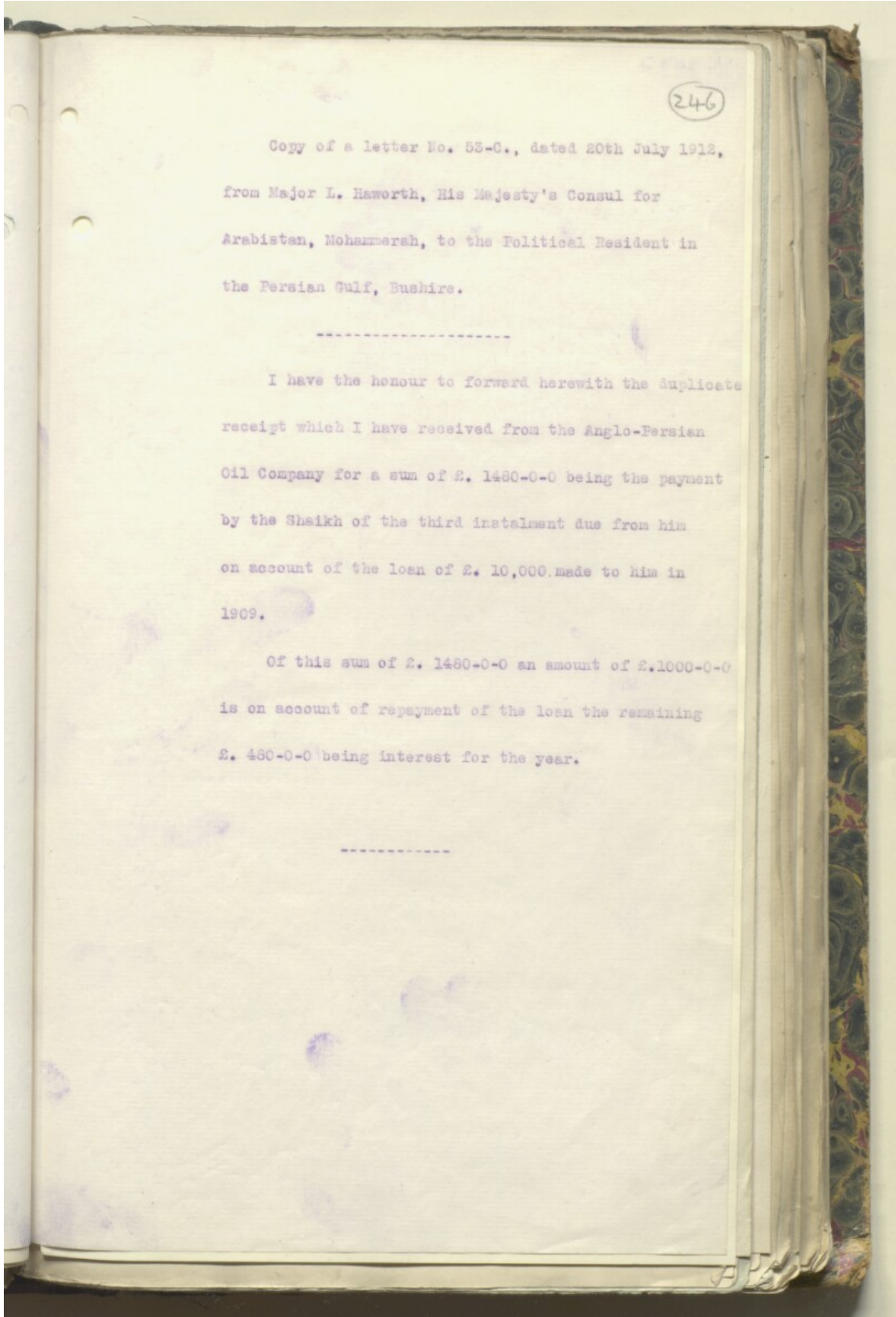


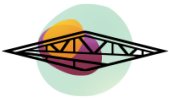
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٤٥/٢٤ ظ] (٣٣٨/٥٦)



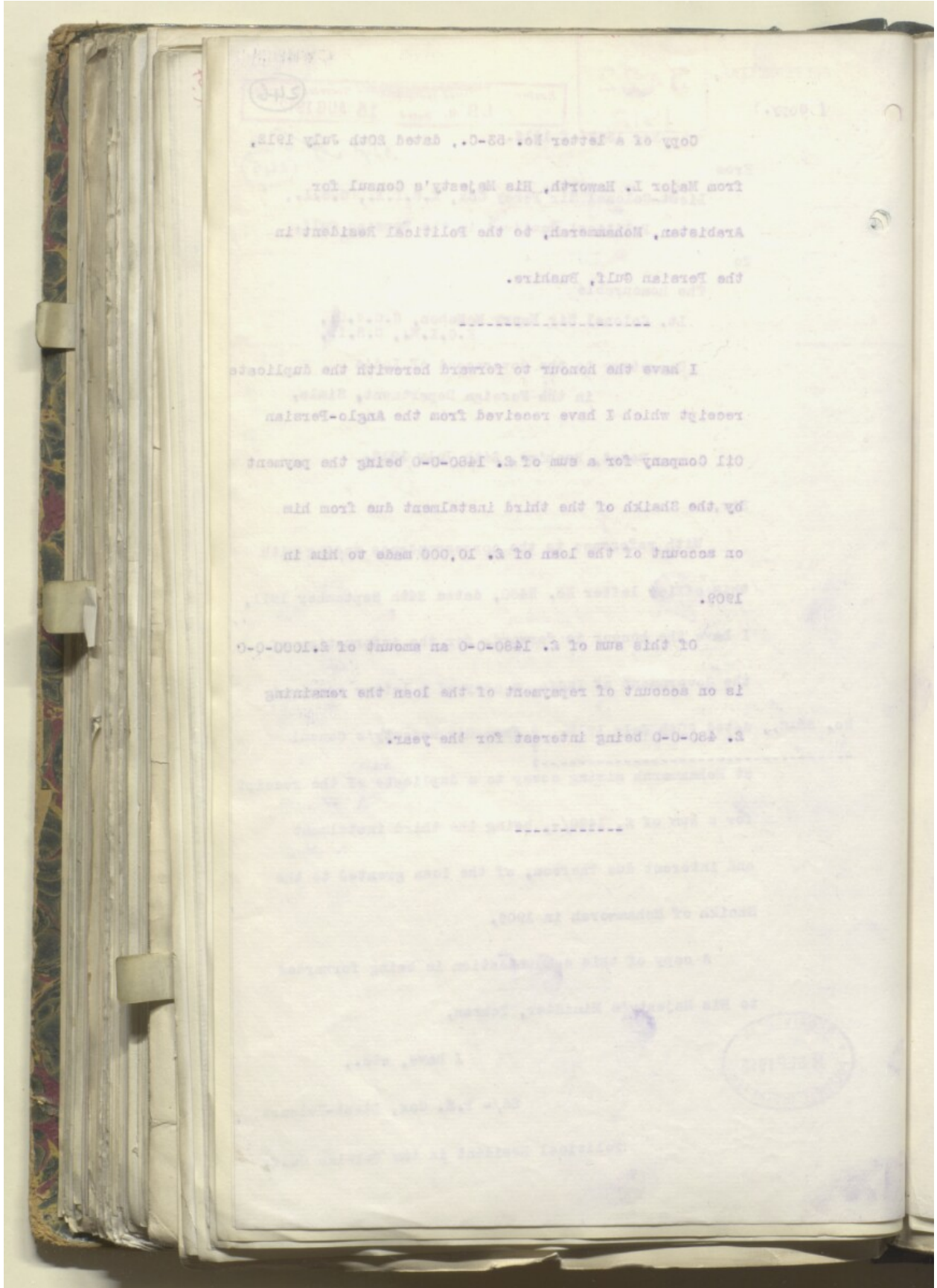


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٦٤٦ و] (٣٣٨/٥٧)



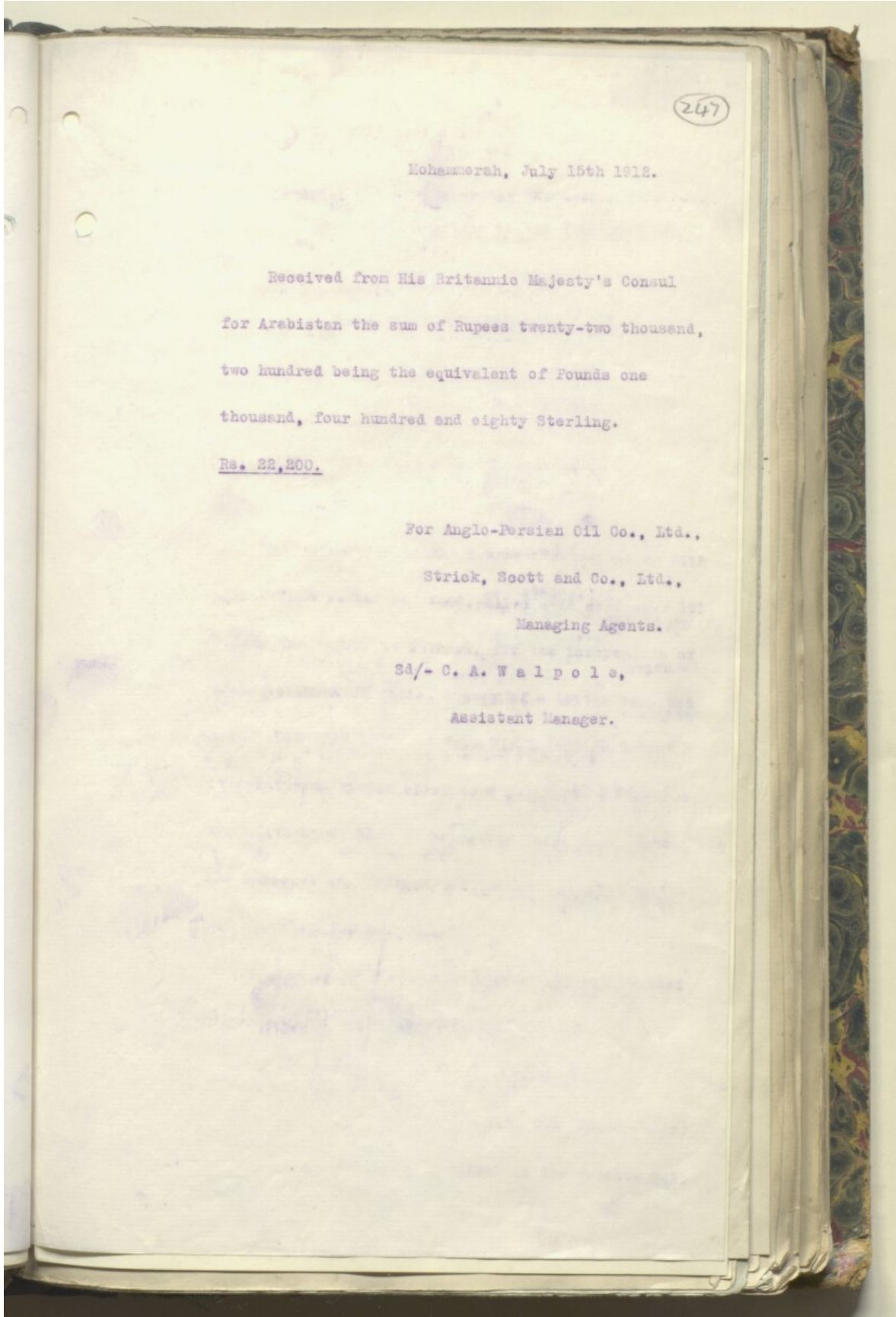


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٤٦٤٢ ظ] (٣٣٨/٥٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٧و] (٣٣٨/٥٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٨ و] (٣٣٨/٦١)

3422

Register No. 1756

Minute Paper. Secret Department.

Seafs Letter from India, 42 M Dated 12 } October 1911.
Rec. 28 }

Date.	Initials.	SUBJECT.
2 Nov.	JES	Persia. HAW
3	W	
5	E	Payment of interest by Sheikh of Mohammereh on his loan from the Oil Company

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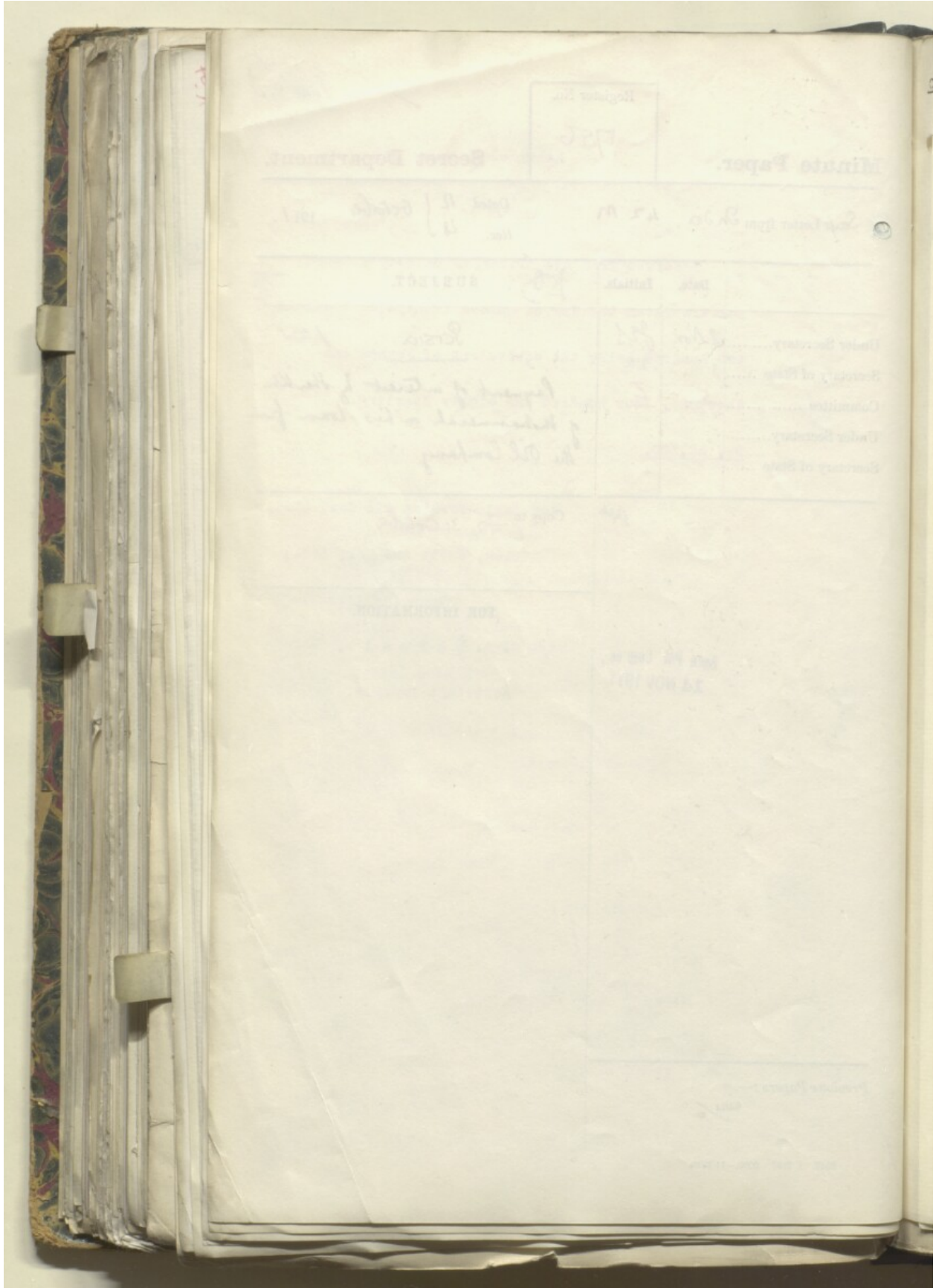
Seen Pol Comm ce,
14 NOV 1911

Previous Papers :-
1414 / 6

0549. I. 2127. 2000.-11,1910.

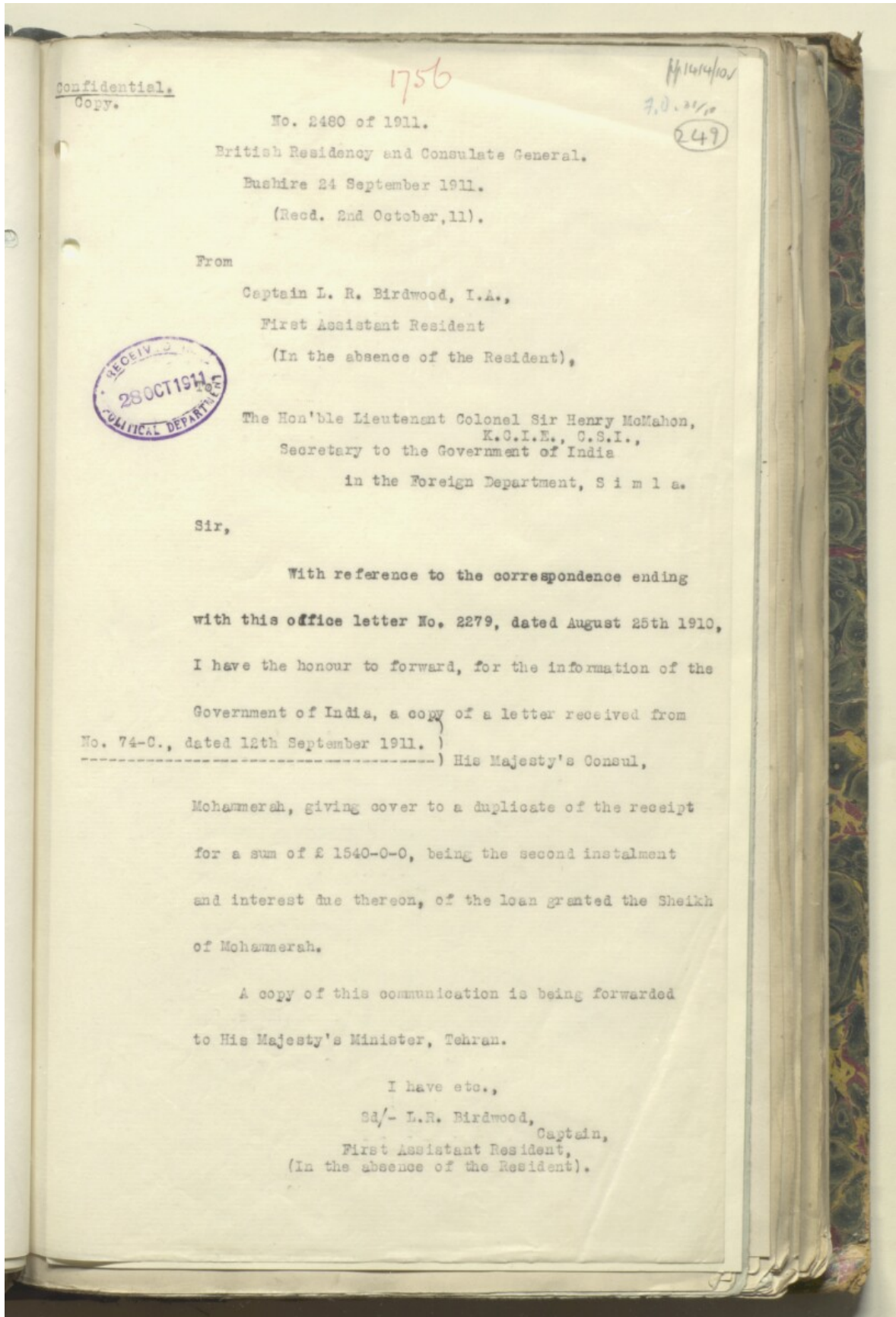


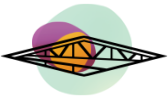
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٤٨ ظ] (٣٣٨/٦٢)



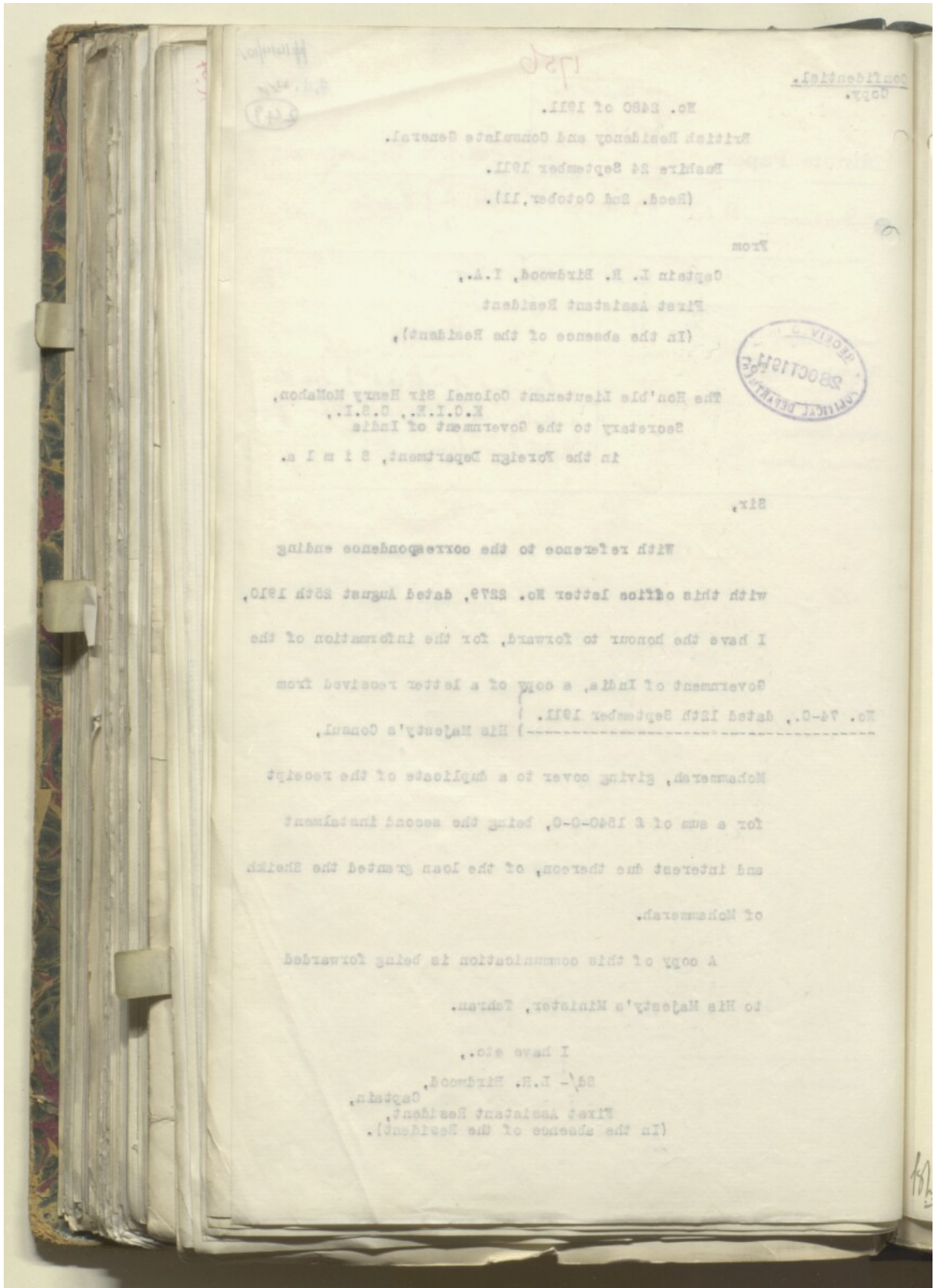


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٩ و] (٣٣٨/٦٣)



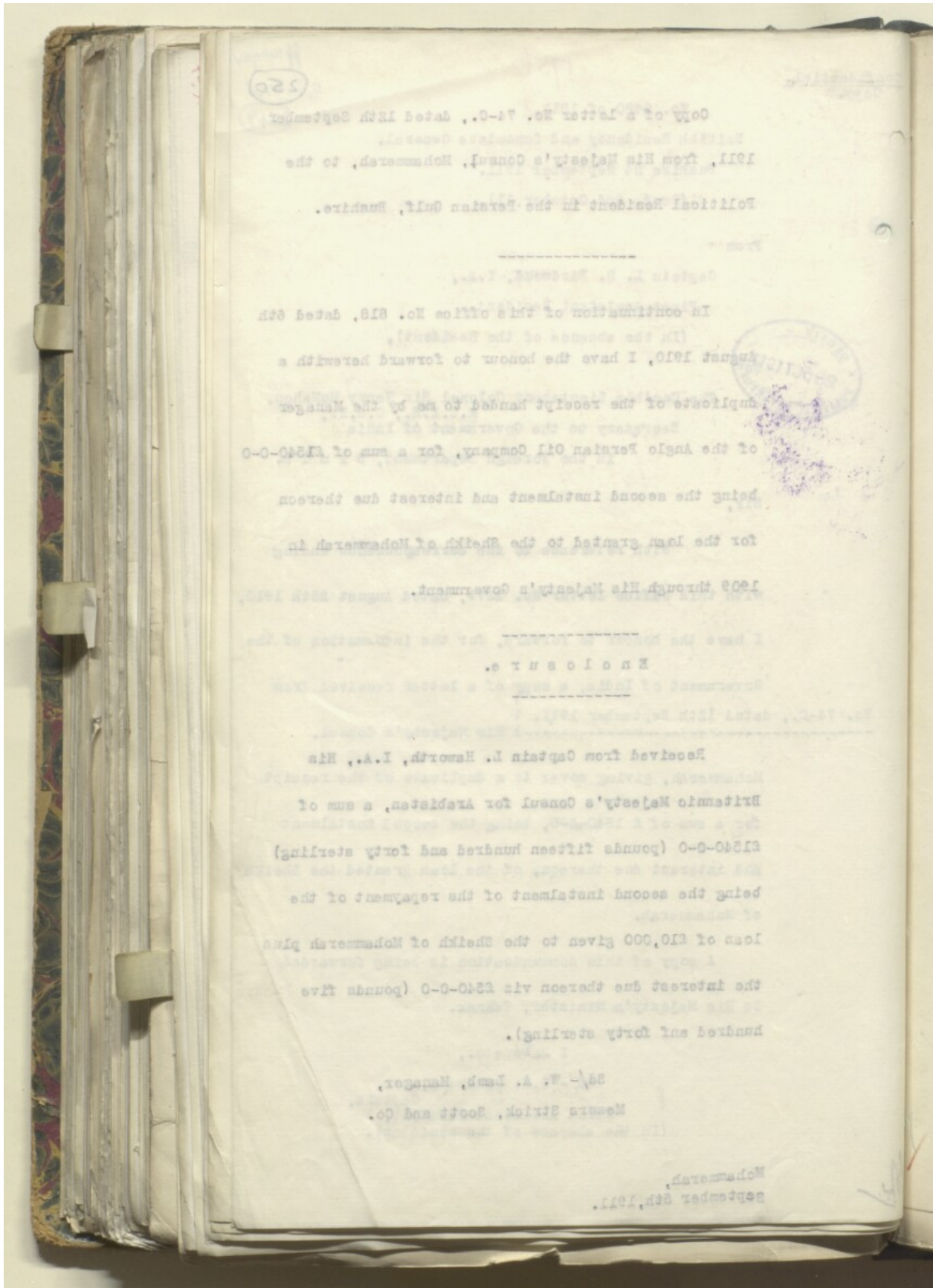


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٤٩ ظ] (٣٣٨/٦٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٠ظ] (٣٣٨/٦٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥١ و] (٣٣٨/٦٧)

Register No. 2944

Minute Paper. Secret Department. (251)

Letters from F.O. Dated 11, 30 } 1911.
Rec. 12, 30, 31 } Jan

	Date.	Initials.	SUBJECT.
Under Secretary.....	31 Jan	East	Persia.
Secretary of State	1 Feb	W	Anglo-Persian Oil Co.
Committee	1	<u>E</u>	Went to come to agreement with Sheikh of Muhammarah as to work on his lands.
Under Secretary.....			
Secretary of State			

Copy to India Secy 2, 13 Jan 11.
5, 3 Feb 11

FOR INFORMATION.
(Only the two first papers
on F.O. print, i.e. the covering
despatches, are new).

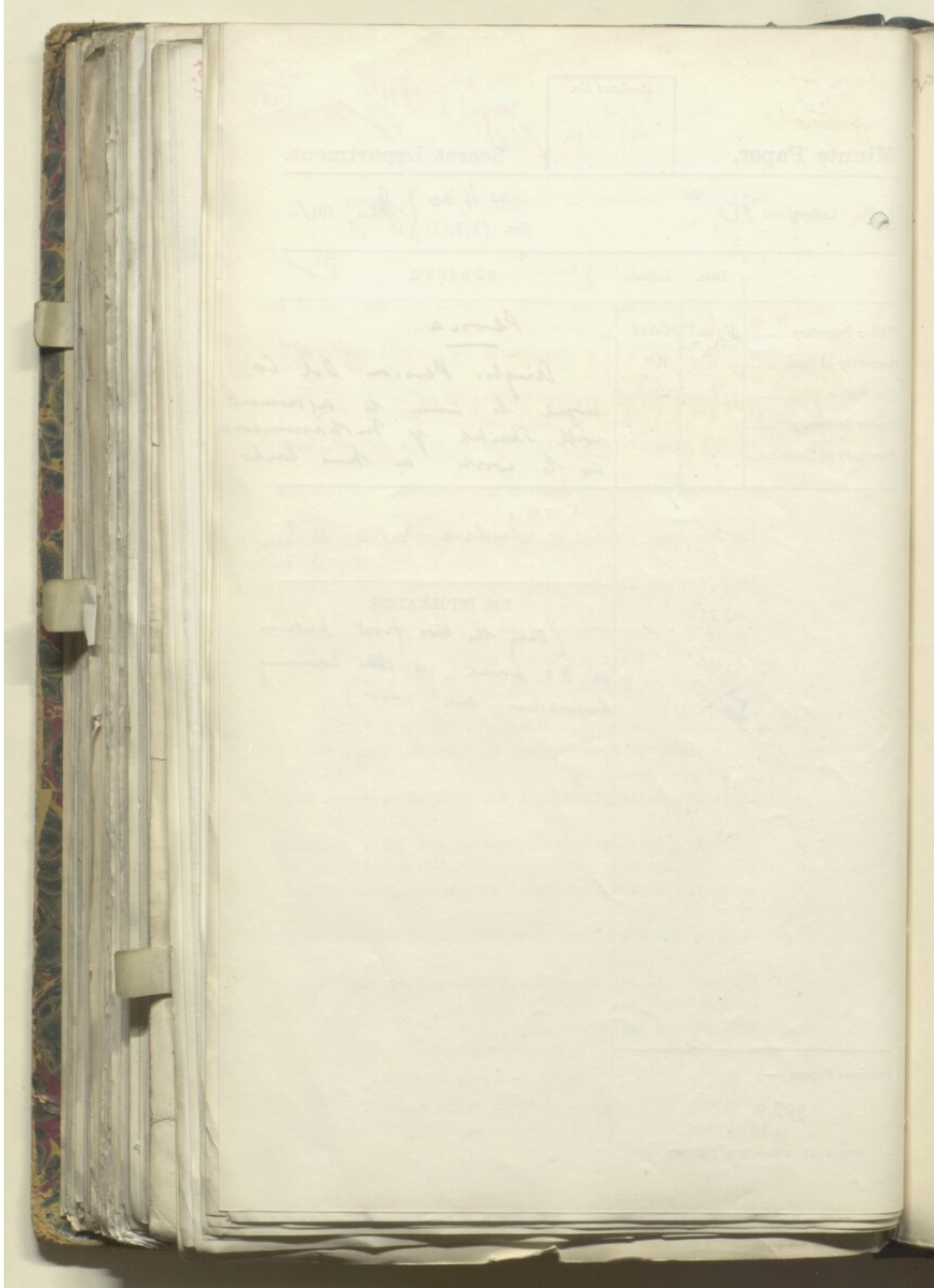
Seen Pol. Secy. 2, 1911
E7

Previous Papers:—
2823 | 10
1929

7908. I. 516. 1000—4/1910. [1278/09.]

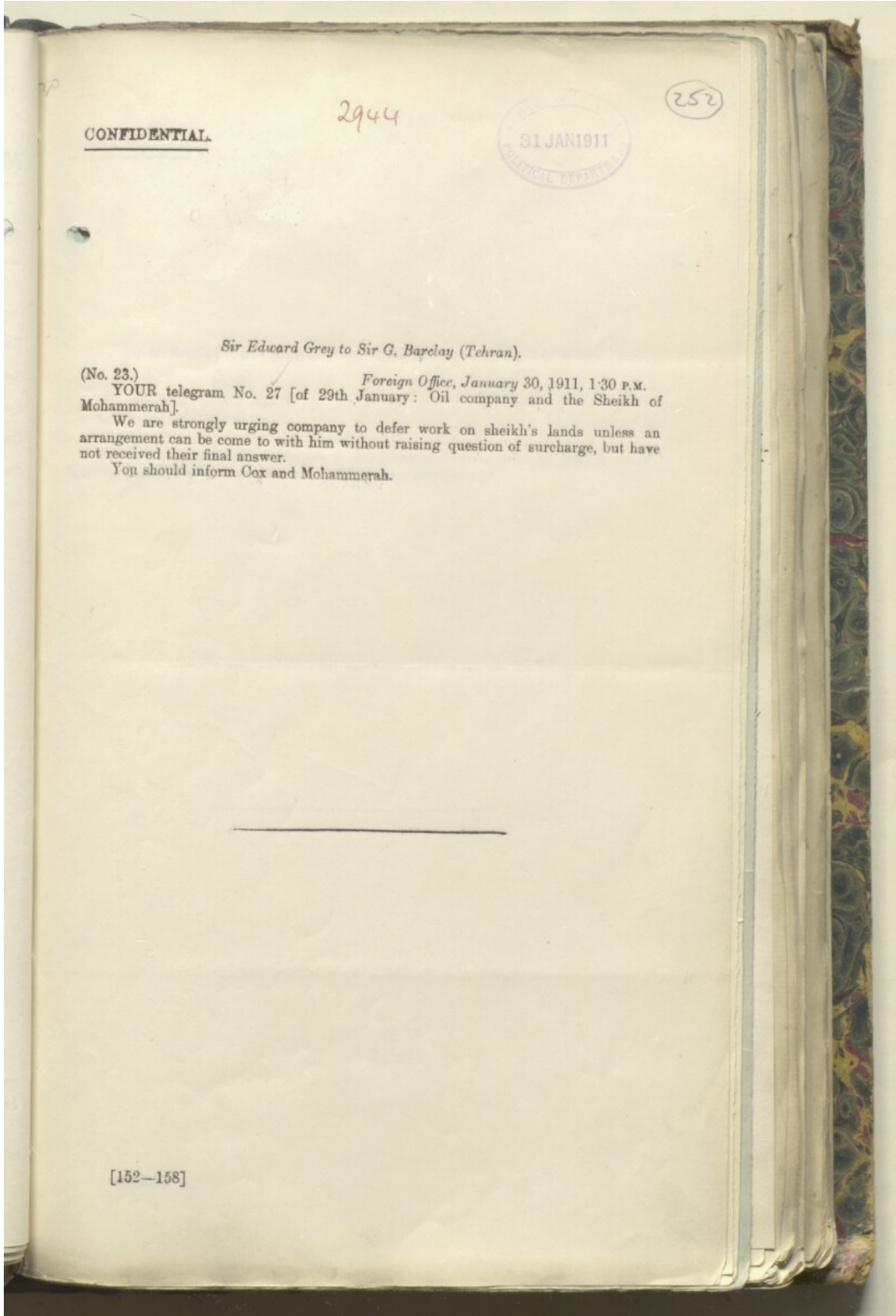


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥١ظ] (٣٣٨/٦٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٢و] (٣٣٨/٦٩)



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2944

252



Sir Edward Grey to Sir G. Barclay (Tehran).

(No. 23.)

Foreign Office, January 30, 1911, 1.30 P.M.

YOUR telegram No. 27 [of 29th January: Oil company and the Sheikh of Mohammerah].

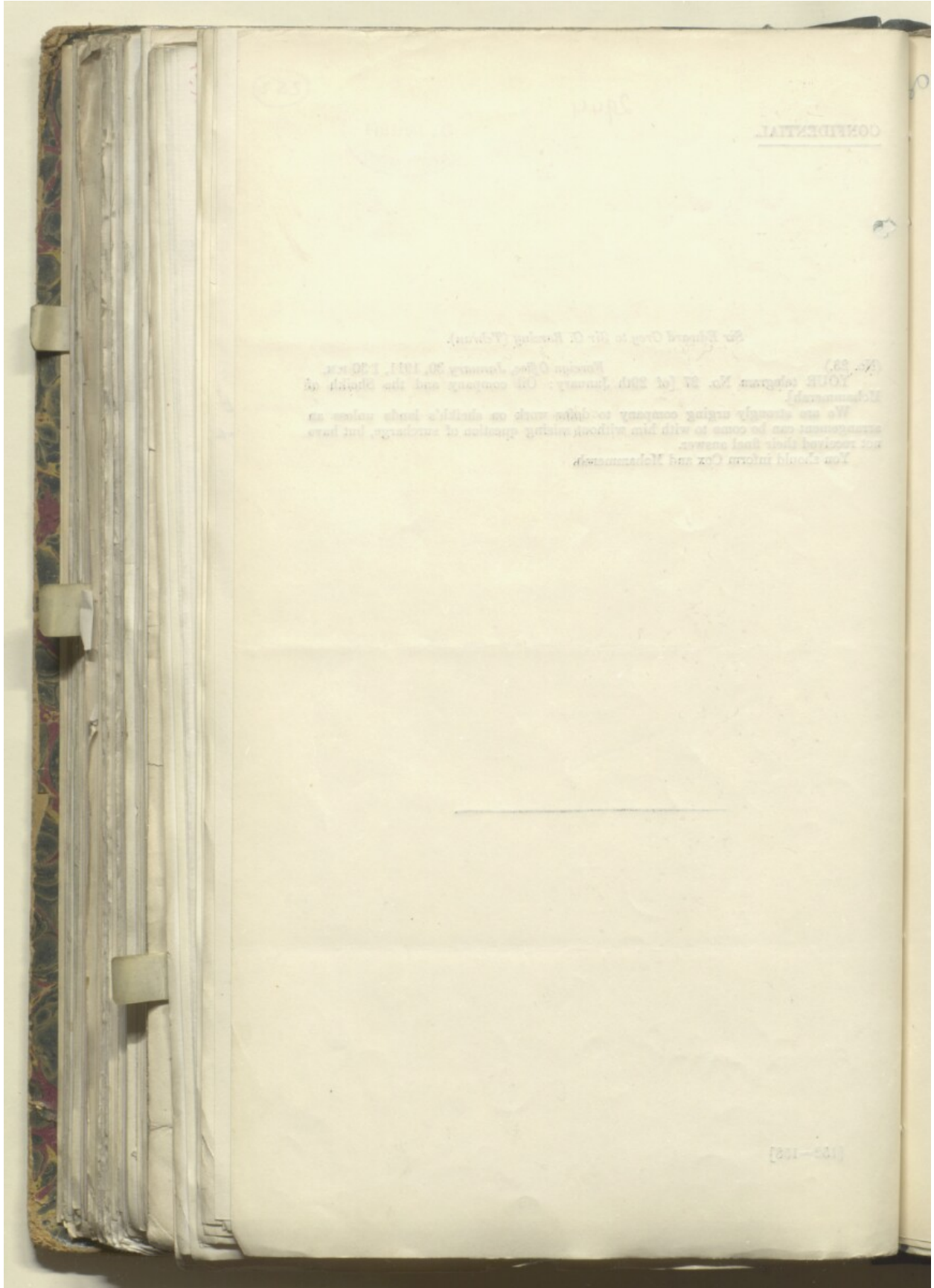
We are strongly urging company to defer work on sheikh's lands unless an arrangement can be come to with him without raising question of surcharge, but have not received their final answer.

You should inform Cox and Mohammerah.

[152-158]

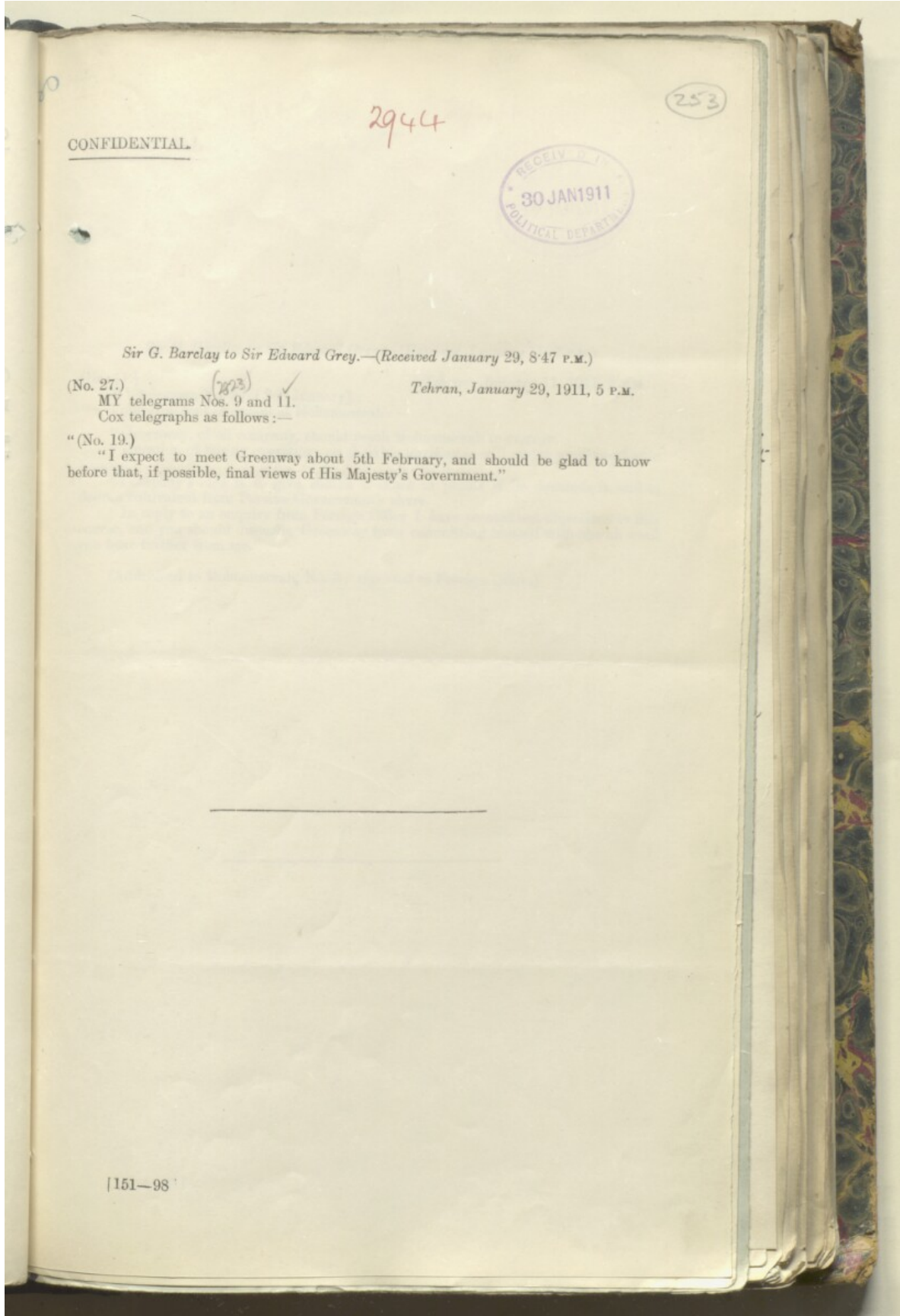


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٢ظ] (٣٣٨/٧٠)



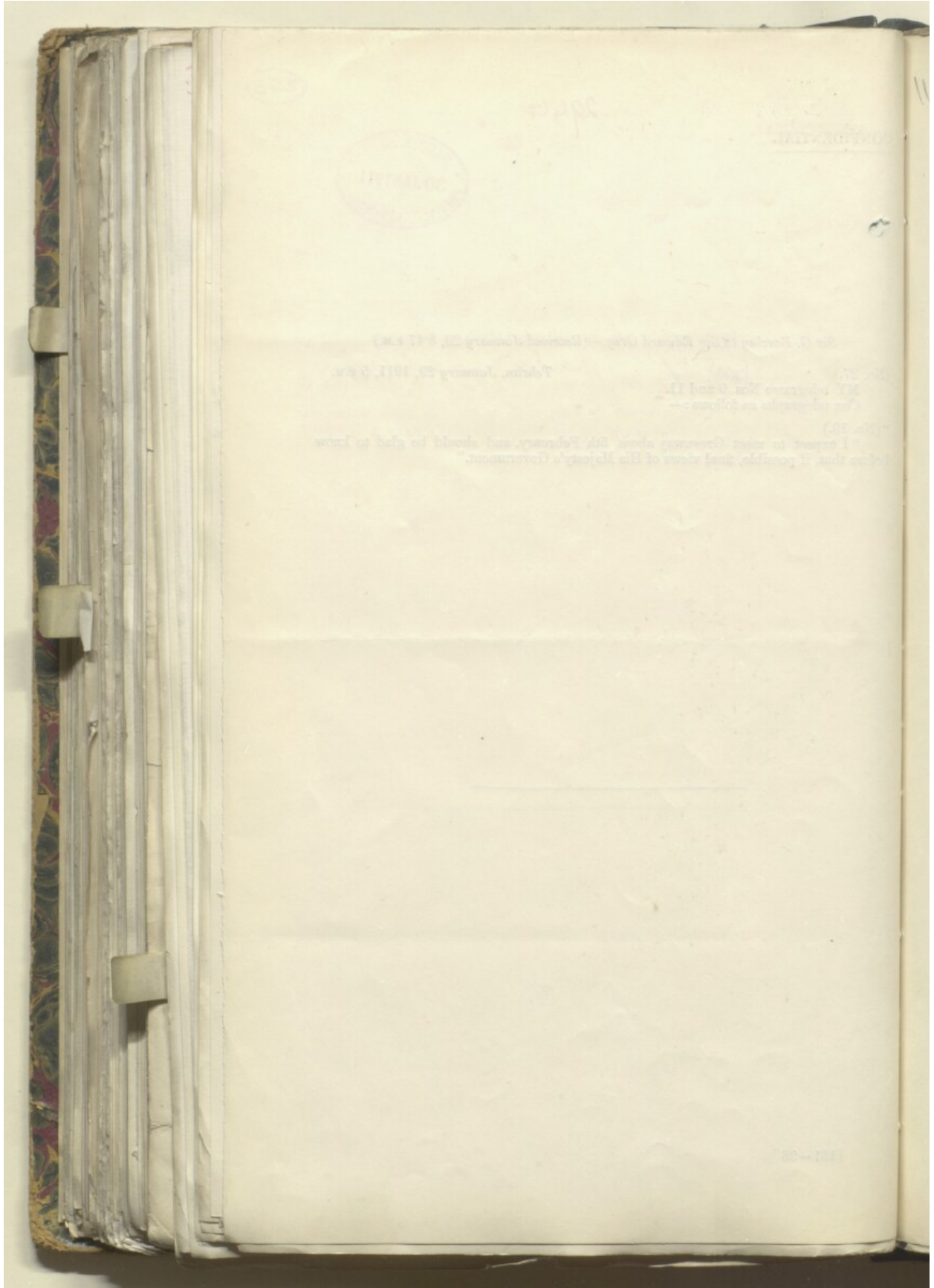


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٣ و] (٣٣٨/٧١)



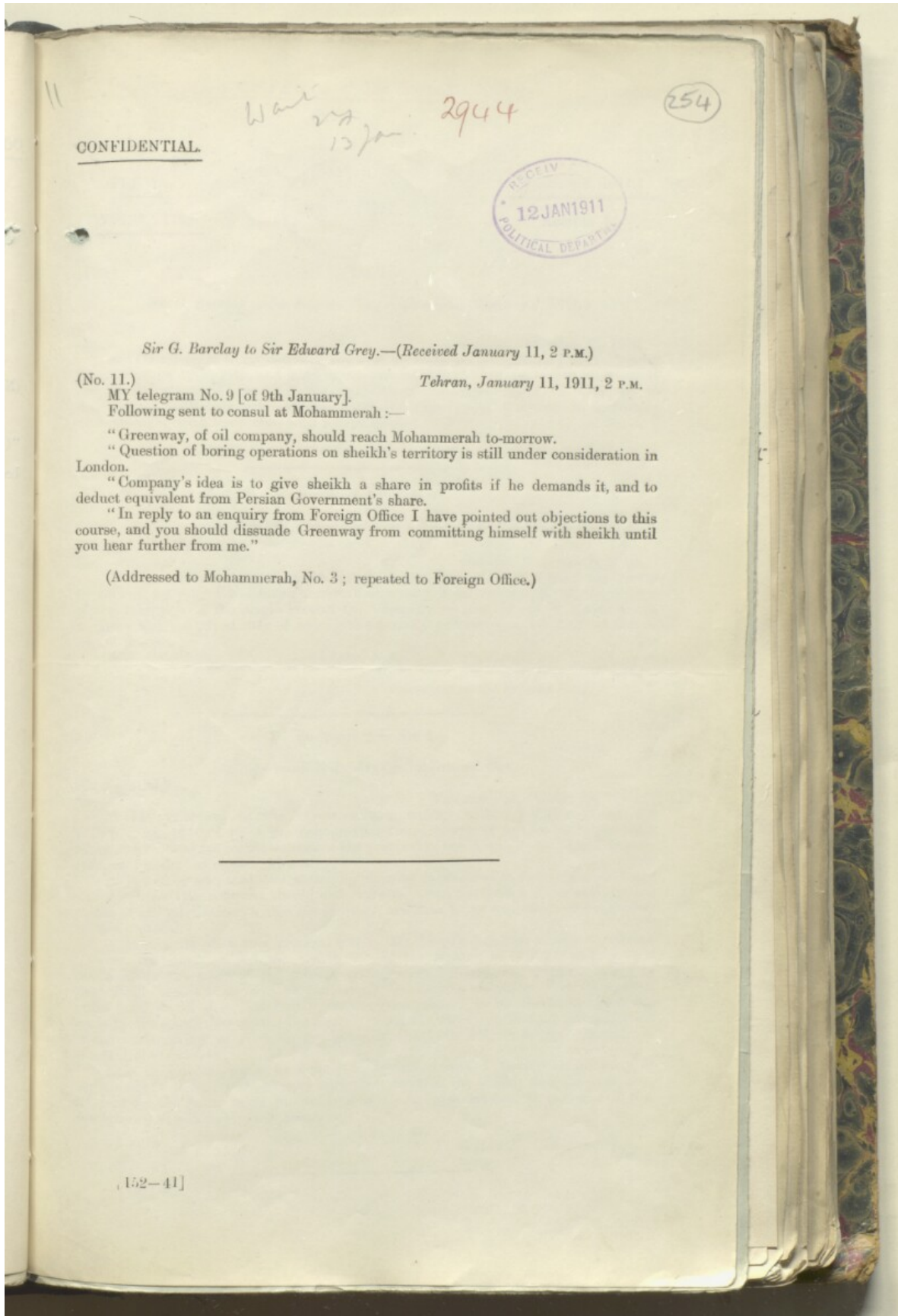


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٣ظ] (٣٣٨/٧٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٤ و] (٣٣٨/٧٣)



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Sir G. Barclay to Sir Edward Grey.—(Received January 11, 2 P.M.)

(No. 11.) *Tehran, January 11, 1911, 2 P.M.*

MY telegram No. 9 [of 9th January].

Following sent to consul at Mohammerah :—

"Greenway, of oil company, should reach Mohammerah to-morrow.

"Question of boring operations on sheikh's territory is still under consideration in London.

"Company's idea is to give sheikh a share in profits if he demands it, and to deduct equivalent from Persian Government's share.

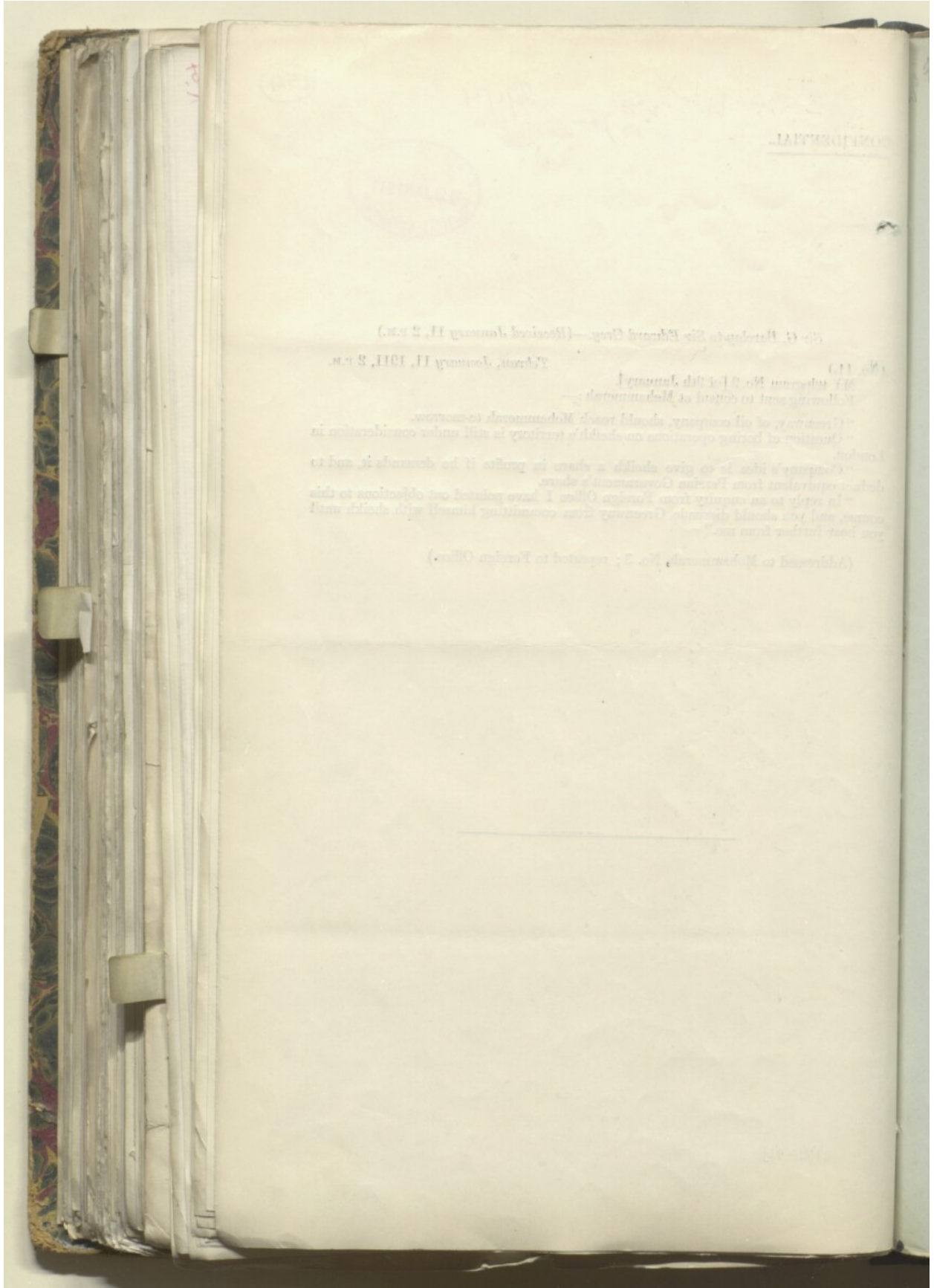
"In reply to an enquiry from Foreign Office I have pointed out objections to this course, and you should dissuade Greenway from committing himself with sheikh until you hear further from me."

(Addressed to Mohammerah, No. 3 ; repeated to Foreign Office.)

[152-41]

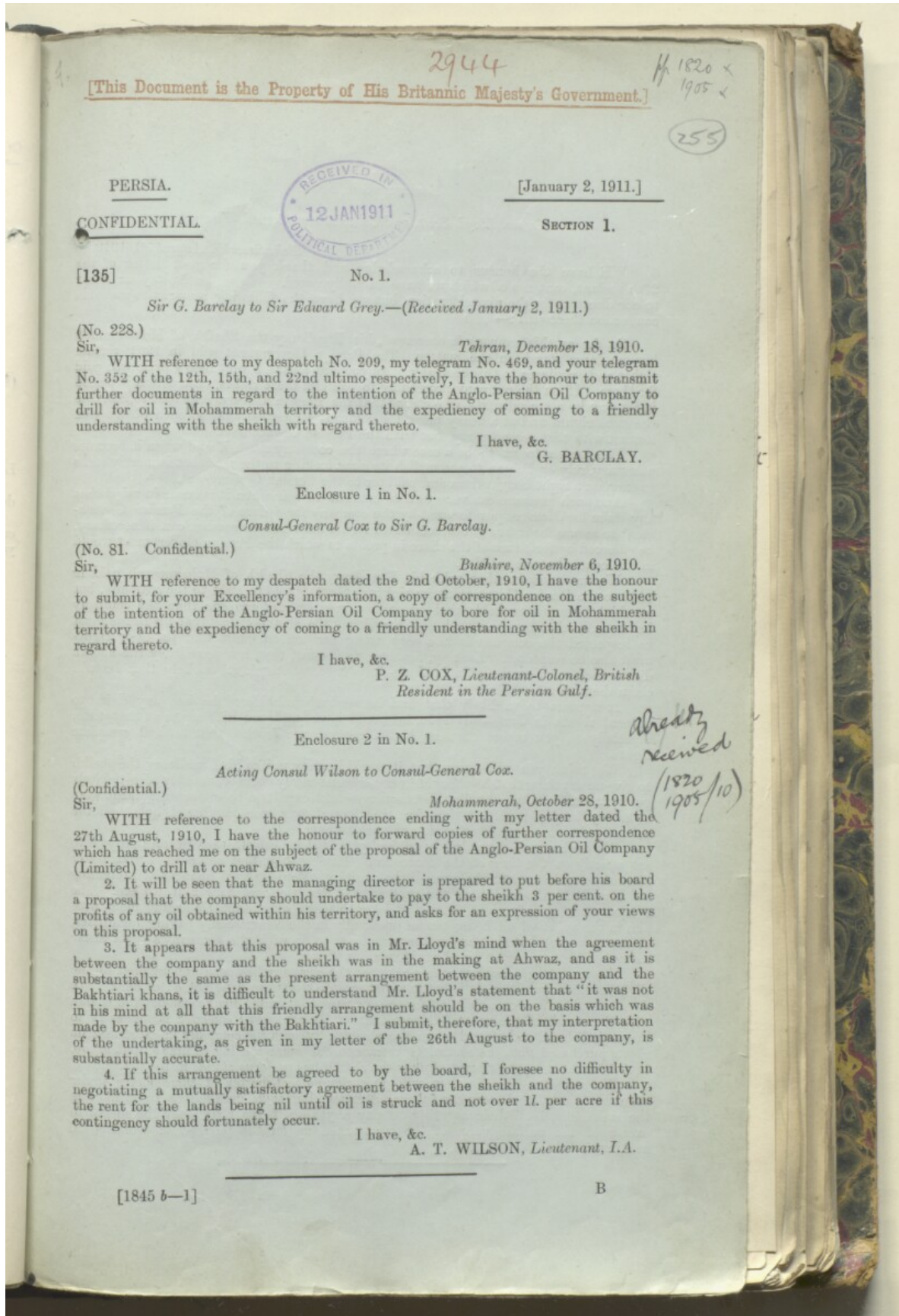


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٤ظ] (٣٣٨/٧٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٥ و] (٣٣٨/٧٥)



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2944

1820 x
1905 x

255

PERSIA.

[January 2, 1911.]

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SECTION 1.

[135]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received January 2, 1911.)

(No. 228.)

Sir,

Tehran, December 18, 1910.

WITH reference to my despatch No. 209, my telegram No. 469, and your telegram No. 352 of the 12th, 15th, and 22nd ultimo respectively, I have the honour to transmit further documents in regard to the intention of the Anglo-Persian Oil Company to drill for oil in Mohammerah territory and the expediency of coming to a friendly understanding with the sheikh with regard thereto.

I have, &c.

G. BARCLAY.

Enclosure 1 in No. 1.

Consul-General Cox to Sir G. Barclay.

(No. 81. Confidential.)

Sir,

Bushire, November 6, 1910.

WITH reference to my despatch dated the 2nd October, 1910, I have the honour to submit, for your Excellency's information, a copy of correspondence on the subject of the intention of the Anglo-Persian Oil Company to bore for oil in Mohammerah territory and the expediency of coming to a friendly understanding with the sheikh in regard thereto.

I have, &c.

P. Z. COX, *Lieutenant-Colonel, British Resident in the Persian Gulf.*

Enclosure 2 in No. 1.

Acting Consul Wilson to Consul-General Cox.

(Confidential.)

Sir,

Mohammerah, October 28, 1910.

WITH reference to the correspondence ending with my letter dated the 27th August, 1910, I have the honour to forward copies of further correspondence which has reached me on the subject of the proposal of the Anglo-Persian Oil Company (Limited) to drill at or near Ahwaz.

2. It will be seen that the managing director is prepared to put before his board a proposal that the company should undertake to pay to the sheikh 3 per cent. on the profits of any oil obtained within his territory, and asks for an expression of your views on this proposal.

3. It appears that this proposal was in Mr. Lloyd's mind when the agreement between the company and the sheikh was in the making at Ahwaz, and as it is substantially the same as the present arrangement between the company and the Bakhtiari khans, it is difficult to understand Mr. Lloyd's statement that "it was not in his mind at all that this friendly arrangement should be on the basis which was made by the company with the Bakhtiari." I submit, therefore, that my interpretation of the undertaking, as given in my letter of the 26th August to the company, is substantially accurate.

4. If this arrangement be agreed to by the board, I foresee no difficulty in negotiating a mutually satisfactory agreement between the sheikh and the company, the rent for the lands being nil until oil is struck and not over 1l. per acre if this contingency should fortunately occur.

I have, &c.

A. T. WILSON, *Lieutenant, I.A.*

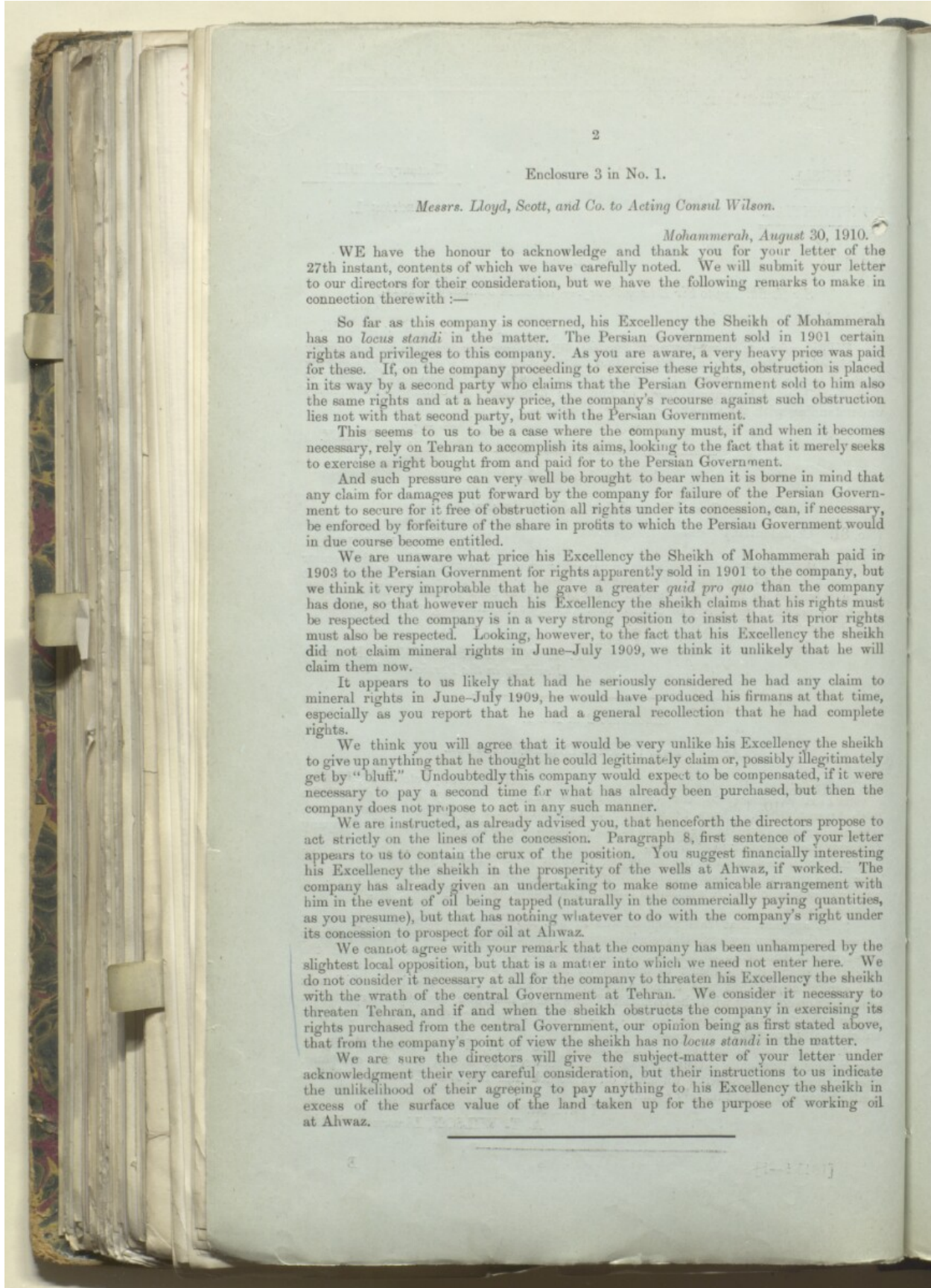
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٥ ظ] [٣٣٨/٧٦]



2

Enclosure 3 in No. 1.

Messrs. Lloyd, Scott, and Co. to Acting Consul Wilson.

Mohammerah, August 30, 1910.

WE have the honour to acknowledge and thank you for your letter of the 27th instant, contents of which we have carefully noted. We will submit your letter to our directors for their consideration, but we have the following remarks to make in connection therewith:—

So far as this company is concerned, his Excellency the Sheikh of Mohammerah has no *locus standi* in the matter. The Persian Government sold in 1901 certain rights and privileges to this company. As you are aware, a very heavy price was paid for these. If, on the company proceeding to exercise these rights, obstruction is placed in its way by a second party who claims that the Persian Government sold to him also the same rights and at a heavy price, the company's recourse against such obstruction lies not with that second party, but with the Persian Government.

This seems to us to be a case where the company must, if and when it becomes necessary, rely on Tehran to accomplish its aims, looking to the fact that it merely seeks to exercise a right bought from and paid for to the Persian Government.

And such pressure can very well be brought to bear when it is borne in mind that any claim for damages put forward by the company for failure of the Persian Government to secure for it free of obstruction all rights under its concession, can, if necessary, be enforced by forfeiture of the share in profits to which the Persian Government would in due course become entitled.

We are unaware what price his Excellency the Sheikh of Mohammerah paid in 1903 to the Persian Government for rights apparently sold in 1901 to the company, but we think it very improbable that he gave a greater *quid pro quo* than the company has done, so that however much his Excellency the Sheikh claims that his rights must be respected the company is in a very strong position to insist that its prior rights must also be respected. Looking, however, to the fact that his Excellency the Sheikh did not claim mineral rights in June-July 1909, we think it unlikely that he will claim them now.

It appears to us likely that had he seriously considered he had any claim to mineral rights in June-July 1909, he would have produced his firmans at that time, especially as you report that he had a general recollection that he had complete rights.

We think you will agree that it would be very unlike his Excellency the Sheikh to give up anything that he thought he could legitimately claim or, possibly illegitimately get by "bluff." Undoubtedly this company would expect to be compensated, if it were necessary to pay a second time for what has already been purchased, but then the company does not propose to act in any such manner.

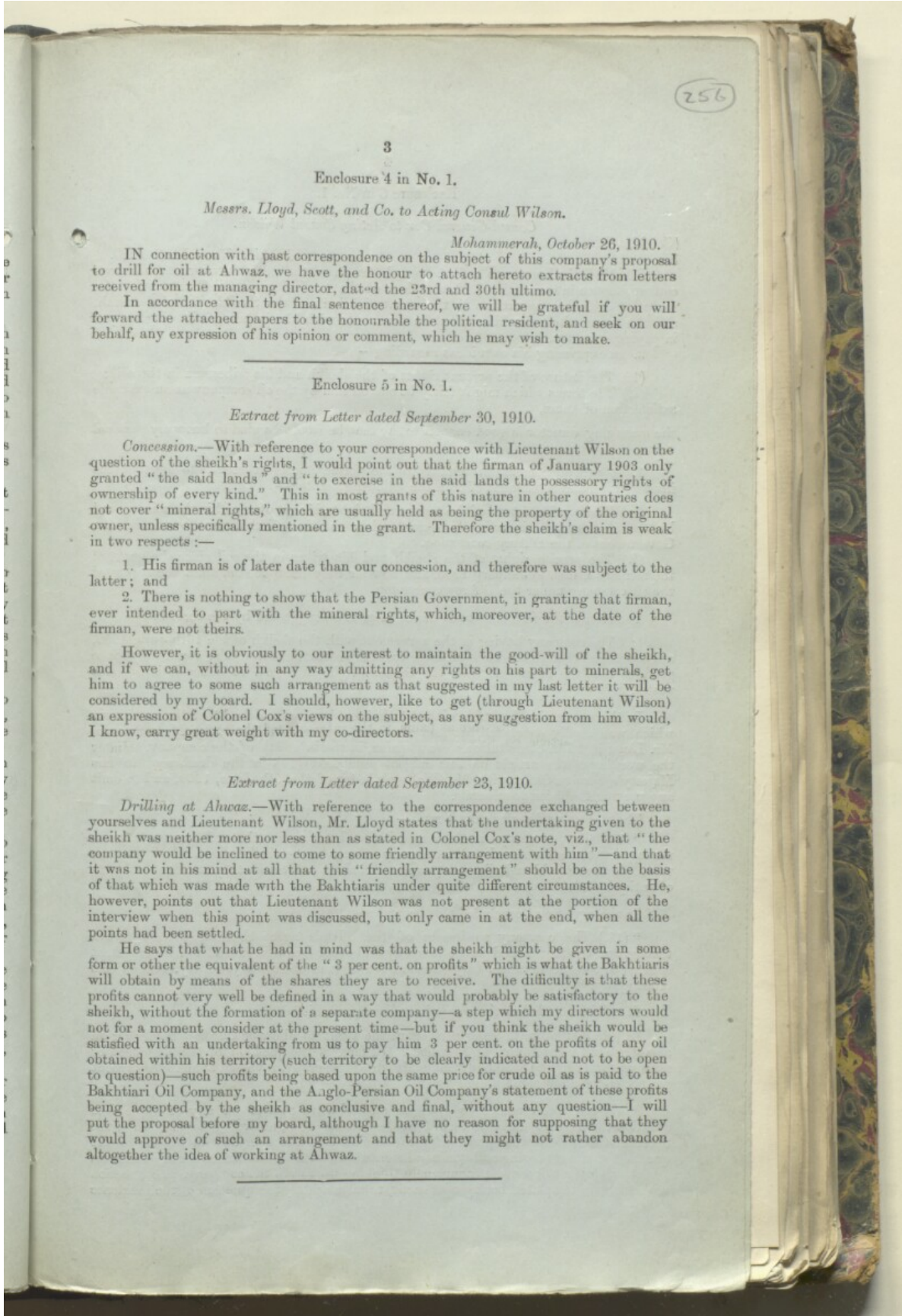
We are instructed, as already advised you, that henceforth the directors propose to act strictly on the lines of the concession. Paragraph 8, first sentence of your letter appears to us to contain the crux of the position. You suggest financially interesting his Excellency the Sheikh in the prosperity of the wells at Ahwaz, if worked. The company has already given an undertaking to make some amicable arrangement with him in the event of oil being tapped (naturally in the commercially paying quantities, as you presume), but that has nothing whatever to do with the company's right under its concession to prospect for oil at Ahwaz.

We cannot agree with your remark that the company has been unhampered by the slightest local opposition, but that is a matter into which we need not enter here. We do not consider it necessary at all for the company to threaten his Excellency the Sheikh with the wrath of the central Government at Tehran. We consider it necessary to threaten Tehran, and if and when the Sheikh obstructs the company in exercising its rights purchased from the central Government, our opinion being as first stated above, that from the company's point of view the Sheikh has no *locus standi* in the matter.

We are sure the directors will give the subject-matter of your letter under acknowledgment their very careful consideration, but their instructions to us indicate the unlikelihood of their agreeing to pay anything to his Excellency the Sheikh in excess of the surface value of the land taken up for the purpose of working oil at Ahwaz.



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3

Enclosure 4 in No. 1.

Messrs. Lloyd, Scott, and Co. to Acting Consul Wilson.

Mohammerah, October 26, 1910.

IN connection with past correspondence on the subject of this company's proposal to drill for oil at Ahwaz, we have the honour to attach hereto extracts from letters received from the managing director, dated the 23rd and 30th ultimo.

In accordance with the final sentence thereof, we will be grateful if you will forward the attached papers to the honourable the political resident, and seek on our behalf, any expression of his opinion or comment, which he may wish to make.

Enclosure 5 in No. 1.

Extract from Letter dated September 30, 1910.

Concession.—With reference to your correspondence with Lieutenant Wilson on the question of the sheikh's rights, I would point out that the firman of January 1903 only granted "the said lands" and "to exercise in the said lands the possessory rights of ownership of every kind." This in most grants of this nature in other countries does not cover "mineral rights," which are usually held as being the property of the original owner, unless specifically mentioned in the grant. Therefore the sheikh's claim is weak in two respects:—

1. His firman is of later date than our concession, and therefore was subject to the latter; and
2. There is nothing to show that the Persian Government, in granting that firman, ever intended to part with the mineral rights, which, moreover, at the date of the firman, were not theirs.

However, it is obviously to our interest to maintain the good-will of the sheikh, and if we can, without in any way admitting any rights on his part to minerals, get him to agree to some such arrangement as that suggested in my last letter it will be considered by my board. I should, however, like to get (through Lieutenant Wilson) an expression of Colonel Cox's views on the subject, as any suggestion from him would, I know, carry great weight with my co-directors.

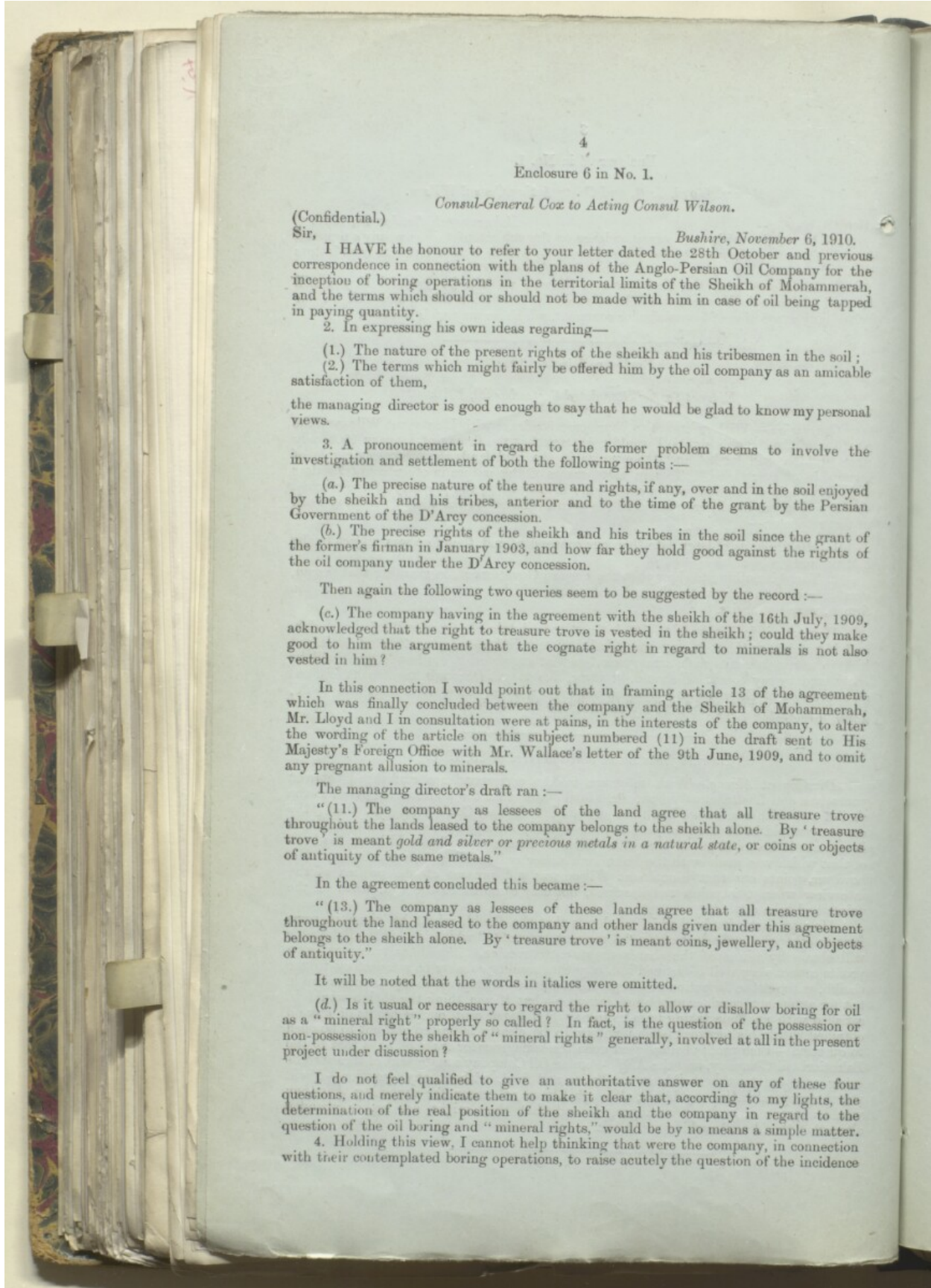
Extract from Letter dated September 23, 1910.

Drilling at Ahwaz.—With reference to the correspondence exchanged between yourselves and Lieutenant Wilson, Mr. Lloyd states that the undertaking given to the sheikh was neither more nor less than as stated in Colonel Cox's note, viz., that "the company would be inclined to come to some friendly arrangement with him"—and that it was not in his mind at all that this "friendly arrangement" should be on the basis of that which was made with the Bakhtiaris under quite different circumstances. He, however, points out that Lieutenant Wilson was not present at the portion of the interview when this point was discussed, but only came in at the end, when all the points had been settled.

He says that what he had in mind was that the sheikh might be given in some form or other the equivalent of the "3 per cent. on profits" which is what the Bakhtiaris will obtain by means of the shares they are to receive. The difficulty is that these profits cannot very well be defined in a way that would probably be satisfactory to the sheikh, without the formation of a separate company—a step which my directors would not for a moment consider at the present time—but if you think the sheikh would be satisfied with an undertaking from us to pay him 3 per cent. on the profits of any oil obtained within his territory (such territory to be clearly indicated and not to be open to question)—such profits being based upon the same price for crude oil as is paid to the Bakhtiaris Oil Company, and the Anglo-Persian Oil Company's statement of these profits being accepted by the sheikh as conclusive and final, without any question—I will put the proposal before my board, although I have no reason for supposing that they would approve of such an arrangement and that they might not rather abandon altogether the idea of working at Ahwaz.



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المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٦ظ] (٣٣٨/٧٨)



4
Enclosure 6 in No. 1.

Consul-General Cox to Acting Consul Wilson.

(Confidential.)

Sir,

Bushire, November 6, 1910.

I HAVE the honour to refer to your letter dated the 28th October and previous correspondence in connection with the plans of the Anglo-Persian Oil Company for the inception of boring operations in the territorial limits of the Sheikh of Mohammerah, and the terms which should or should not be made with him in case of oil being tapped in paying quantity.

2. In expressing his own ideas regarding—

- (1.) The nature of the present rights of the sheikh and his tribesmen in the soil ;
- (2.) The terms which might fairly be offered him by the oil company as an amicable satisfaction of them,

the managing director is good enough to say that he would be glad to know my personal views.

3. A pronouncement in regard to the former problem seems to involve the investigation and settlement of both the following points :—

(a.) The precise nature of the tenure and rights, if any, over and in the soil enjoyed by the sheikh and his tribes, anterior and to the time of the grant by the Persian Government of the D'Arcy concession.

(b.) The precise rights of the sheikh and his tribes in the soil since the grant of the former's firman in January 1903, and how far they hold good against the rights of the oil company under the D'Arcy concession.

Then again the following two queries seem to be suggested by the record :—

(c.) The company having in the agreement with the sheikh of the 16th July, 1909, acknowledged that the right to treasure trove is vested in the sheikh; could they make good to him the argument that the cognate right in regard to minerals is not also vested in him?

In this connection I would point out that in framing article 13 of the agreement which was finally concluded between the company and the Sheikh of Mohammerah, Mr. Lloyd and I in consultation were at pains, in the interests of the company, to alter the wording of the article on this subject numbered (11) in the draft sent to His Majesty's Foreign Office with Mr. Wallace's letter of the 9th June, 1909, and to omit any pregnant allusion to minerals.

The managing director's draft ran :—

"(11.) The company as lessees of the land agree that all treasure trove throughout the lands leased to the company belongs to the sheikh alone. By 'treasure trove' is meant *gold and silver or precious metals in a natural state*, or coins or objects of antiquity of the same metals."

In the agreement concluded this became :—

"(13.) The company as lessees of these lands agree that all treasure trove throughout the land leased to the company and other lands given under this agreement belongs to the sheikh alone. By 'treasure trove' is meant coins, jewellery, and objects of antiquity."

It will be noted that the words in italics were omitted.

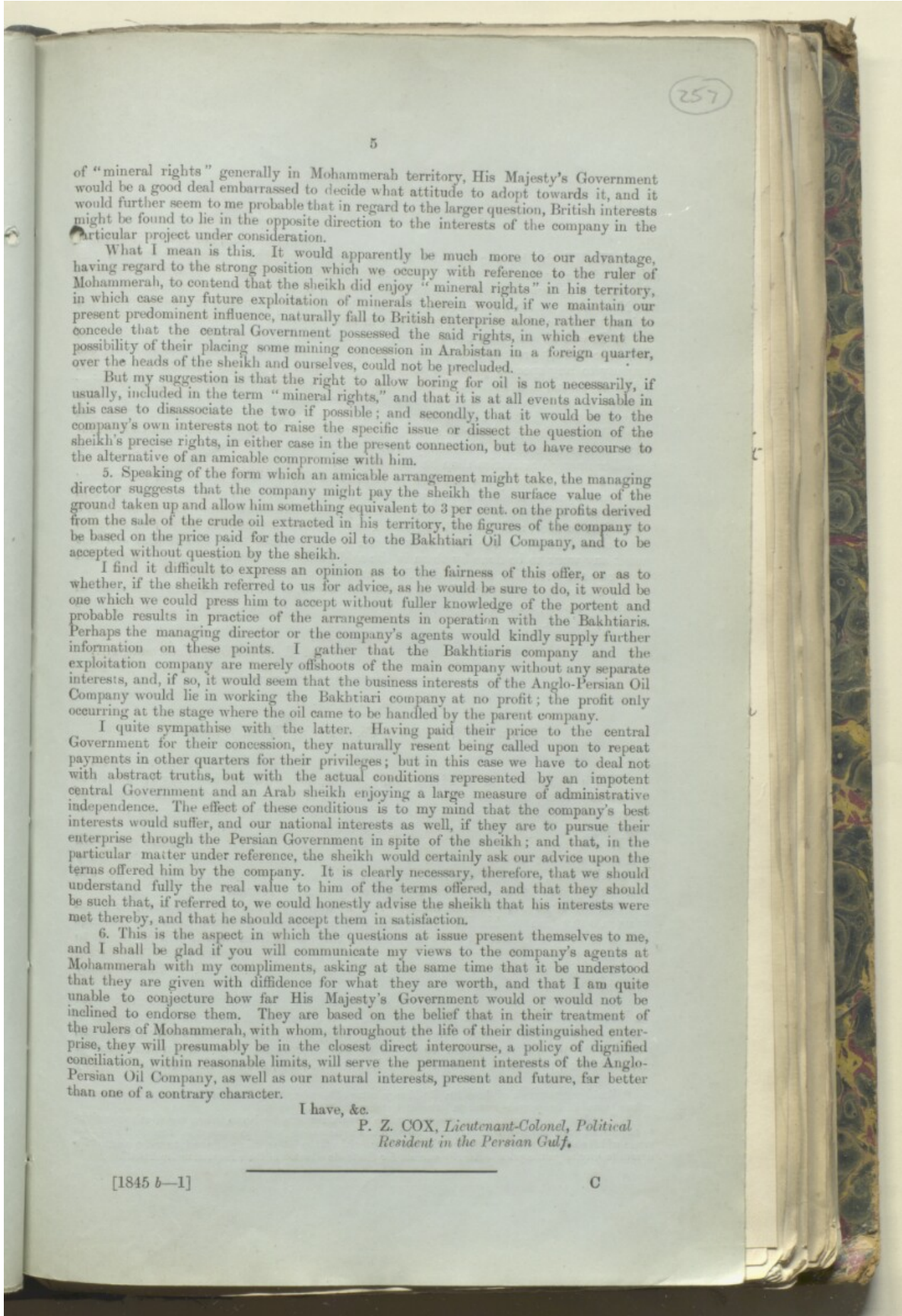
(d.) Is it usual or necessary to regard the right to allow or disallow boring for oil as a "mineral right" properly so called? In fact, is the question of the possession or non-possession by the sheikh of "mineral rights" generally, involved at all in the present project under discussion?

I do not feel qualified to give an authoritative answer on any of these four questions, and merely indicate them to make it clear that, according to my lights, the determination of the real position of the sheikh and the company in regard to the question of the oil boring and "mineral rights," would be by no means a simple matter.

4. Holding this view, I cannot help thinking that were the company, in connection with their contemplated boring operations, to raise acutely the question of the incidence



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5

of "mineral rights" generally in Mohammerah territory, His Majesty's Government would be a good deal embarrassed to decide what attitude to adopt towards it, and it would further seem to me probable that in regard to the larger question, British interests might be found to lie in the opposite direction to the interests of the company in the particular project under consideration.

What I mean is this. It would apparently be much more to our advantage, having regard to the strong position which we occupy with reference to the ruler of Mohammerah, to contend that the sheikh did enjoy "mineral rights" in his territory, in which case any future exploitation of minerals therein would, if we maintain our present predominant influence, naturally fall to British enterprise alone, rather than to concede that the central Government possessed the said rights, in which event the possibility of their placing some mining concession in Arabistan in a foreign quarter, over the heads of the sheikh and ourselves, could not be precluded.

But my suggestion is that the right to allow boring for oil is not necessarily, if usually, included in the term "mineral rights," and that it is at all events advisable in this case to disassociate the two if possible; and secondly, that it would be to the company's own interests not to raise the specific issue or dissect the question of the sheikh's precise rights, in either case in the present connection, but to have recourse to the alternative of an amicable compromise with him.

5. Speaking of the form which an amicable arrangement might take, the managing director suggests that the company might pay the sheikh the surface value of the ground taken up and allow him something equivalent to 3 per cent. on the profits derived from the sale of the crude oil extracted in his territory, the figures of the company to be based on the price paid for the crude oil to the Bakhtiari Oil Company, and to be accepted without question by the sheikh.

I find it difficult to express an opinion as to the fairness of this offer, or as to whether, if the sheikh referred to us for advice, as he would be sure to do, it would be one which we could press him to accept without fuller knowledge of the portent and probable results in practice of the arrangements in operation with the Bakhtiaris. Perhaps the managing director or the company's agents would kindly supply further information on these points. I gather that the Bakhtiaris company and the exploitation company are merely offshoots of the main company without any separate interests, and, if so, it would seem that the business interests of the Anglo-Persian Oil Company would lie in working the Bakhtiari company at no profit; the profit only occurring at the stage where the oil came to be handled by the parent company.

I quite sympathise with the latter. Having paid their price to the central Government for their concession, they naturally resent being called upon to repeat payments in other quarters for their privileges; but in this case we have to deal not with abstract truths, but with the actual conditions represented by an impotent central Government and an Arab sheikh enjoying a large measure of administrative independence. The effect of these conditions is to my mind that the company's best interests would suffer, and our national interests as well, if they are to pursue their enterprise through the Persian Government in spite of the sheikh; and that, in the particular matter under reference, the sheikh would certainly ask our advice upon the terms offered him by the company. It is clearly necessary, therefore, that we should understand fully the real value to him of the terms offered, and that they should be such that, if referred to, we could honestly advise the sheikh that his interests were met thereby, and that he should accept them in satisfaction.

6. This is the aspect in which the questions at issue present themselves to me, and I shall be glad if you will communicate my views to the company's agents at Mohammerah with my compliments, asking at the same time that it be understood that they are given with diffidence for what they are worth, and that I am quite unable to conjecture how far His Majesty's Government would or would not be inclined to endorse them. They are based on the belief that in their treatment of the rulers of Mohammerah, with whom, throughout the life of their distinguished enterprise, they will presumably be in the closest direct intercourse, a policy of dignified conciliation, within reasonable limits, will serve the permanent interests of the Anglo-Persian Oil Company, as well as our natural interests, present and future, far better than one of a contrary character.

I have, &c.

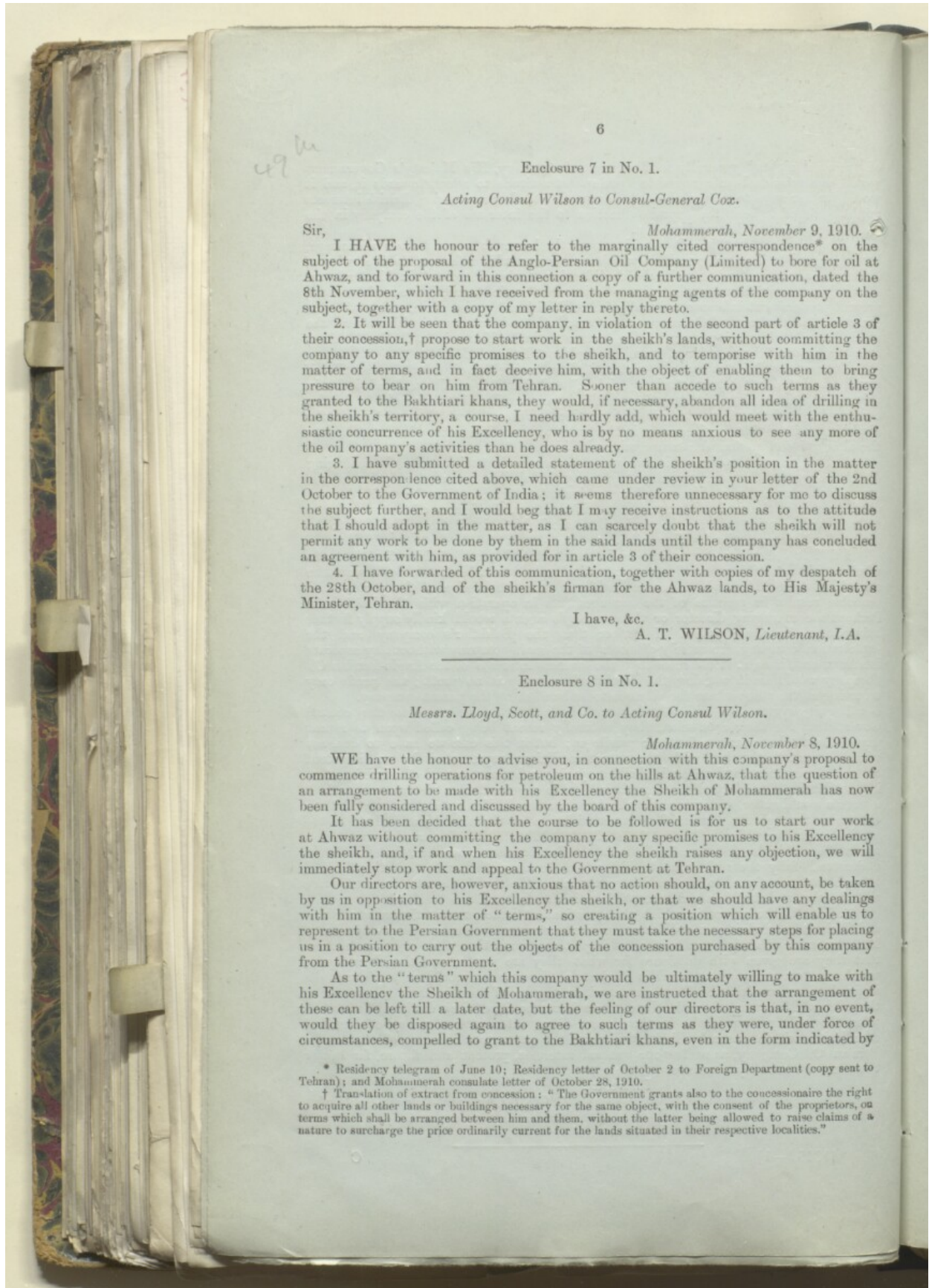
P. Z. COX, *Lieutenant-Colonel, Political
Resident in the Persian Gulf.*

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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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6

Enclosure 7 in No. 1.

Acting Consul Wilson to Consul-General Cox.

Sir, *Mohammerah, November 9, 1910.*

I HAVE the honour to refer to the marginally cited correspondence* on the subject of the proposal of the Anglo-Persian Oil Company (Limited) to bore for oil at Ahwaz, and to forward in this connection a copy of a further communication, dated the 8th November, which I have received from the managing agents of the company on the subject, together with a copy of my letter in reply thereto.

2. It will be seen that the company, in violation of the second part of article 3 of their concession,† propose to start work in the sheikh's lands, without committing the company to any specific promises to the sheikh, and to temporise with him in the matter of terms, and in fact deceive him, with the object of enabling them to bring pressure to bear on him from Tehran. Sooner than accede to such terms as they granted to the Bakhtiari khans, they would, if necessary, abandon all idea of drilling in the sheikh's territory, a course, I need hardly add, which would meet with the enthusiastic concurrence of his Excellency, who is by no means anxious to see any more of the oil company's activities than he does already.

3. I have submitted a detailed statement of the sheikh's position in the matter in the correspondence cited above, which came under review in your letter of the 2nd October to the Government of India; it seems therefore unnecessary for me to discuss the subject further, and I would beg that I may receive instructions as to the attitude that I should adopt in the matter, as I can scarcely doubt that the sheikh will not permit any work to be done by them in the said lands until the company has concluded an agreement with him, as provided for in article 3 of their concession.

4. I have forwarded of this communication, together with copies of my despatch of the 28th October, and of the sheikh's firman for the Ahwaz lands, to His Majesty's Minister, Tehran.

I have, &c.

A. T. WILSON, *Lieutenant, I.A.*

Enclosure 8 in No. 1.

Messrs. Lloyd, Scott, and Co. to Acting Consul Wilson.

Mohammerah, November 8, 1910.

WE have the honour to advise you, in connection with this company's proposal to commence drilling operations for petroleum on the hills at Ahwaz, that the question of an arrangement to be made with his Excellency the Sheikh of Mohammerah has now been fully considered and discussed by the board of this company.

It has been decided that the course to be followed is for us to start our work at Ahwaz without committing the company to any specific promises to his Excellency the sheikh, and, if and when his Excellency the sheikh raises any objection, we will immediately stop work and appeal to the Government at Tehran.

Our directors are, however, anxious that no action should, on any account, be taken by us in opposition to his Excellency the sheikh, or that we should have any dealings with him in the matter of "terms," so creating a position which will enable us to represent to the Persian Government that they must take the necessary steps for placing us in a position to carry out the objects of the concession purchased by this company from the Persian Government.

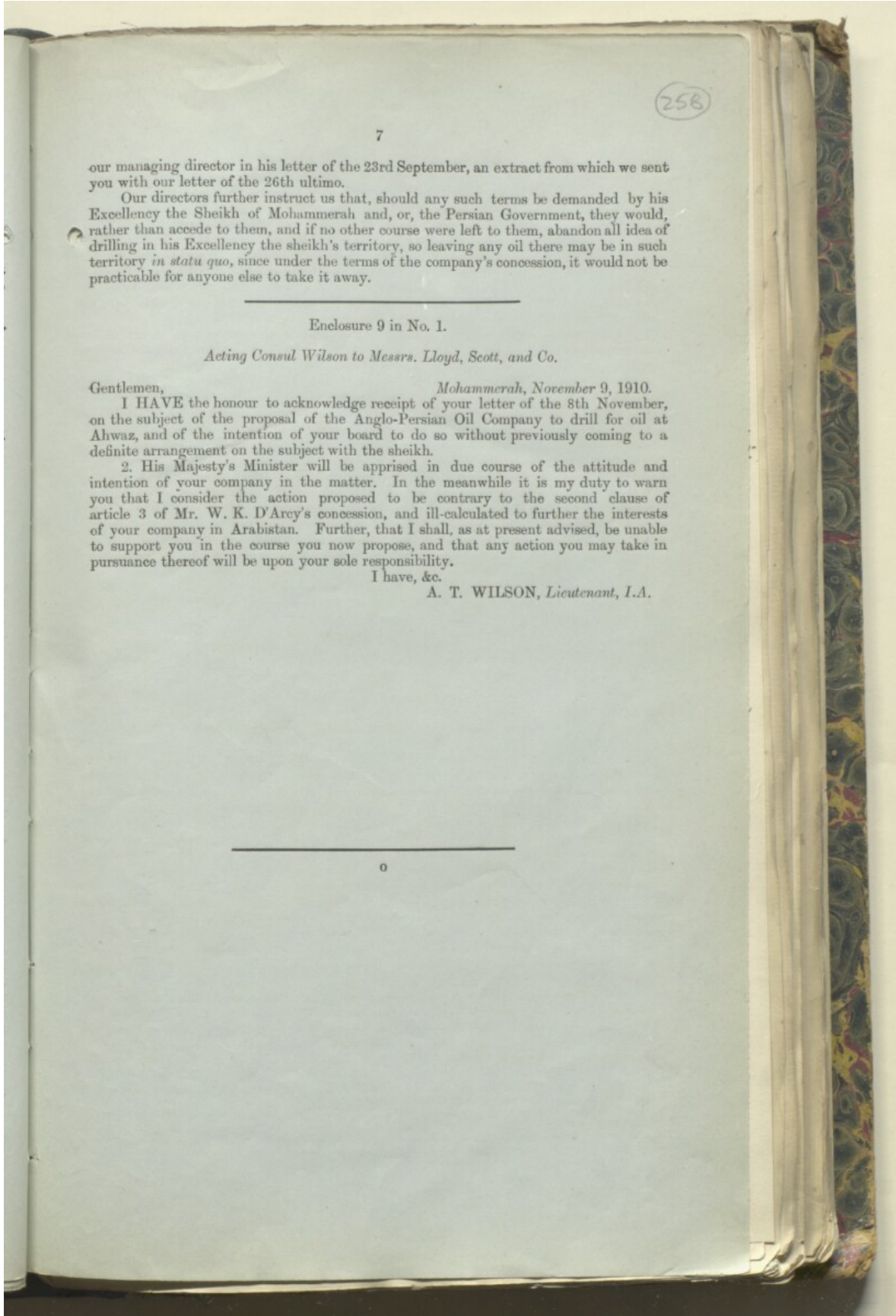
As to the "terms" which this company would be ultimately willing to make with his Excellency the Sheikh of Mohammerah, we are instructed that the arrangement of these can be left till a later date, but the feeling of our directors is that, in no event, would they be disposed again to agree to such terms as they were, under force of circumstances, compelled to grant to the Bakhtiari khans, even in the form indicated by

* Residency telegram of June 10; Residency letter of October 2 to Foreign Department (copy sent to Tehran); and Mohammerah consulate letter of October 28, 1910.

† Translation of extract from concession: "The Government grants also to the concessionaire the right to acquire all other lands or buildings necessary for the same object, with the consent of the proprietors, on terms which shall be arranged between him and them, without the latter being allowed to raise claims of a nature to surcharge the price ordinarily current for the lands situated in their respective localities."

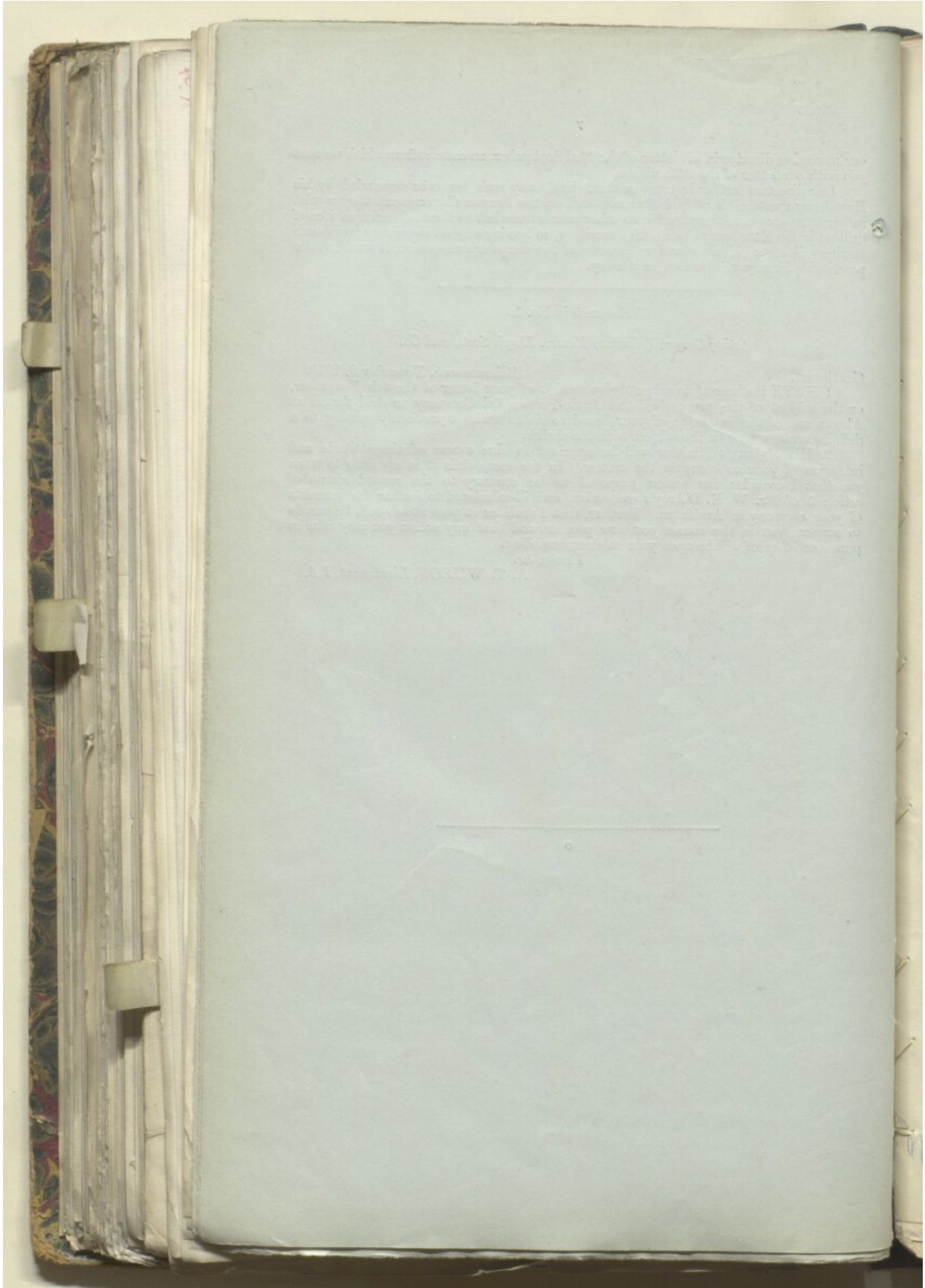


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٨ظ] (٣٣٨/٨٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٥٩ و] (٣٣٨/٨٣)

Register No. 2823 (1929) (259)

Minute Paper. Secret Department.

Letter from 70. J. P. K. 9 + 10 Jan 1911 Dated 22 December 1911.
Secy's Letter from India, 50 M Rec. 7 January 1911.

	Date.	Initials.	SUBJECT.
Under Secretary.....	10 Jan	East	Persia
Secretary of State	11	W	Desire of Sir J. Barclay
Committee	13	<u>W</u>	that representations of Anglo-
Under Secretary.....			-Persian Oil Co. to Persian Govt.
Secretary of State			as to Shikhs of Mohammads' lands be postponed

Copy to India 13 Jan 1911, Secy. 2
70. (1929) 20 Feb. 1911.

FOR INFORMATION.

It is to be hoped that when Mr Greenway & his brother director are on the spot a modus vivendi will be arrived at.

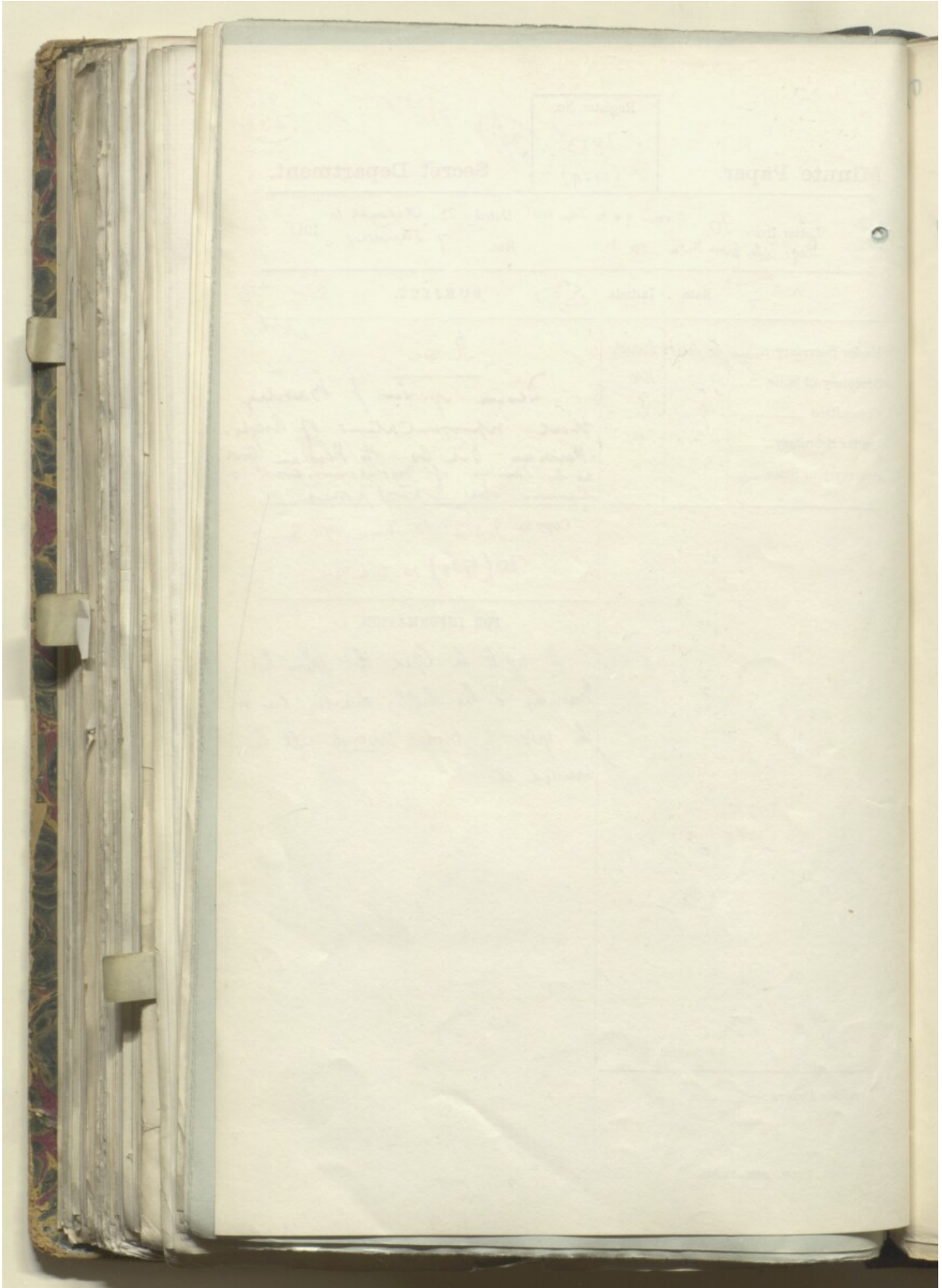
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Previous Papers:—
1905

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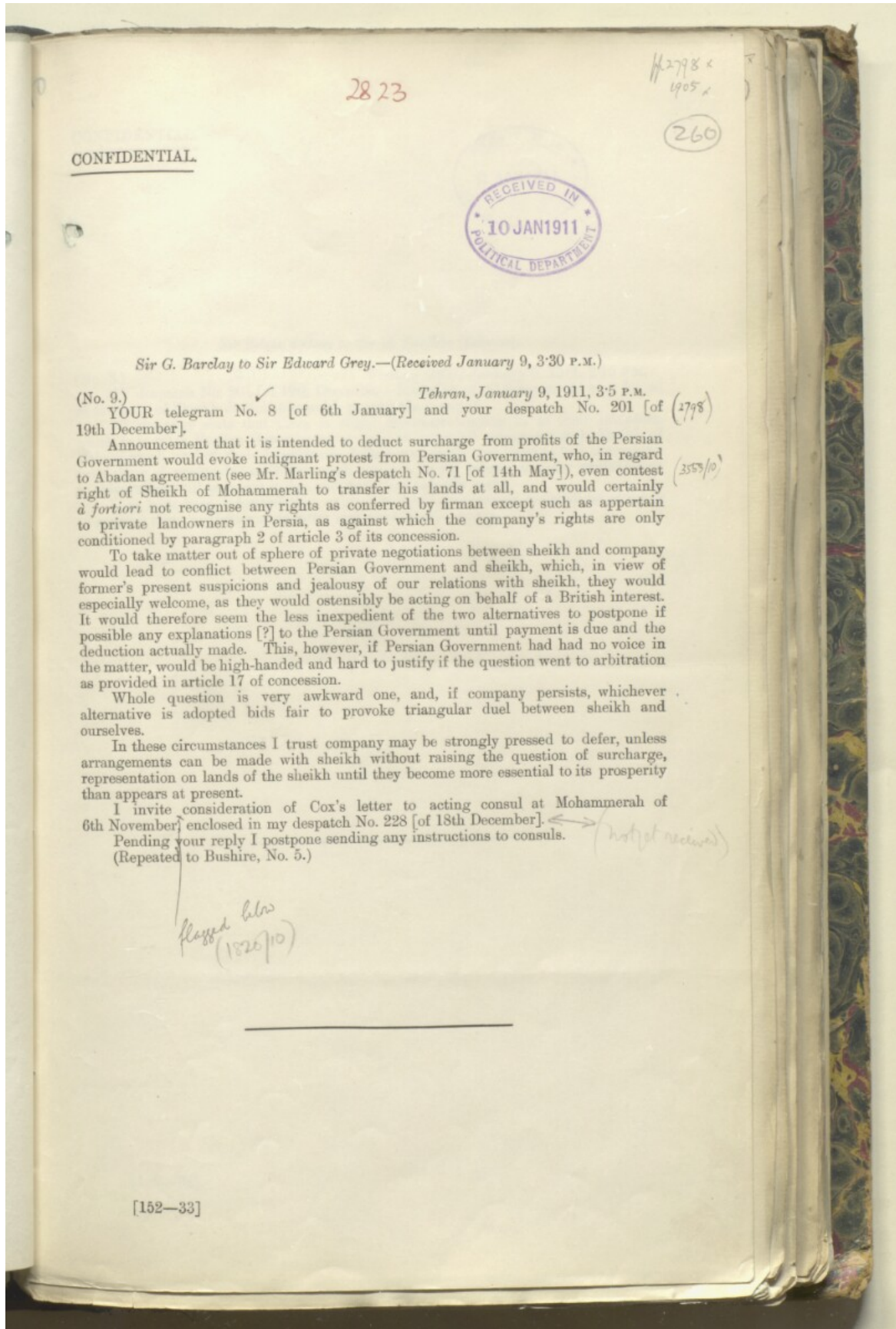


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٠ و] (٣٣٨/٨٥)



CONFIDENTIAL



Sir G. Barclay to Sir Edward Grey.—(Received January 9, 3.30 P.M.)

(No. 9.) ✓ Tehran, January 9, 1911, 3.5 P.M.
YOUR telegram No. 8 [of 6th January] and your despatch No. 201 [of (2798)
19th December]

Announcement that it is intended to deduct surcharge from profits of the Persian Government would evoke indignant protest from Persian Government, who, in regard to Abadan agreement (see Mr. Marling's despatch No. 71 [of 14th May]), even contest right of Sheikh of Mohammerah to transfer his lands at all, and would certainly *à fortiori* not recognise any rights as conferred by firman except such as appertain to private landowners in Persia, as against which the company's rights are only conditioned by paragraph 2 of article 3 of its concession. (355/10)

To take matter out of sphere of private negotiations between sheikh and company would lead to conflict between Persian Government and sheikh, which, in view of former's present suspicions and jealousy of our relations with sheikh, they would especially welcome, as they would ostensibly be acting on behalf of a British interest. It would therefore seem the less inexpedient of the two alternatives to postpone if possible any explanations [?] to the Persian Government until payment is due and the deduction actually made. This, however, if Persian Government had had no voice in the matter, would be high-handed and hard to justify if the question went to arbitration as provided in article 17 of concession.

Whole question is very awkward one, and, if company persists, whichever alternative is adopted bids fair to provoke triangular duel between sheikh and ourselves.

In these circumstances I trust company may be strongly pressed to defer, unless arrangements can be made with sheikh without raising the question of surcharge, representation on lands of the sheikh until they become more essential to its prosperity than appears at present.

I invite consideration of Cox's letter to acting consul at Mohammerah of 6th November enclosed in my despatch No. 223 [of 18th December].

Pending your reply I postpone sending any instructions to consuls. (not yet received)

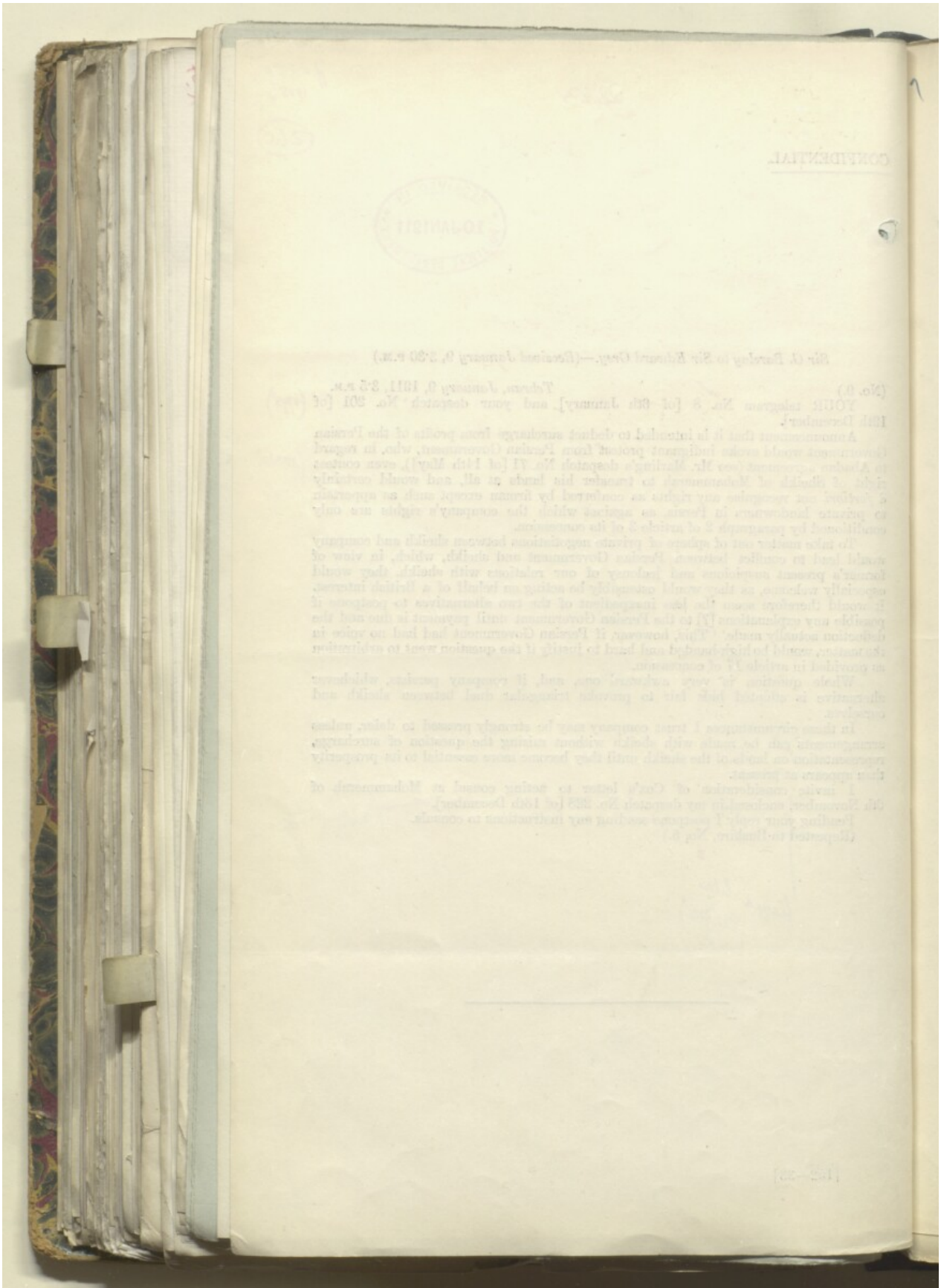
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[152-33]

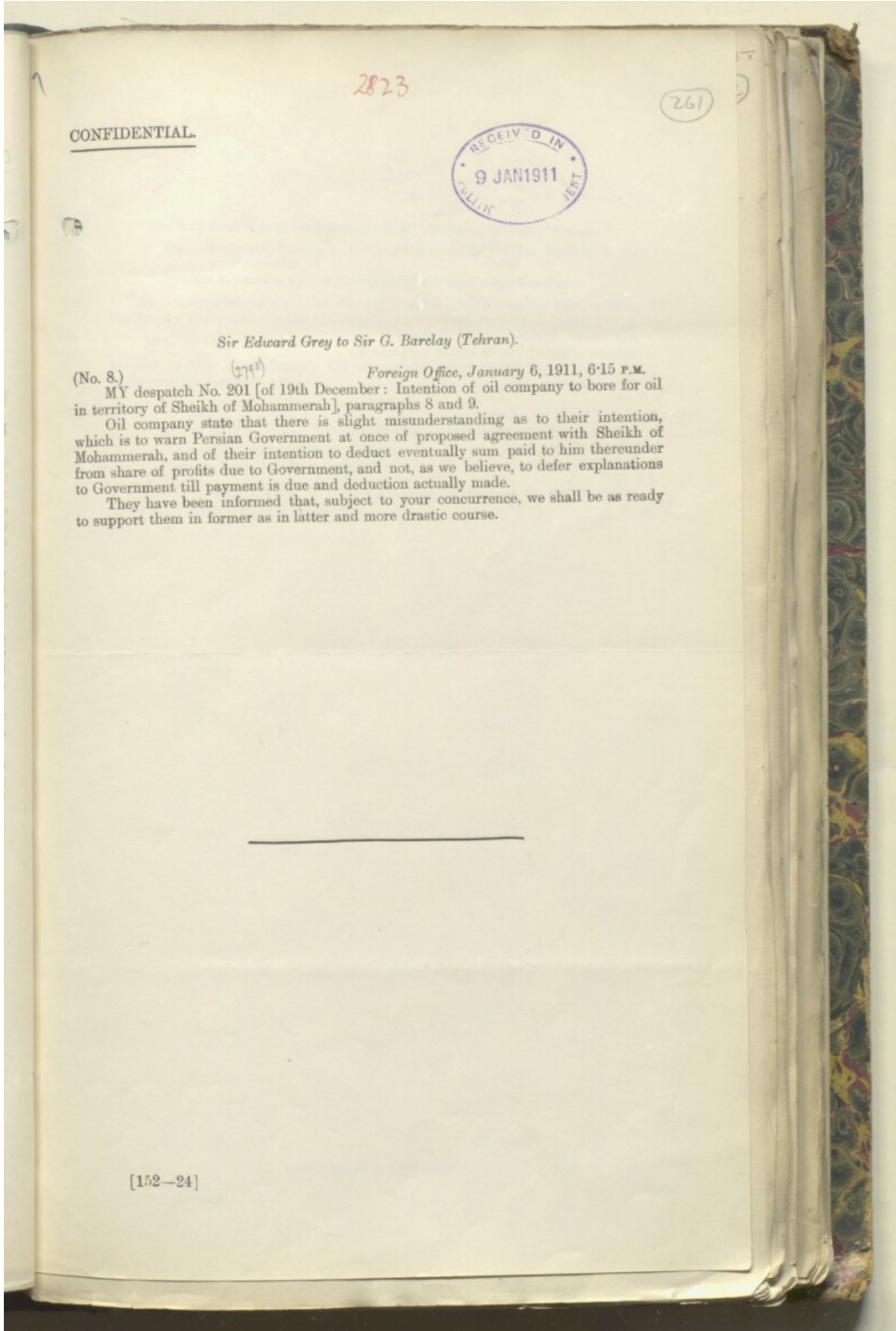


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٠ظ] (٣٣٨/٨٦)



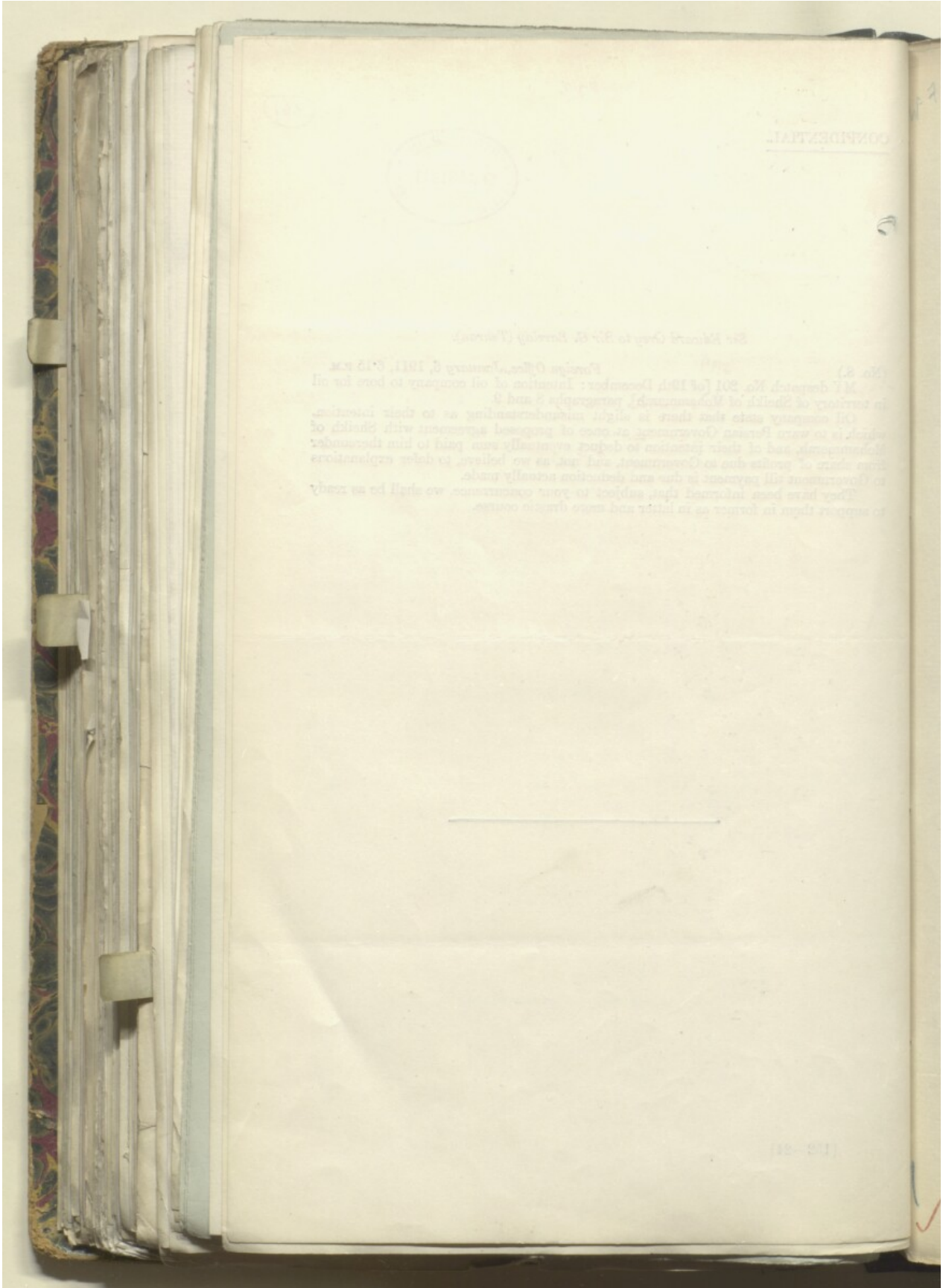


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦١ و] (٣٣٨/٨٧)



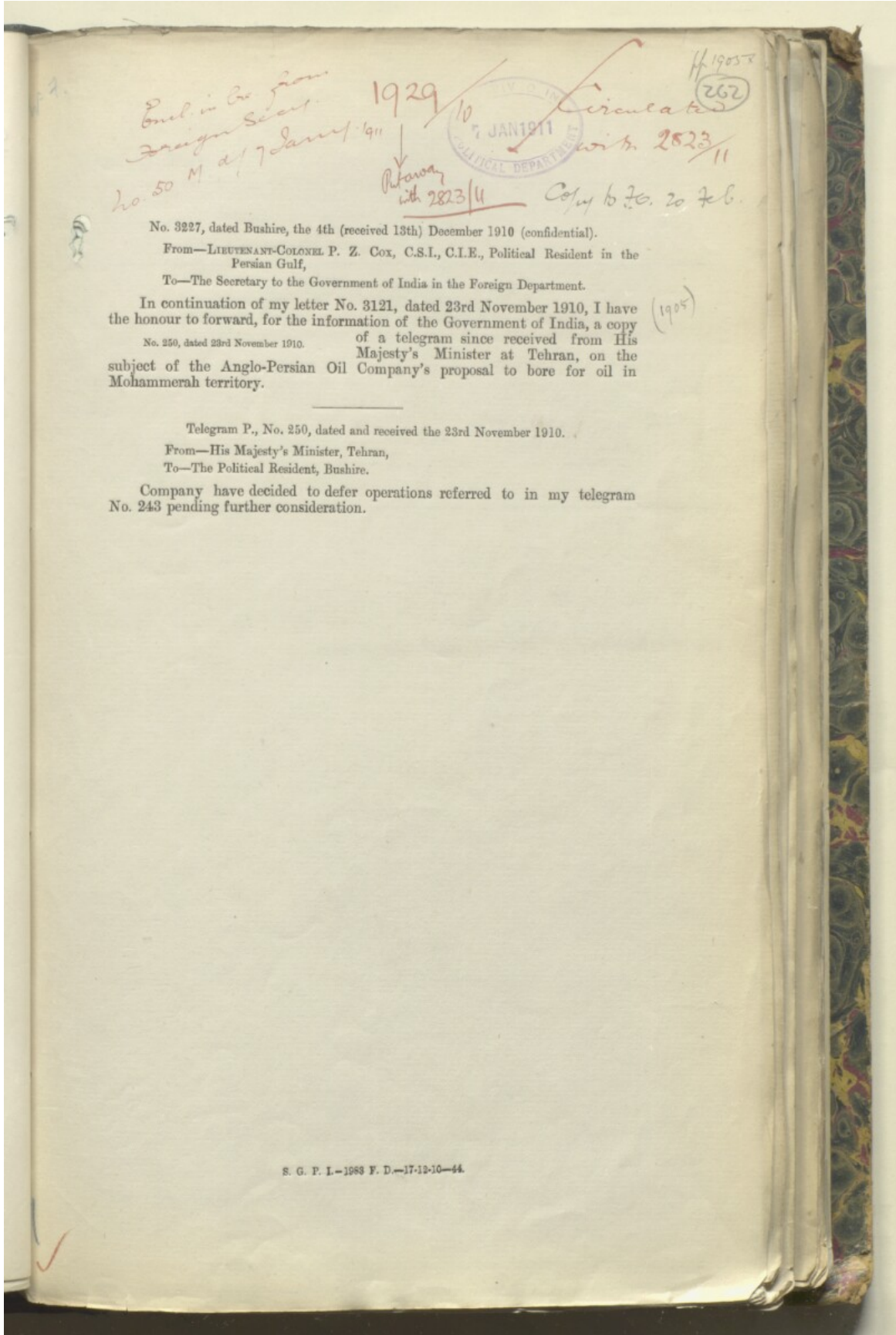


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦١ظ] (٣٣٨/٨٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٢ و] (٣٣٨/٨٩)



No. 3227, dated Bushire, the 4th (received 13th) December 1910 (confidential).

From—LIEUTENANT-COLONEL P. Z. Cox, C.S.I., C.I.E., Political Resident in the Persian Gulf,

To—The Secretary to the Government of India in the Foreign Department.

In continuation of my letter No. 3121, dated 23rd November 1910, I have the honour to forward, for the information of the Government of India, a copy of a telegram since received from His Majesty's Minister at Tehran, on the subject of the Anglo-Persian Oil Company's proposal to bore for oil in Mohammerah territory. (1905)

No. 250, dated 23rd November 1910.

Telegram P., No. 250, dated and received the 23rd November 1910.

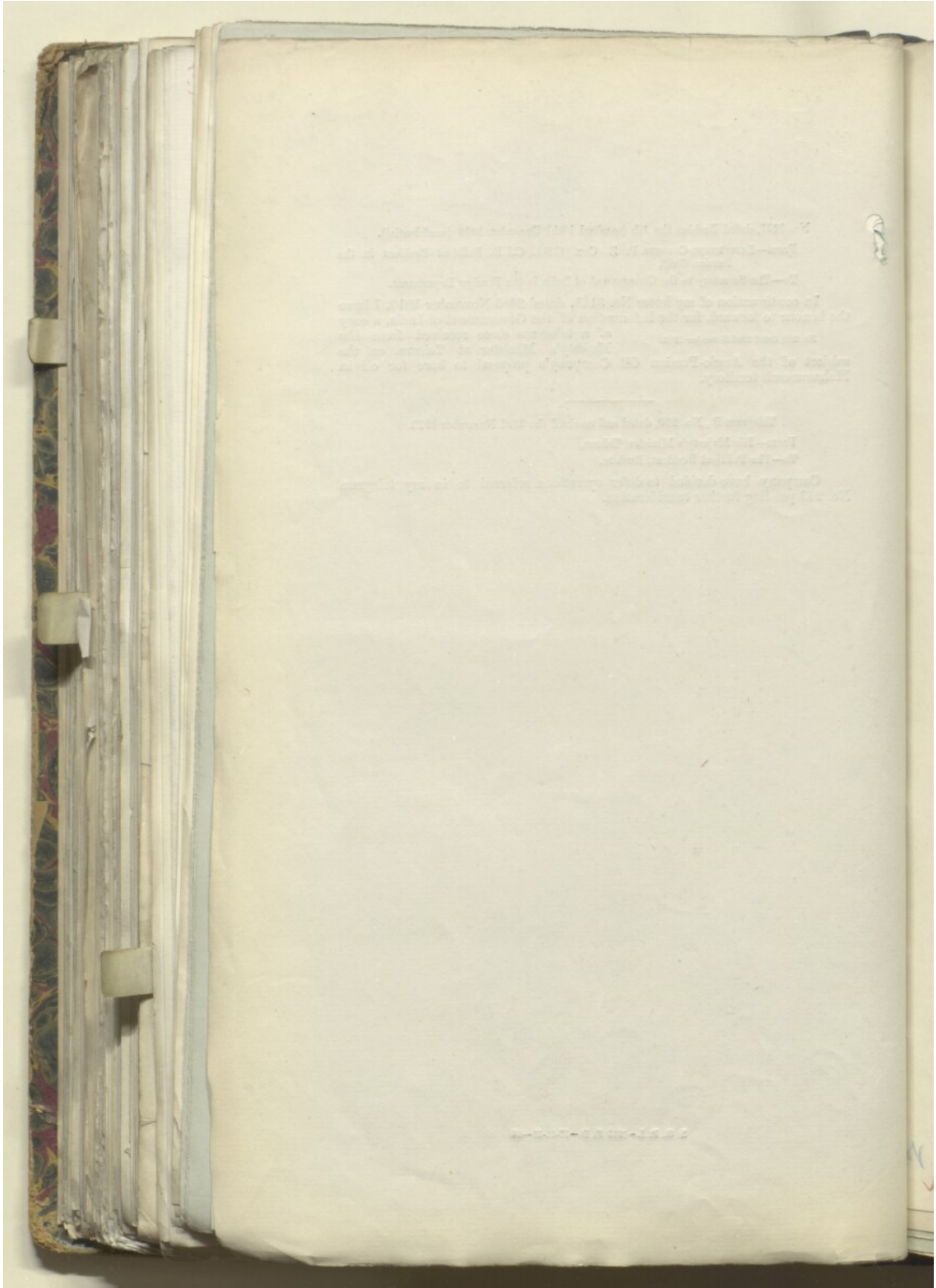
From—His Majesty's Minister, Tehran,

To—The Political Resident, Bushire.

Company have decided to defer operations referred to in my telegram No. 243 pending further consideration.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٢ظ] (٣٣٨/٩٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٣ و] (٣٣٨/٩١)

(263)

Register No.
1908
[437, 278]

Minute Paper. **Secret Department.**

Scap Letter from India, 49 M
Letter from F.O. 29 Dec '10 + 4 Jan 11

Dated 15 } December 1910.
Rec. 31 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	7 Jan	Earl	Persia
Secretary of State	9	RK	
Committee	10	<u>C</u>	Anglo-Persian Oil Co. + the Sheikh of Moham- -medah's rights.
Under Secretary.....			
Secretary of State			

Copy to
India. See within
(1907) F.O. 20 Feb. 1911.

FOR INFORMATION.

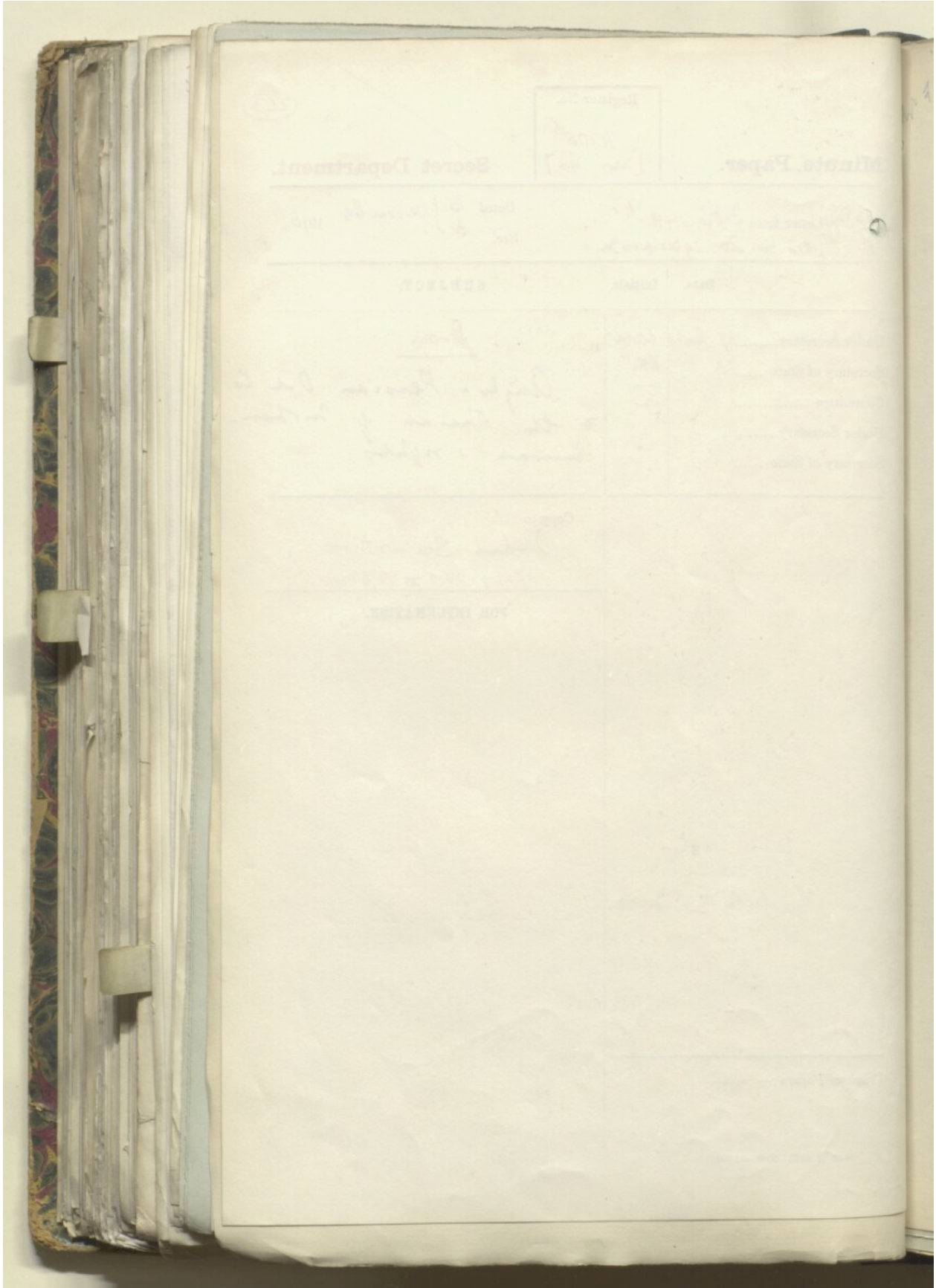
Secn Pol Coured.,
17 JAN 1911
(with 2823)

Previous Papers:— 1820.

9540. I. 2127. 2000.—11/1910.

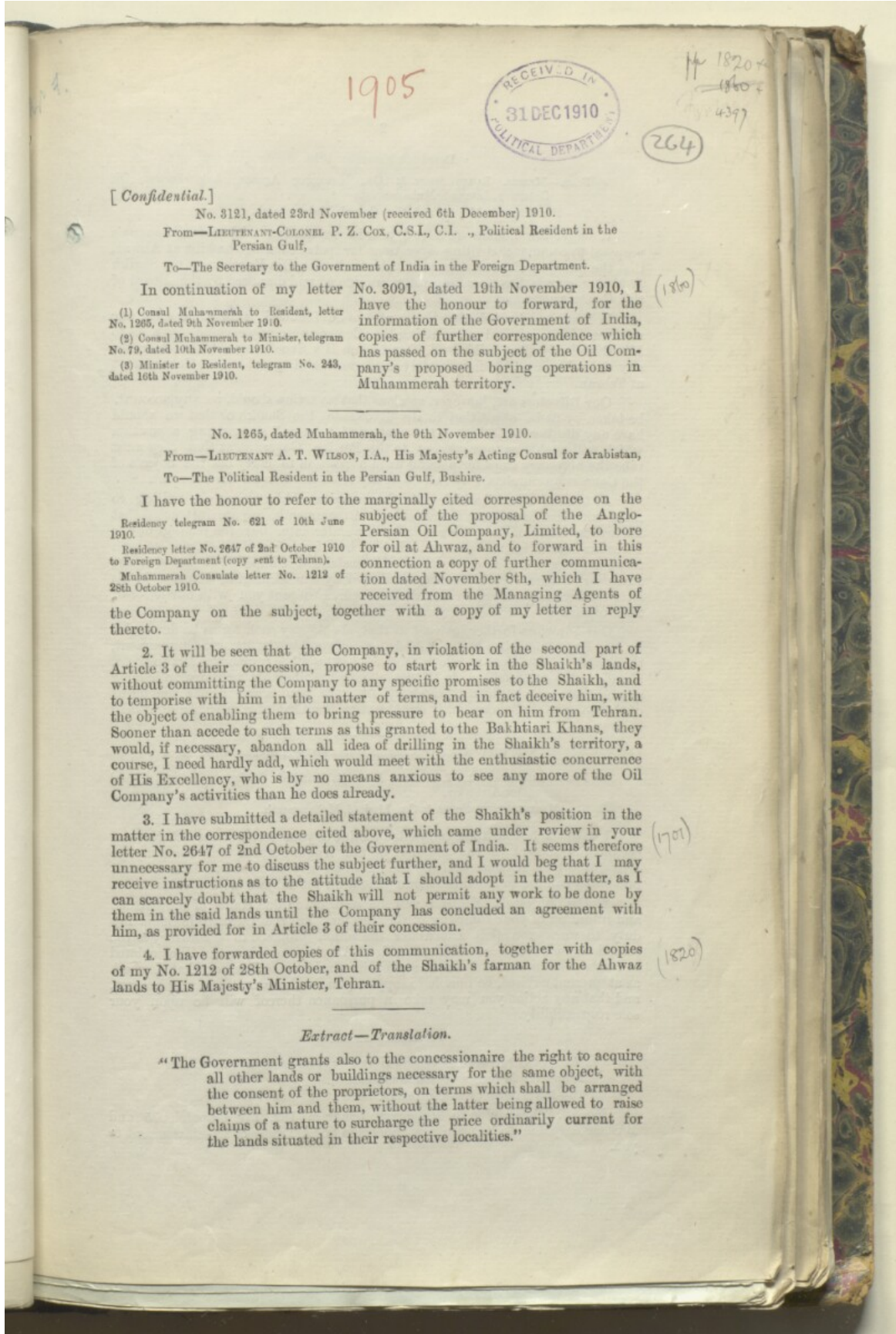


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٣ظ] (٣٣٨/٩٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٤ و] [٣٣٨/٩٣]





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٤ ظ] (٣٣٨/٩٤)

2

Dated 8th November 1910.

From—MESSRS. LLOYD SCOTT & Co., Managing Agents, Anglo-Persian Oil
Company, Limited, Muhammerah,

To—His Britannic Majesty's Acting Consul, Muhammerah.

We have the honour to advise you, in connection with this Company's proposal to commence drilling operations for petroleum on the hills at Ahwaz, that the question of an arrangement to be made with His Excellency the Shaikh of Muhammerah has now been fully considered and discussed by the Board of this Company.

It has been decided that the course to be followed is for us to start our work at Ahwaz without committing the Company to any specific promises to His Excellency the Shaikh, and, if and when His Excellency the Shaikh raises any objection, we will immediately stop work and appeal to the Government at Tehran.

Our Directors are, however, anxious that no action should, on any account, be taken by us in opposition to His Excellency the Shaikh or that we should have any dealings with him in the matter of "terms," so creating a position which will enable us to represent to the Persian Government that they must take the necessary steps for placing us in a position to carry out the objects of the Concession purchased by this Company from the Persian Government.

As to the "terms" which this Company would be ultimately willing to make with His Excellency the Shaikh of Muhammerah, we are instructed that the arrangement of these can be left till a later date, but the feeling of our Directors is that in no event would they be disposed again to agree to such terms as they were, under force of circumstances, compelled to grant to the Bakhtiari Khans, even in the form indicated by our Managing Director in his letter of 23rd September, an extract from which we sent you with our letter of 26th ultimo.

Our Directors further instruct us that, should any such terms be demanded by His Excellency the Shaikh of Muhammerah and/or the Persian Government, they would, rather than accede to them, and if no other course was left to them, abandon all idea of drilling in His Excellency the Shaikh's territory, so leaving any oil there may be in such territory *in situ quo*, since, under the terms of the Company's Concession, it would not be practicable for anyone else to take it away.

No. 1268, dated Muhammerah, the 9th November 1910.

FROM—LIEUTENANT A. T. WILSON, I.A., His Britannic Majesty's Acting Consul
for Arabistan,

TO—MESSRS. LLOYD SCOTT & Co., Limited, Muhammerah.

I have the honour to acknowledge receipt of your letter of the 8th November on the subject of the proposal of the Anglo-Persian Oil Company to drill for oil at Ahwaz, and of the intention of your Board to do so without previously coming to a definite arrangement on the subject with the Shaikh.

2. His Majesty's Minister will be apprised in due course of the attitude and intention of your company in the matter. In the meanwhile it is my duty to warn you that I consider the action proposed to be contrary to the second clause of Article 3 of Mr. W. K. D'Arcy's concession, and ill calculated to further the interests of your company in Arabistan. Further, that I shall, as at present advised, be unable to support you in the course you now propose, and that any action you may take in pursuance thereof will be upon your sole responsibility.

Telegram P., dated 10th November 1910 (sent *via* Bushire).

From—His Majesty's Consul, Muhammerah,

To—His Majesty's Minister, Tehran.

No. 79. Please refer to Residency telegram 182, my despatch 75 and Bushire despatch to Government of India 2647, a copy of which was sent to you.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٥ و] [٣٣٨/٩٥]

3

Oil Company told me on 8th November that they decline to make arrangement with Shaikh to bore for oil in the lands owned by him at Ahwaz. They intend starting work there without making any definite promises, and if Shaikh raises objections they will at once cease operations and appeal to Central Government at Tehran.

They decline to come to any friendly arrangement such as Mr. Lloyd promised to the Shaikh in 1909.

Pending instructions from Your Excellency I have warned Company I cannot support them in their proposed action, which I consider opposed to Article 3 clause 2 of Mr. D'Arcy's Concession, and ill calculated to forward their interests in this province, and that any action they may take in the matter will be on their sole responsibility. That the Shaikh will refuse permission to them to operate in his lands till they have made an agreement with him scarcely admits of doubt. Agreement would probably be on lines of that of the Company with Bakhtiari with the omission of provisions for payments to guards and compensation for lands and crops.

Primá facie Shaikh would appear to be justified should he do so.

I request instructions in due course from Your Excellency as to the attitude I should take up in the matter. My despatch 98 of 9th November contains full details. I have sent a copy of the foregoing to Bushire by post to-day.

Telegram P. dated the 15th (received 16th) November 1910.

From—His Majesty's Minister, Tehran,
To—Political Resident, Bushire.

No. 243. With reference to Consul Muhammerah's despatches Nos. 723 and 906.

I have sent the following telegram, No. 469, to the Foreign Office.

"Lieutenant Wilson has been informed by the Oil Company that they intend to bore for oil in Shaikh Khazal's territory without making any previous agreement with him, the Company maintaining that the second paragraph of Article 3 of their Concession applies only to works mentioned in Article 2. The Company intend, if the Shaikh objects, to stop work and claim compensation from the Persian Government; there is no doubt that the Shaikh will object.

For the Legation to support such a claim would clearly be impolitic as it would compel the Persian Government to try and coerce the Shaikh.

I beg to suggest that the Company be informed that we could not support their claim and moreover in their own interest they would be well advised to defer boring till some agreement with the Shaikh has been arrived at.

It is manifestly to the Company's interest for them to retain the Shaikh's goodwill, whether the Company are warranted in their interpretation of paragraph 2 Article 3 or not. The Company has been informed by the Consul that if they commence boring operations without the Shaikh's concurrence it must be on their sole responsibility as he considers their action would be contrary to their Concession (Article 3).

In any case Company should defer action until you receive despatches from Colonel Cox and Lieutenant Wilson which I have forwarded by post. They should reach you about the 28th instant."

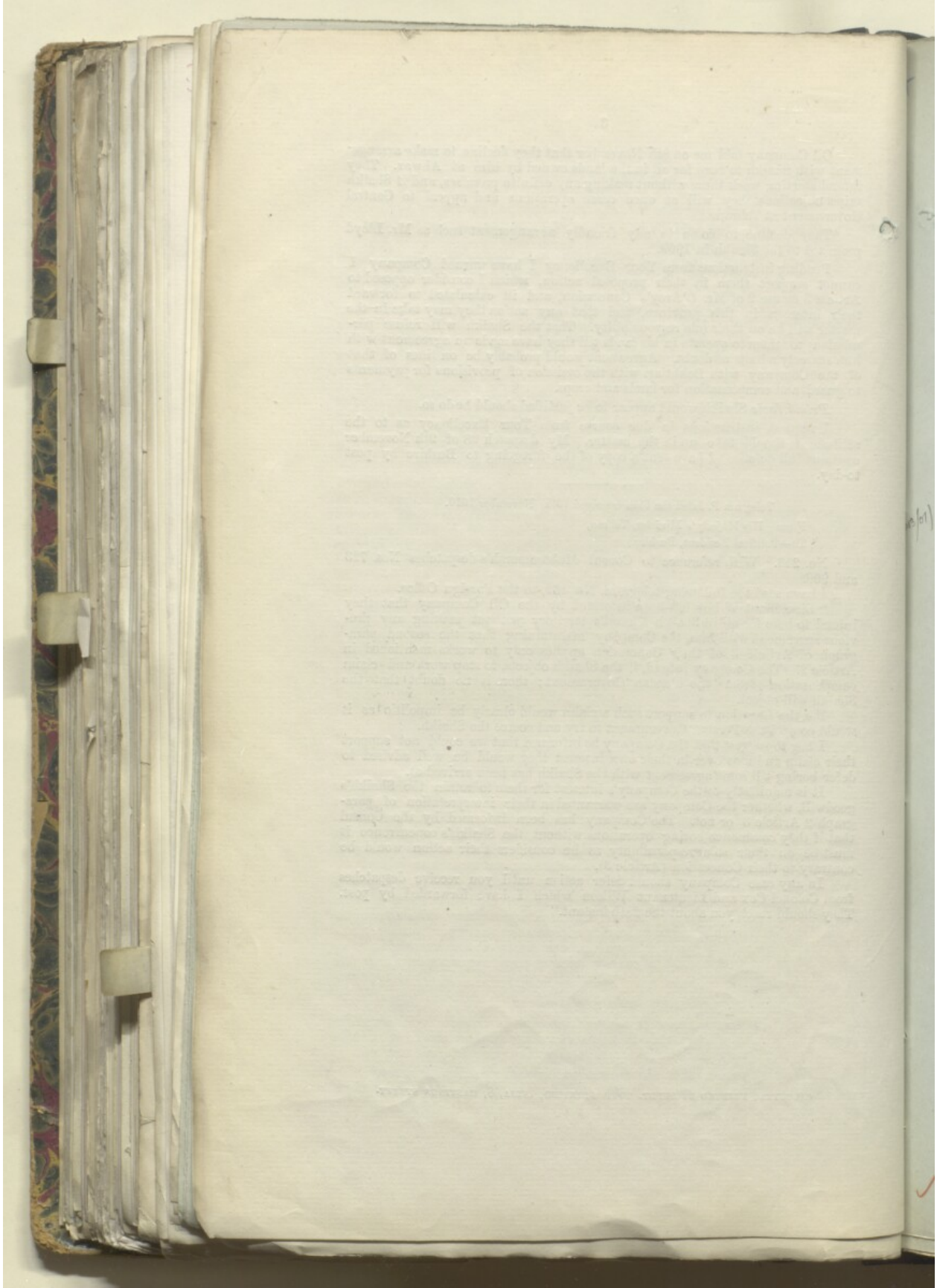
CALCUTTA: PRINTED BY SUPDT. GOVT. PRINTING, INDIA, 8, HASTINGS STREET.

265

already received
= 4217/10

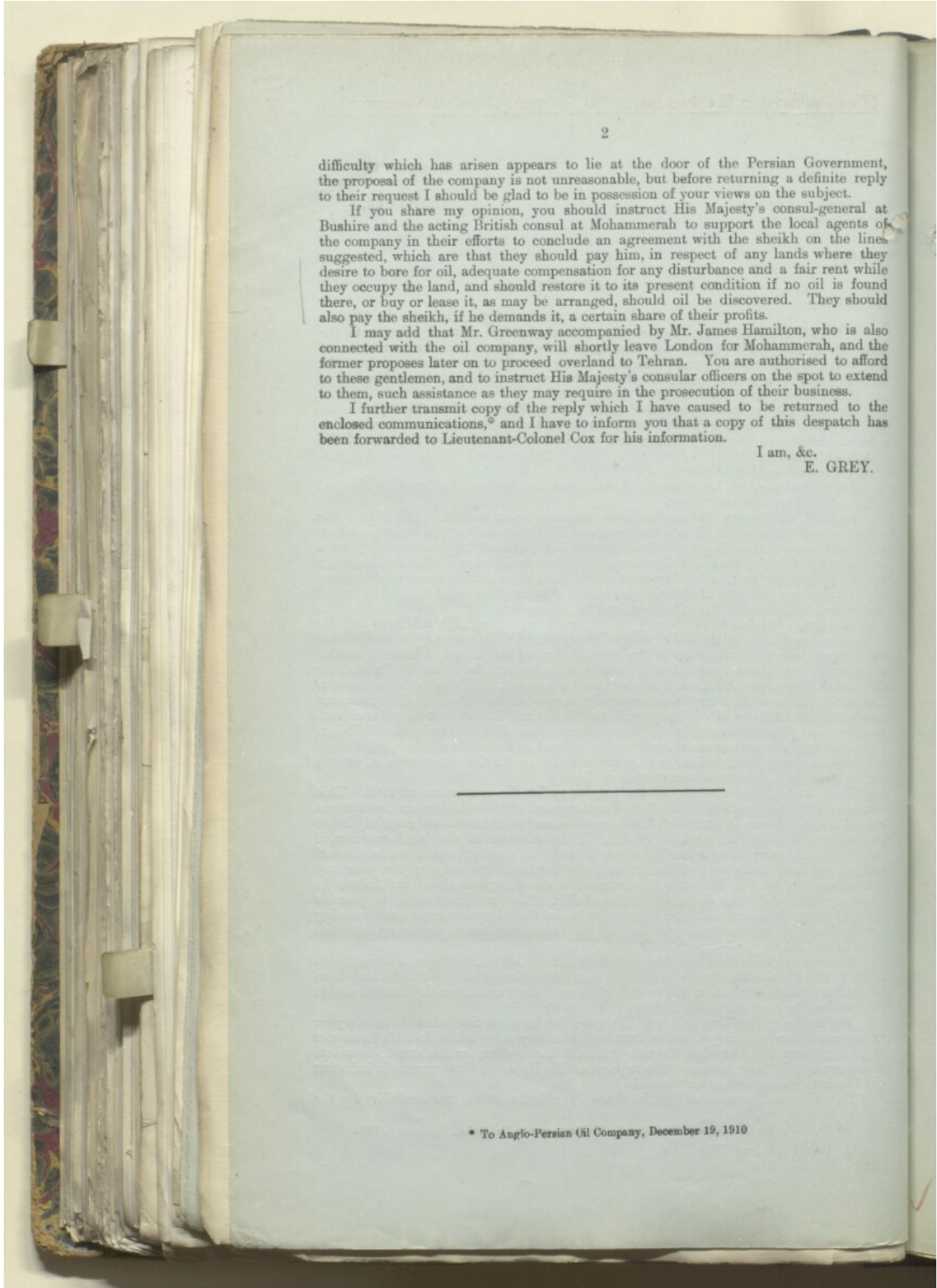


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٥ظ] (٣٣٨/٩٦)



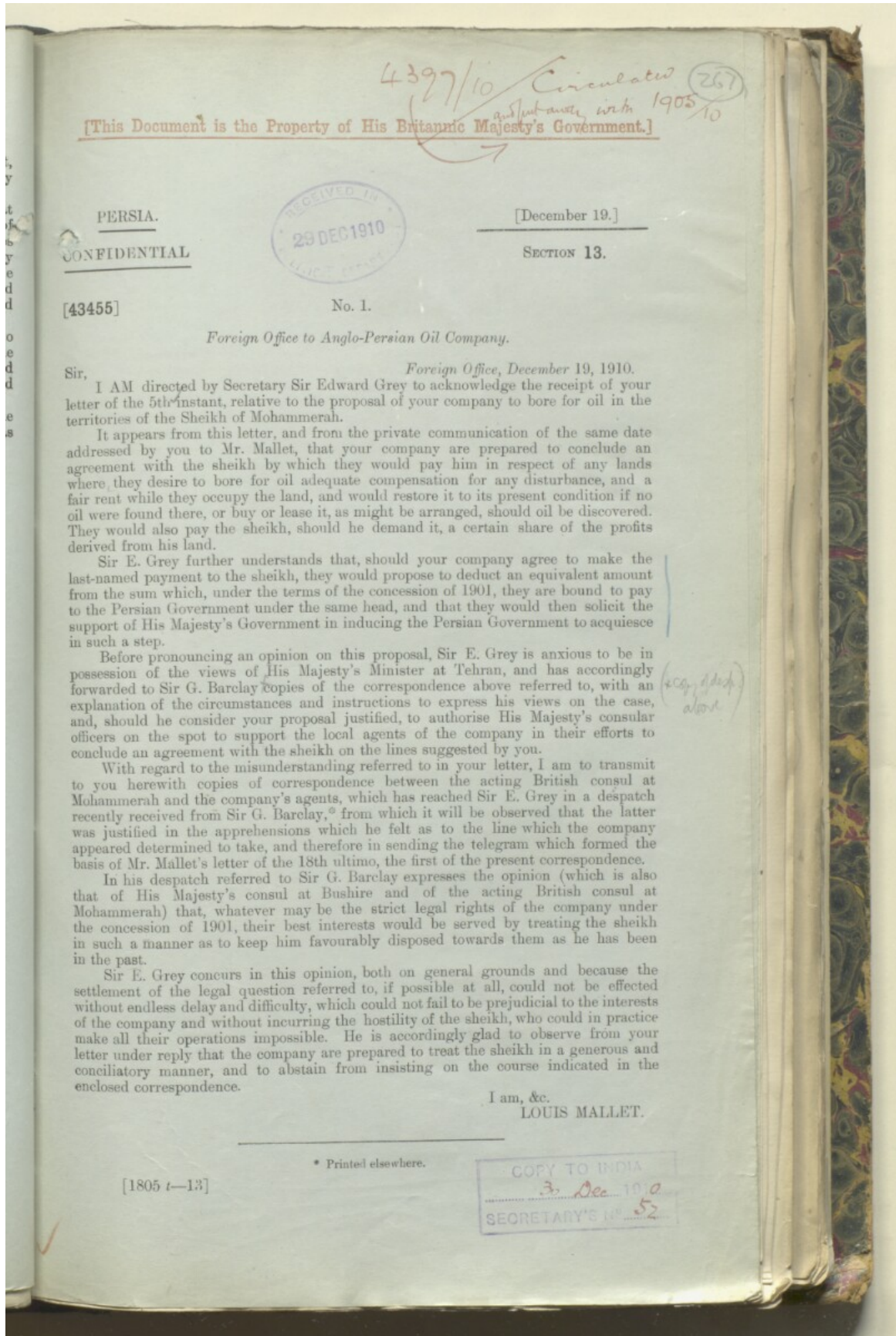


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٦ظ] (٣٣٨/٩٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٧ و] (٣٣٨/٩٩)



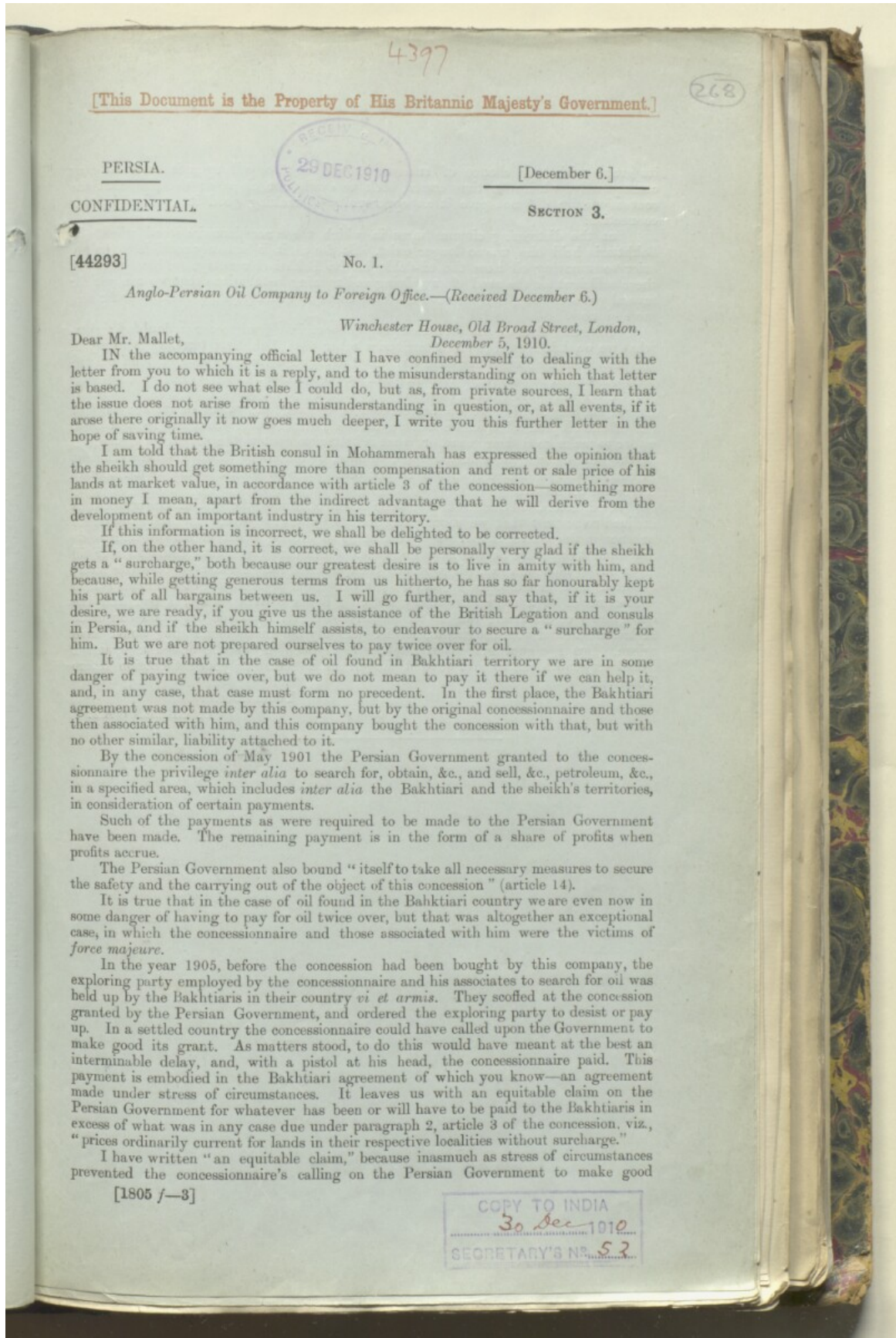


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٧ظ] (٣٣٨/١٠٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٨ و] (١٠١/٣٣٨)



[This Document is the Property of His Britannic Majesty's Government.]

PERSIA.

[December 6.]

CONFIDENTIAL.

SECTION 3.

[44293]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received December 6.)

Dear Mr. Mallet,

Winchester House, Old Broad Street, London,
December 5, 1910.

IN the accompanying official letter I have confined myself to dealing with the letter from you to which it is a reply, and to the misunderstanding on which that letter is based. I do not see what else I could do, but as, from private sources, I learn that the issue does not arise from the misunderstanding in question, or, at all events, if it arose there originally it now goes much deeper, I write you this further letter in the hope of saving time.

I am told that the British consul in Mohammerah has expressed the opinion that the sheikh should get something more than compensation and rent or sale price of his lands at market value, in accordance with article 3 of the concession—something more in money I mean, apart from the indirect advantage that he will derive from the development of an important industry in his territory.

If this information is incorrect, we shall be delighted to be corrected.

If, on the other hand, it is correct, we shall be personally very glad if the sheikh gets a "surcharge," both because our greatest desire is to live in amity with him, and because, while getting generous terms from us hitherto, he has so far honourably kept his part of all bargains between us. I will go further, and say that, if it is your desire, we are ready, if you give us the assistance of the British Legation and consuls in Persia, and if the sheikh himself assists, to endeavour to secure a "surcharge" for him. But we are not prepared ourselves to pay twice over for oil.

It is true that in the case of oil found in Bakhtiari territory we are in some danger of paying twice over, but we do not mean to pay it there if we can help it, and, in any case, that case must form no precedent. In the first place, the Bakhtiari agreement was not made by this company, but by the original concessionaire and those then associated with him, and this company bought the concession with that, but with no other similar, liability attached to it.

By the concession of May 1901 the Persian Government granted to the concessionaire the privilege *inter alia* to search for, obtain, &c., and sell, &c., petroleum, &c., in a specified area, which includes *inter alia* the Bakhtiari and the sheikh's territories, in consideration of certain payments.

Such of the payments as were required to be made to the Persian Government have been made. The remaining payment is in the form of a share of profits when profits accrue.

The Persian Government also bound "itself to take all necessary measures to secure the safety and the carrying out of the object of this concession" (article 14).

It is true that in the case of oil found in the Bakhtiari country we are even now in some danger of having to pay for oil twice over, but that was altogether an exceptional case, in which the concessionaire and those associated with him were the victims of *force majeure*.

In the year 1905, before the concession had been bought by this company, the exploring party employed by the concessionaire and his associates to search for oil was held up by the Bakhtiaris in their country *vi et armis*. They scoffed at the concession granted by the Persian Government, and ordered the exploring party to desist or pay up. In a settled country the concessionaire could have called upon the Government to make good its grant. As matters stood, to do this would have meant at the best an interminable delay, and, with a pistol at his head, the concessionaire paid. This payment is embodied in the Bakhtiari agreement of which you know—an agreement made under stress of circumstances. It leaves us with an equitable claim on the Persian Government for whatever has been or will have to be paid to the Bakhtiaris in excess of what was in any case due under paragraph 2, article 3 of the concession, viz., "prices ordinarily current for lands in their respective localities without surcharge."

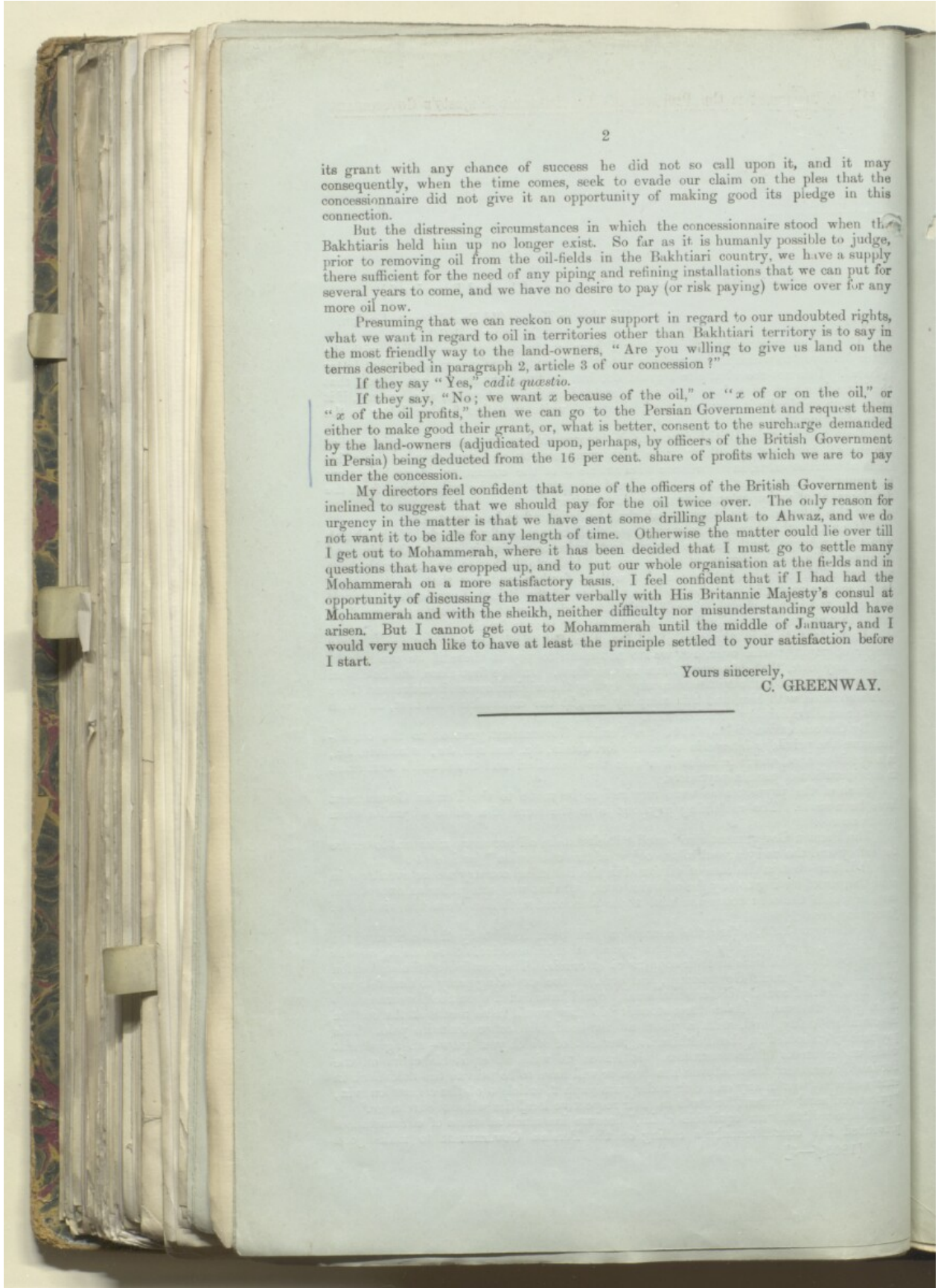
I have written "an equitable claim," because inasmuch as stress of circumstances prevented the concessionaire's calling on the Persian Government to make good

[1805 f—3]

COPY TO INDIA
30 Dec 1910
SECRETARY'S NO. 52



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٨ظ] (٣٣٨/١٠٢)



2

its grant with any chance of success he did not so call upon it, and it may consequently, when the time comes, seek to evade our claim on the plea that the concessionaire did not give it an opportunity of making good its pledge in this connection.

But the distressing circumstances in which the concessionaire stood when the Bakhtiari held him up no longer exist. So far as it is humanly possible to judge, prior to removing oil from the oil-fields in the Bakhtiari country, we have a supply there sufficient for the need of any piping and refining installations that we can put for several years to come, and we have no desire to pay (or risk paying) twice over for any more oil now.

Presuming that we can reckon on your support in regard to our undoubted rights, what we want in regard to oil in territories other than Bakhtiari territory is to say in the most friendly way to the land-owners, "Are you willing to give us land on the terms described in paragraph 2, article 3 of our concession?"

If they say "Yes," *cadit questio*.

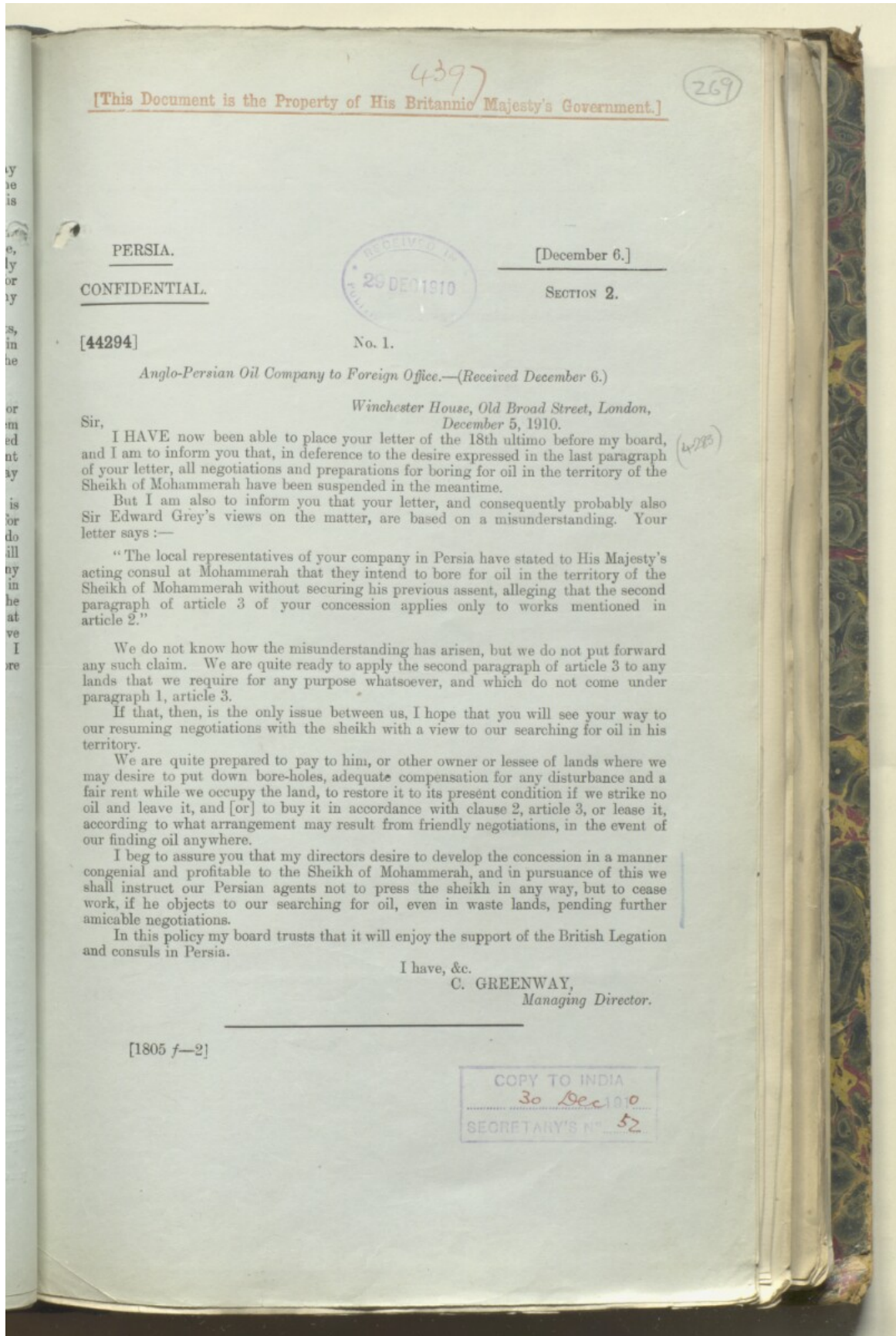
If they say, "No; we want x because of the oil," or " x of or on the oil," or " x of the oil profits," then we can go to the Persian Government and request them either to make good their grant, or, what is better, consent to the surcharge demanded by the land-owners (adjudicated upon, perhaps, by officers of the British Government in Persia) being deducted from the 16 per cent. share of profits which we are to pay under the concession.

My directors feel confident that none of the officers of the British Government is inclined to suggest that we should pay for the oil twice over. The only reason for urgency in the matter is that we have sent some drilling plant to Ahwaz, and we do not want it to be idle for any length of time. Otherwise the matter could lie over till I get out to Mohammerah, where it has been decided that I must go to settle many questions that have cropped up, and to put our whole organisation at the fields and in Mohammerah on a more satisfactory basis. I feel confident that if I had had the opportunity of discussing the matter verbally with His Britannic Majesty's consul at Mohammerah and with the sheikh, neither difficulty nor misunderstanding would have arisen. But I cannot get out to Mohammerah until the middle of January, and I would very much like to have at least the principle settled to your satisfaction before I start.

Yours sincerely,
C. GREENWAY.

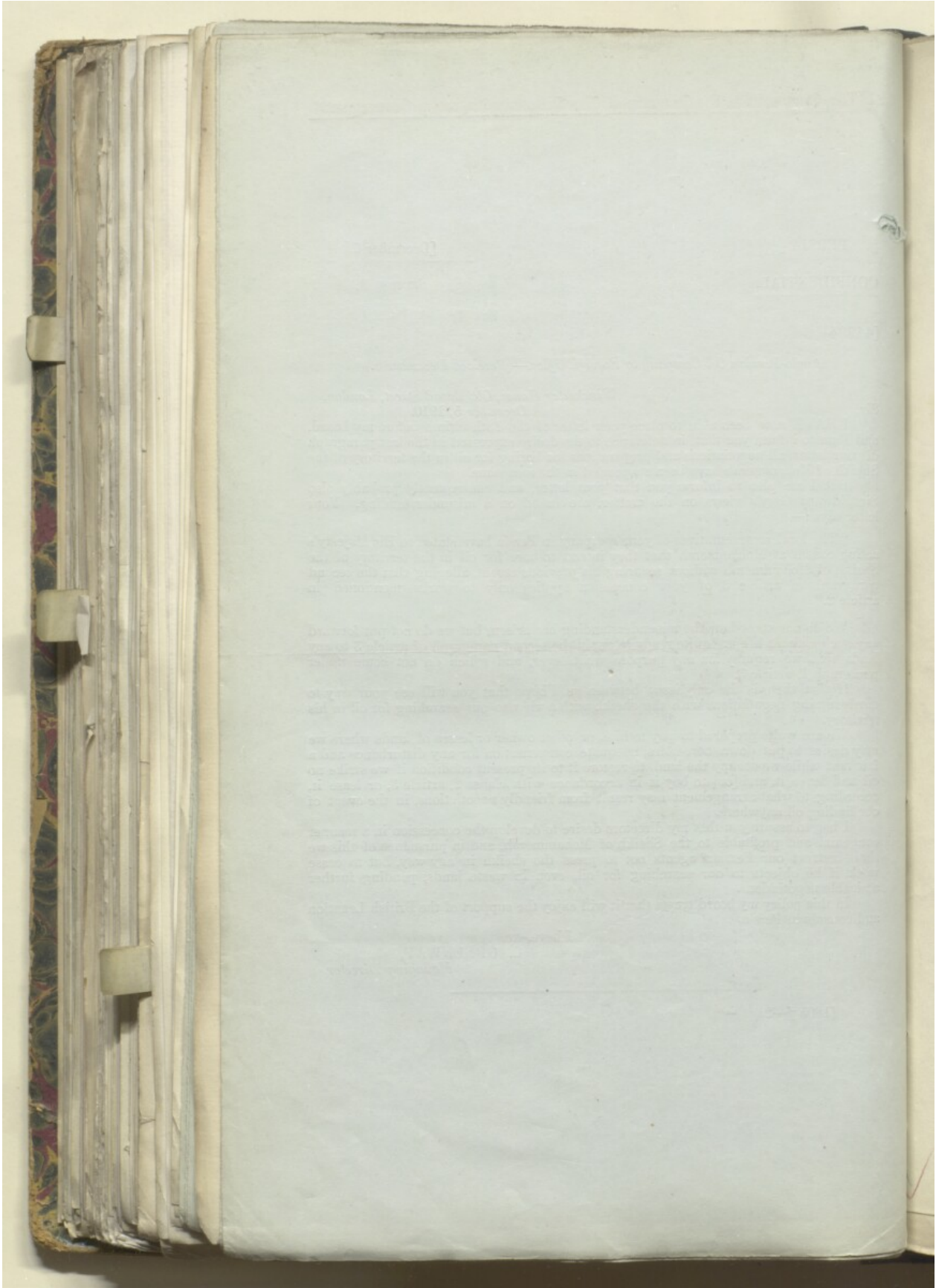


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٩ و] (٣٣٨/١٠٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٦٩ظ] (٣٣٨/١٠٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٠ و] (٣٣٨/١٠٥)

(270)

Register No.
1862

Minute Paper. **Secret Department.**

Secy's Letter from India, 48 M Dated 8 } December 1910.
Rec. 28 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	29 Dec.	Lat	Persia
Secretary of State	30	VR	Persia Persian Govt's like exception to some of the terms of the Sheikh of Kachem- mer's Agreement with the Anglo- Persian Oil Co.
Committee	31	C.	
Under Secretary.....			
Secretary of State			

Copy to
f.o. 59 Jan 11.

FOR INFORMATION.

(2682/01) Art. 3 of the Persian Govt's Agreement
with the Co. provides: "Le Govt Impé-
rieur accorde également au concessionnaire le
droit de faire acquisition de tous autres
terrains ou bâtiments nécessaires... du
consentement des propriétaires, sous conditions
qui pourront être arrêtées entre lui et
eux."

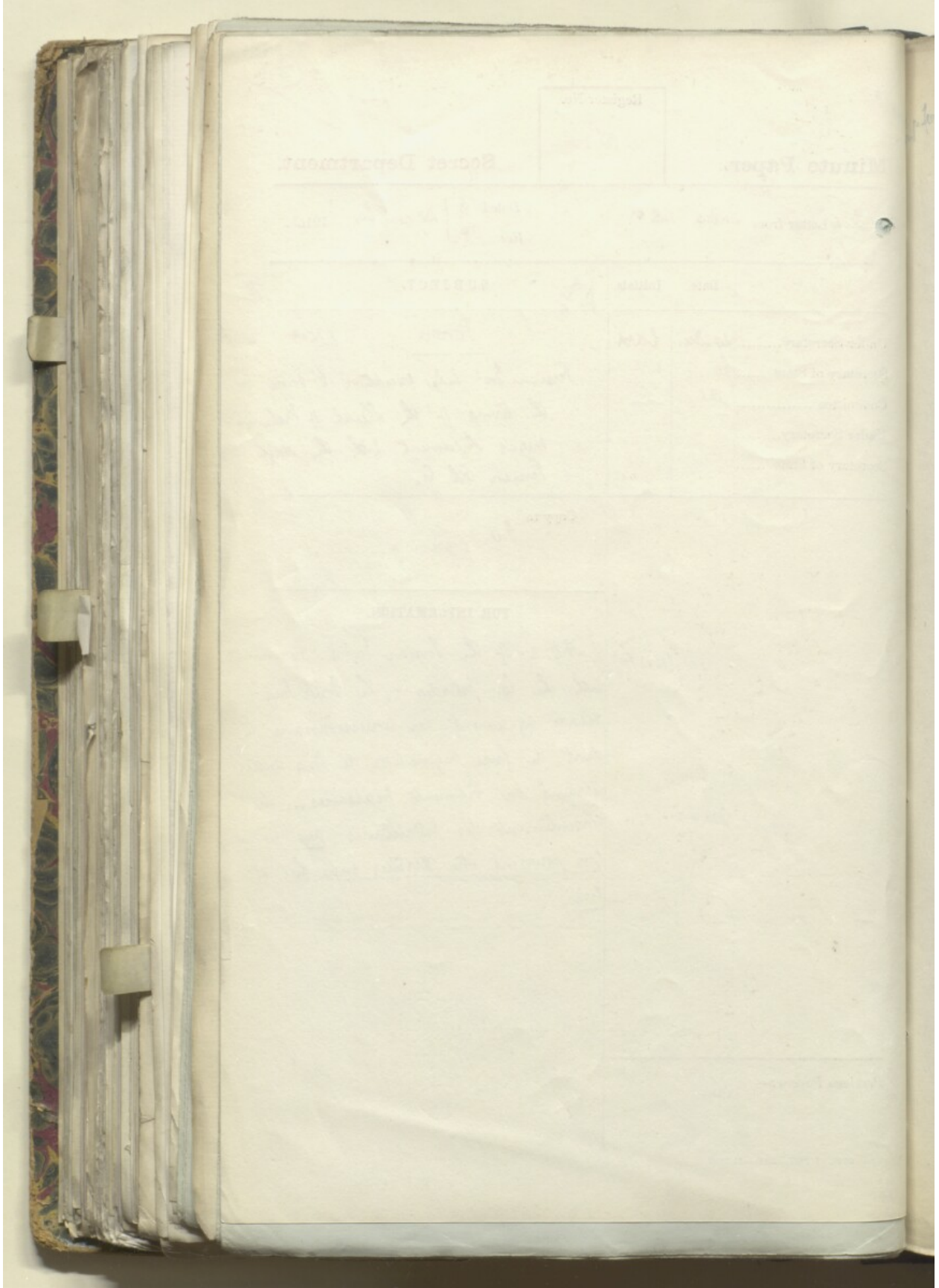
Seen Pol. Comm. 3 JAN 1911

Previous Papers:— 1414

9543. I. 2127. 2000.—11/1910.

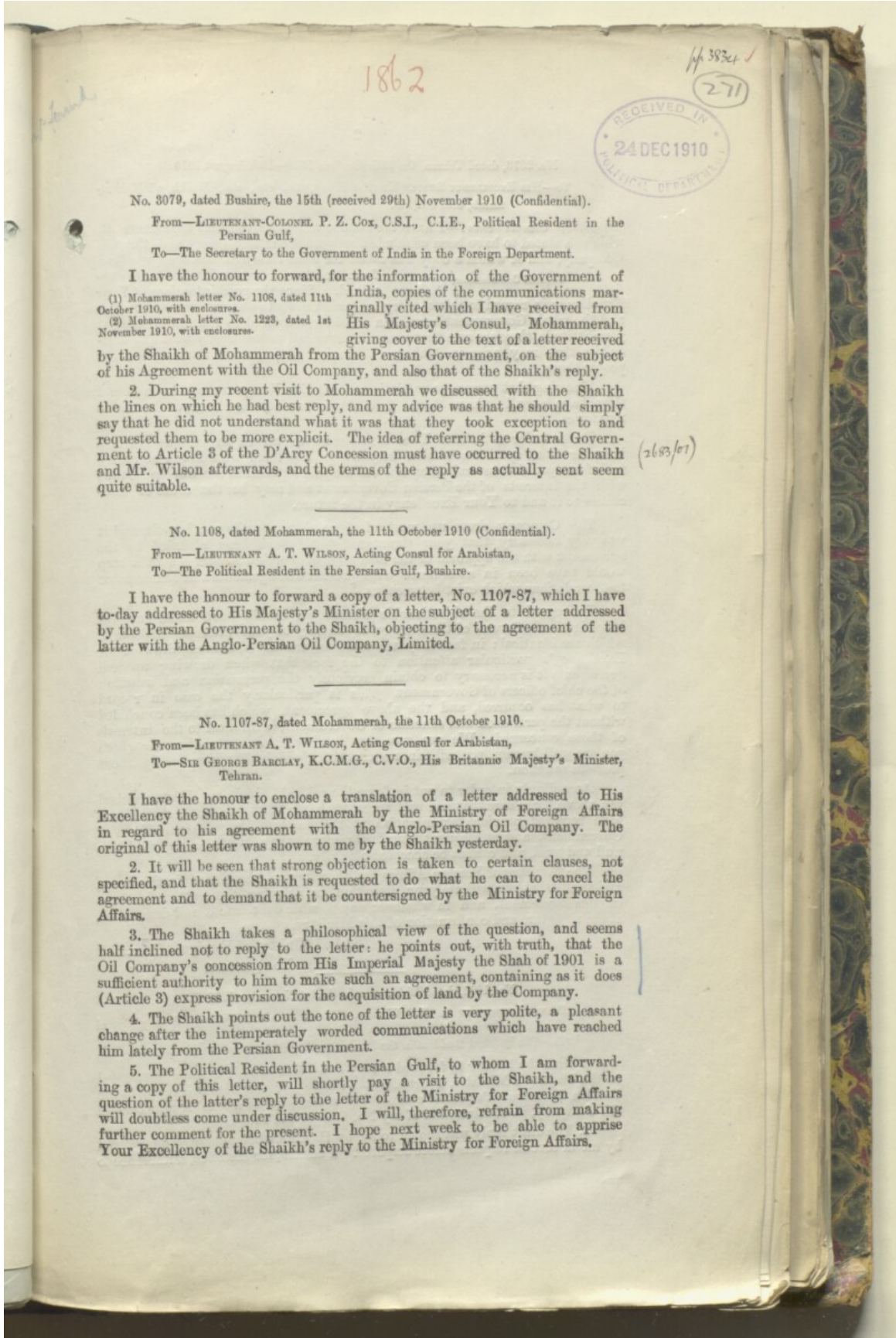


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٠ظ] (٣٣٨/١٠٦)



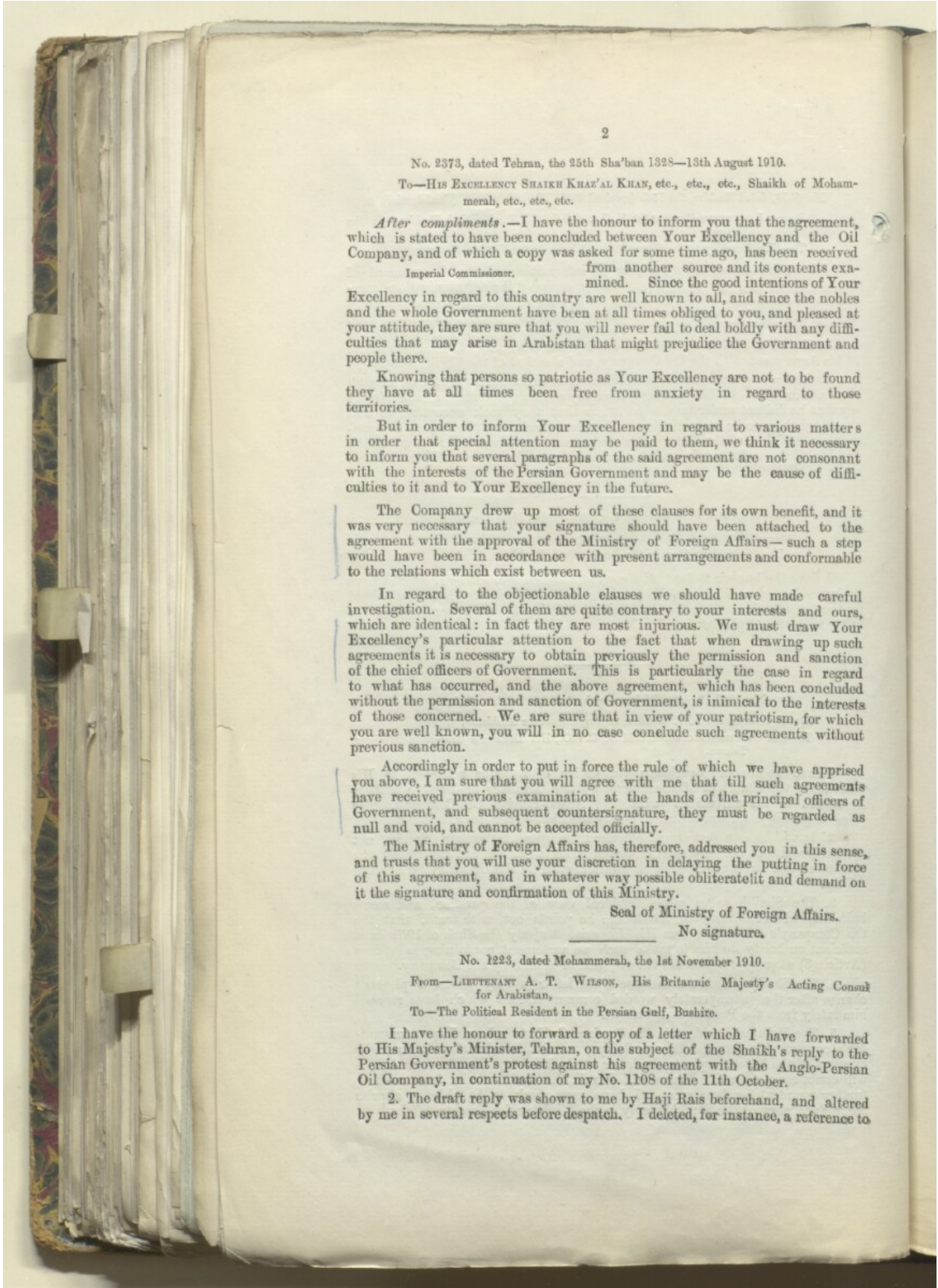


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧١ و] (٣٣٨/١٠٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧١ظ] (٣٣٨/١٠٨)



2

No. 2373, dated Tehran, the 25th Sha'ban 1328—13th August 1910.

To—His EXCELLENCY SHAIKH KHAZ'AL KHAN, etc., etc., etc., Shaikh of Mohammerah, etc., etc., etc.

After compliments.—I have the honour to inform you that the agreement, which is stated to have been concluded between Your Excellency and the Oil Company, and of which a copy was asked for some time ago, has been received from another source and its contents examined. Since the good intentions of Your Imperial Commissioner, Excellency in regard to this country are well known to all, and since the nobles and the whole Government have been at all times obliged to you, and pleased at your attitude, they are sure that you will never fail to deal boldly with any difficulties that may arise in Arabistan that might prejudice the Government and people there.

Knowing that persons so patriotic as Your Excellency are not to be found they have at all times been free from anxiety in regard to those territories.

But in order to inform Your Excellency in regard to various matters in order that special attention may be paid to them, we think it necessary to inform you that several paragraphs of the said agreement are not consonant with the interests of the Persian Government and may be the cause of difficulties to it and to Your Excellency in the future.

The Company drew up most of these clauses for its own benefit, and it was very necessary that your signature should have been attached to the agreement with the approval of the Ministry of Foreign Affairs—such a step would have been in accordance with present arrangements and conformable to the relations which exist between us.

In regard to the objectionable clauses we should have made careful investigation. Several of them are quite contrary to your interests and ours, which are identical: in fact they are most injurious. We must draw Your Excellency's particular attention to the fact that when drawing up such agreements it is necessary to obtain previously the permission and sanction of the chief officers of Government. This is particularly the case in regard to what has occurred, and the above agreement, which has been concluded without the permission and sanction of Government, is inimical to the interests of those concerned. We are sure that in view of your patriotism, for which you are well known, you will in no case conclude such agreements without previous sanction.

Accordingly in order to put in force the rule of which we have apprised you above, I am sure that you will agree with me that till such agreements have received previous examination at the hands of the principal officers of Government, and subsequent countersignature, they must be regarded as null and void, and cannot be accepted officially.

The Ministry of Foreign Affairs has, therefore, addressed you in this sense, and trusts that you will use your discretion in delaying the putting in force of this agreement, and in whatever way possible obliterate it and demand on it the signature and confirmation of this Ministry.

Seal of Ministry of Foreign Affairs.

No signature.

No. 1223, dated Mohammerah, the 1st November 1910.

FROM—LIEUTENANT A. T. WILSON, His Britannic Majesty's Acting Consul for Arabistan,

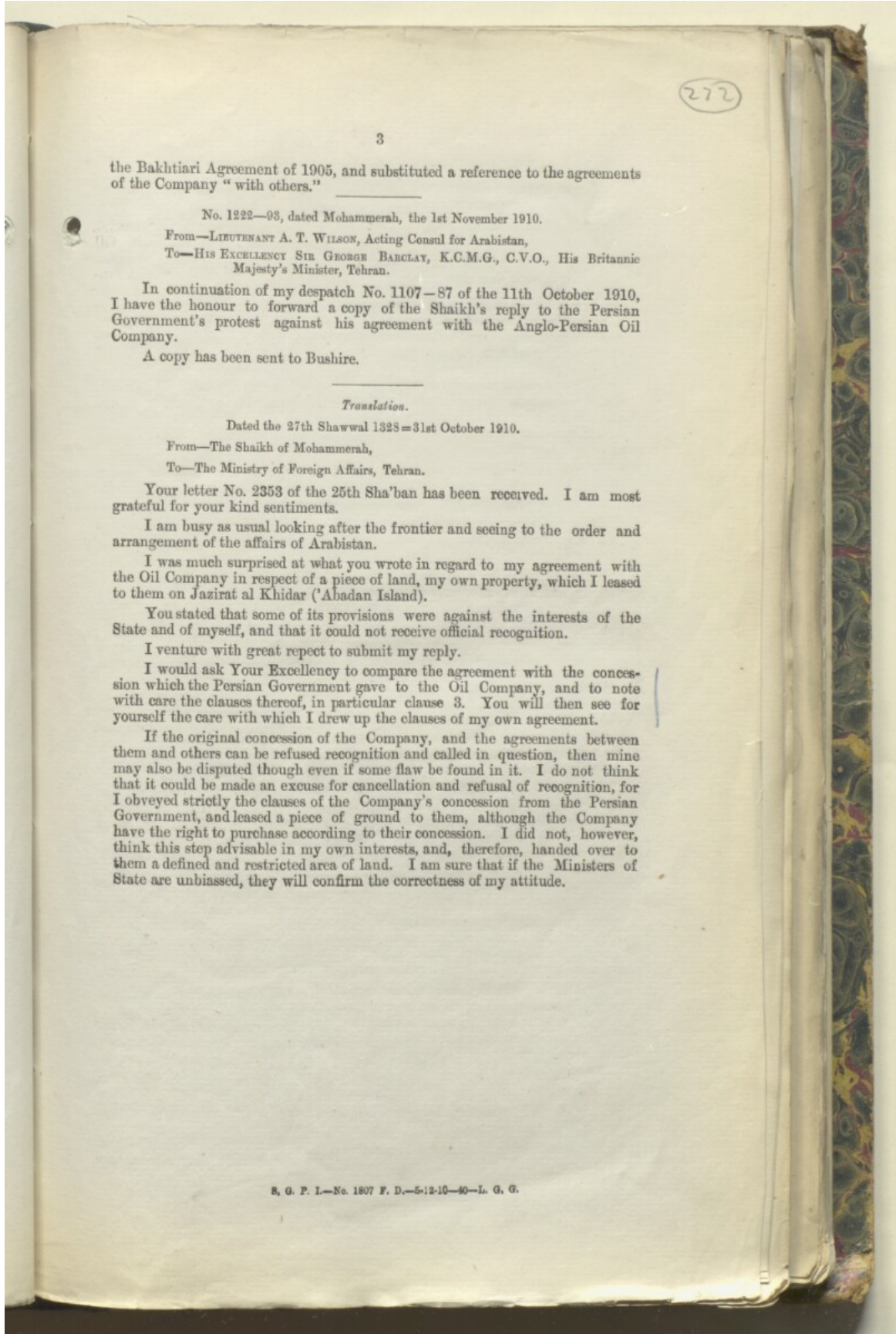
To—The Political Resident in the Persian Gulf, Bushire.

I have the honour to forward a copy of a letter which I have forwarded to His Majesty's Minister, Tehran, on the subject of the Shaikh's reply to the Persian Government's protest against his agreement with the Anglo-Persian Oil Company, in continuation of my No. 1108 of the 11th October.

2. The draft reply was shown to me by Haji Rais beforehand, and altered by me in several respects before despatch. I deleted, for instance, a reference to



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٢و] (٣٣٨/١٠٩)



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the Bakhtiari Agreement of 1905, and substituted a reference to the agreements of the Company "with others."

No. 1222-98, dated Mohammerah, the 1st November 1910.

From—LIEUTENANT A. T. WILSON, Acting Consul for Arabistan,
To—HIS EXCELLENCY SIR GEORGE BARCLAY, K.C.M.G., C.V.O., His Britannic Majesty's Minister, Tehran.

In continuation of my despatch No. 1107-87 of the 11th October 1910, I have the honour to forward a copy of the Shaikh's reply to the Persian Government's protest against his agreement with the Anglo-Persian Oil Company.

A copy has been sent to Bushire.

Translation.

Dated the 27th Shawwal 1328=31st October 1910.

From—The Shaikh of Mohammerah,
To—The Ministry of Foreign Affairs, Tehran.

Your letter No. 2353 of the 25th Sha'ban has been received. I am most grateful for your kind sentiments.

I am busy as usual looking after the frontier and seeing to the order and arrangement of the affairs of Arabistan.

I was much surprised at what you wrote in regard to my agreement with the Oil Company in respect of a piece of land, my own property, which I leased to them on Jazirat al Khidar ('Abadan Island).

You stated that some of its provisions were against the interests of the State and of myself, and that it could not receive official recognition.

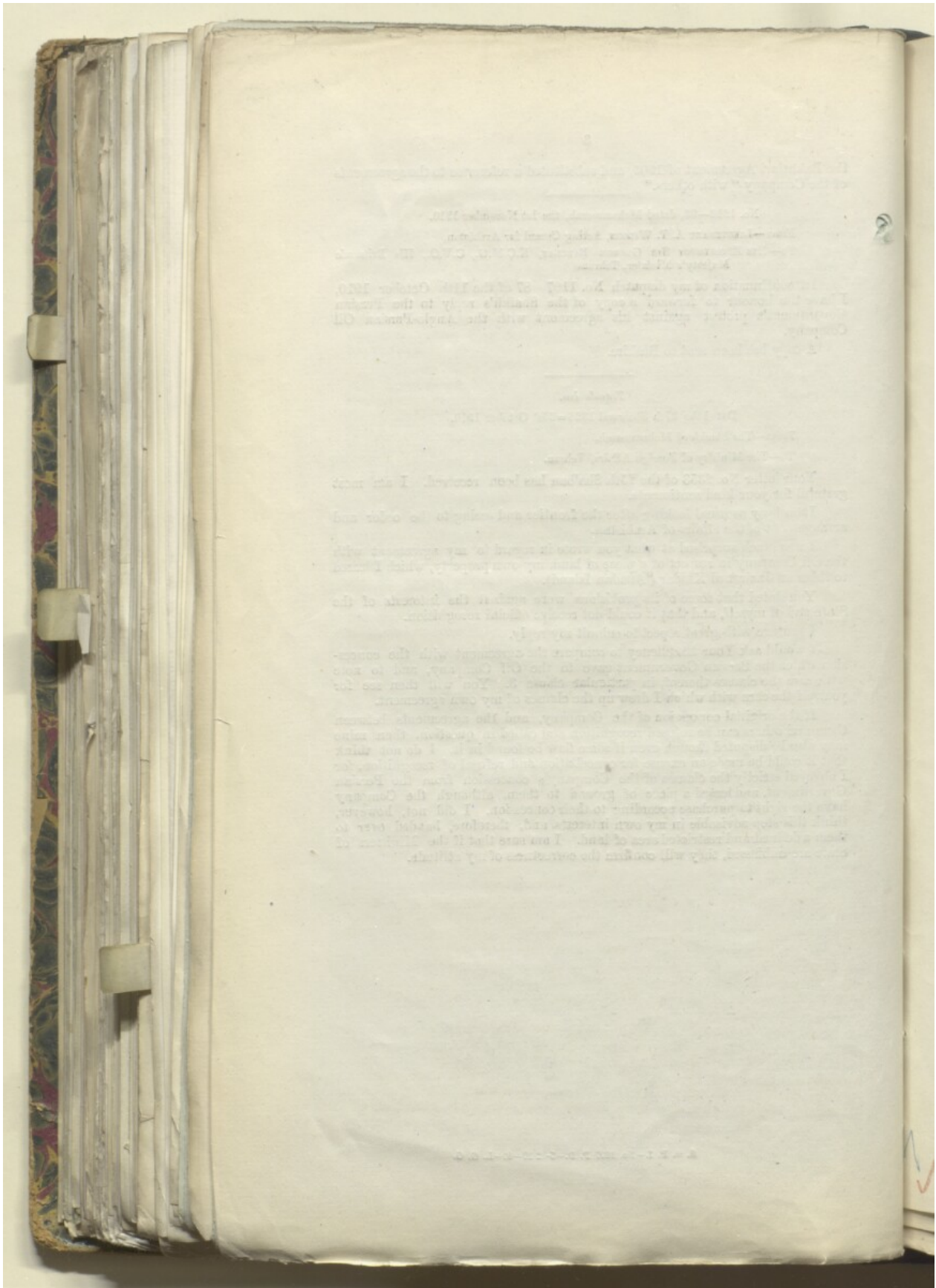
I venture with great respect to submit my reply.

I would ask Your Excellency to compare the agreement with the concession which the Persian Government gave to the Oil Company, and to note with care the clauses thereof, in particular clause 3. You will then see for yourself the care with which I drew up the clauses of my own agreement.

If the original concession of the Company, and the agreements between them and others can be refused recognition and called in question, then mine may also be disputed though even if some flaw be found in it. I do not think that it could be made an excuse for cancellation and refusal of recognition, for I obeyed strictly the clauses of the Company's concession from the Persian Government, and leased a piece of ground to them, although the Company have the right to purchase according to their concession. I did not, however, think this step advisable in my own interests, and, therefore, handed over to them a defined and restricted area of land. I am sure that if the Ministers of State are unbiassed, they will confirm the correctness of my attitude.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٢٧٢ظ] (٣٣٨/١١٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٣ و] (٣٣٨/١١١)

Register No. 1820

Minute Paper. Secret Department.

Scap's Letter from India, 37 m Dated 17 December 1910.
Rec. 17

	Date.	Initials.	SUBJECT.
Under Secretary.....	23 Dec.	lms	Persia
Secretary of State	24	KK	
Committee	26	C.	Anglo-Persian Oil Co. & the Shell of Mohammara's rights.
Under Secretary.....			
Secretary of State			

Copy to 70.
20 Feb. 1911.

FOR INFORMATION.

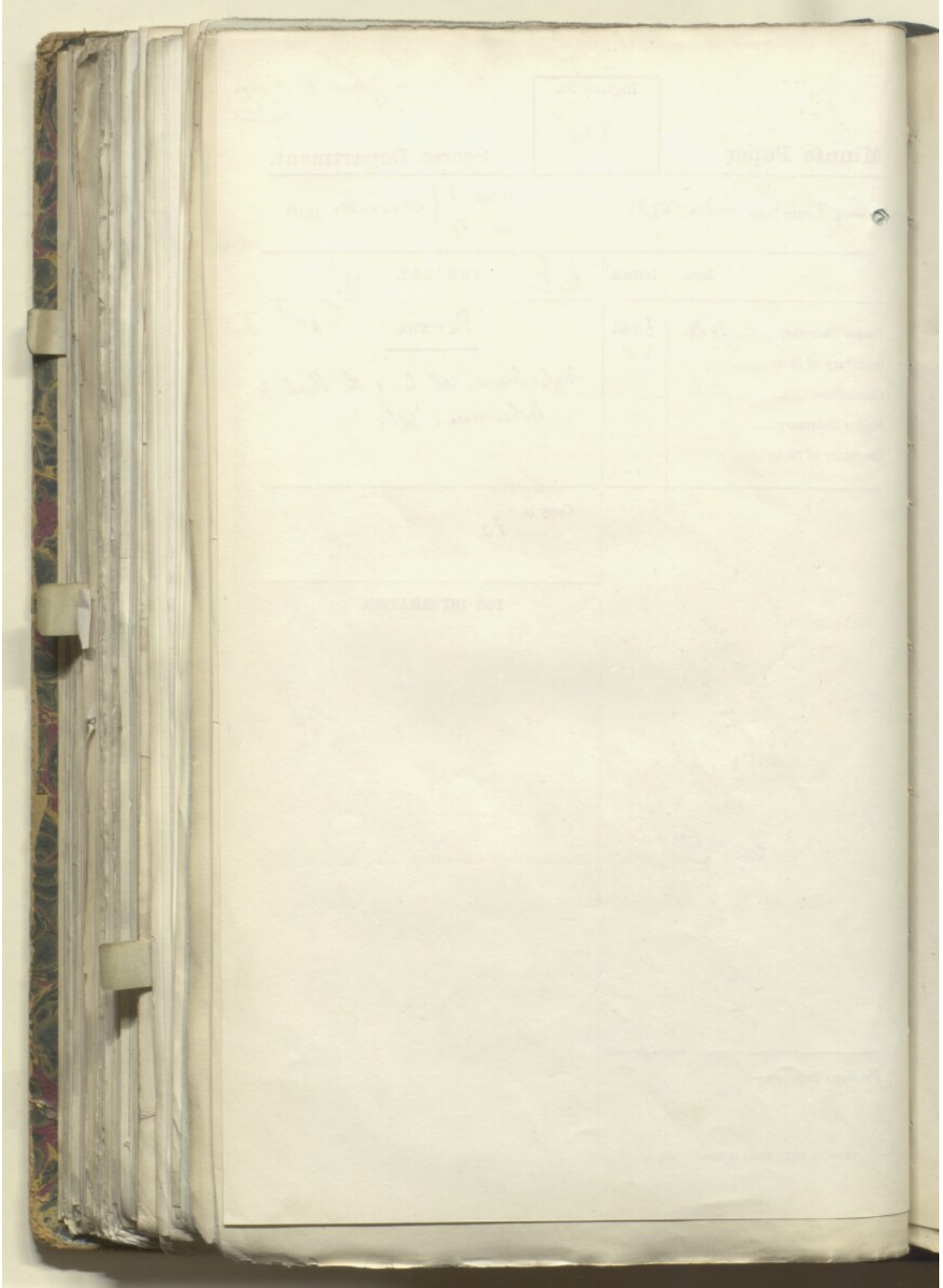
Sen. Pol. Comm.,
3 GATEWAY

Previous Papers:—
1701

9549. I. 2127. 2000.—11/1910.

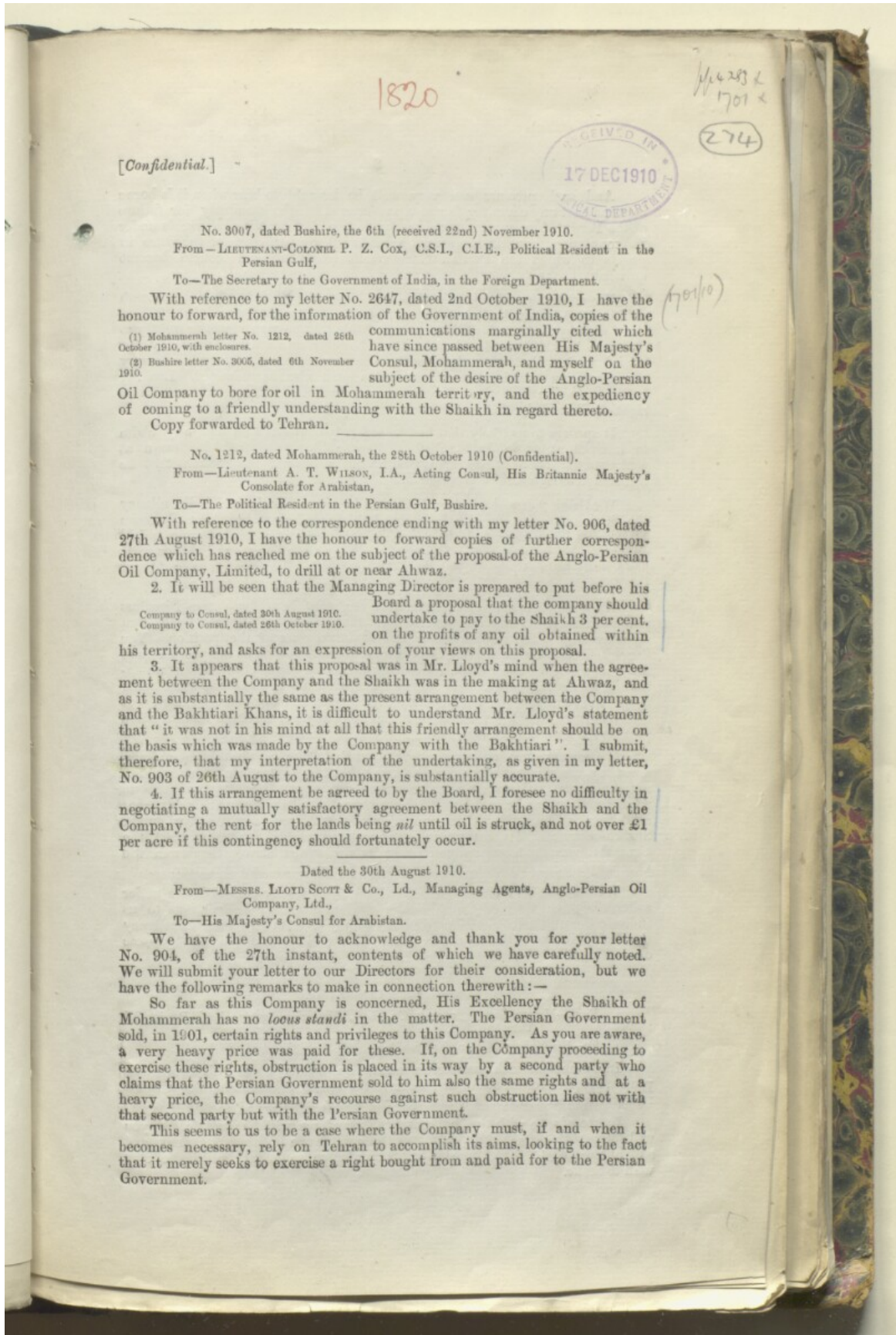


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٣ظ] (٣٣٨/١١٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٤ و] (٣٣٨/١١٣)



[Confidential.]

No. 3007, dated Bushire, the 6th (received 22nd) November 1910.
From—LIEUTENANT-COLONEL P. Z. COX, C.S.I., C.I.E., Political Resident in the
Persian Gulf,

To—The Secretary to the Government of India, in the Foreign Department.

With reference to my letter No. 2647, dated 2nd October 1910, I have the
honour to forward, for the information of the Government of India, copies of the
communications marginally cited which have since passed between His Majesty's
Consul, Mohammerah, and myself on the subject of the desire of the Anglo-Persian
Oil Company to bore for oil in Mohammerah territory, and the expediency
of coming to a friendly understanding with the Shaikh in regard thereto.
Copy forwarded to Tehran.

(1) Mohammerah letter No. 1212, dated 25th
October 1910, with enclosures.
(2) Bushire letter No. 3005, dated 6th November
1910.

No. 1212, dated Mohammerah, the 25th October 1910 (Confidential).

From—Lieutenant A. T. WILSON, I.A., Acting Consul, His Britannic Majesty's
Consulate for Arabistan,

To—The Political Resident in the Persian Gulf, Bushire.

With reference to the correspondence ending with my letter No. 906, dated
27th August 1910, I have the honour to forward copies of further correspon-
dence which has reached me on the subject of the proposal of the Anglo-Persian
Oil Company, Limited, to drill at or near Ahwaz.

2. It will be seen that the Managing Director is prepared to put before his
Board a proposal that the company should undertake to pay to the Shaikh 3 per cent.
on the profits of any oil obtained within
his territory, and asks for an expression of your views on this proposal.

3. It appears that this proposal was in Mr. Lloyd's mind when the agree-
ment between the Company and the Shaikh was in the making at Ahwaz, and
as it is substantially the same as the present arrangement between the Company
and the Bakhtiari Khans, it is difficult to understand Mr. Lloyd's statement
that "it was not in his mind at all that this friendly arrangement should be on
the basis which was made by the Company with the Bakhtiari". I submit,
therefore, that my interpretation of the undertaking, as given in my letter,
No. 903 of 26th August to the Company, is substantially accurate.

4. If this arrangement be agreed to by the Board, I foresee no difficulty in
negotiating a mutually satisfactory agreement between the Shaikh and the
Company, the rent for the lands being *nil* until oil is struck, and not over £1
per acre if this contingency should fortunately occur.

Dated the 30th August 1910.

From—MESSRS. LLOYD SCOTT & Co., Ltd., Managing Agents, Anglo-Persian Oil
Company, Ltd.,

To—His Majesty's Consul for Arabistan.

We have the honour to acknowledge and thank you for your letter
No. 904, of the 27th instant, contents of which we have carefully noted.
We will submit your letter to our Directors for their consideration, but we
have the following remarks to make in connection therewith:—

So far as this Company is concerned, His Excellency the Shaikh of
Mohammerah has no *locus standi* in the matter. The Persian Government
sold, in 1901, certain rights and privileges to this Company. As you are aware,
a very heavy price was paid for these. If, on the Company proceeding to
exercise these rights, obstruction is placed in its way by a second party who
claims that the Persian Government sold to him also the same rights and at a
heavy price, the Company's recourse against such obstruction lies not with
that second party but with the Persian Government.

This seems to us to be a case where the Company must, if and when it
becomes necessary, rely on Tehran to accomplish its aims, looking to the fact
that it merely seeks to exercise a right bought from and paid for to the Persian
Government.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٤ظ] (٣٣٨/١١٤)

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And such pressure can very well be brought to bear when it is borne in mind that any claim for damages put forward by the Company for failure of the Persian Government to secure for it, free of obstruction, all rights under its concession, can, if necessary, be enforced, by forfeiture of the share in profits to which the Persian Government would in due course become entitled.

We are unaware what price His Excellency the Shaikh of Mohammerah paid in 1903 to the Persian Government for rights apparently sold in 1901 to the Company, but we think it very improbable that he gave a greater *quid pro quo* than the Company has done, so that, however much His Excellency the Shaikh claims that his rights must be respected, the Company is in a very strong position to insist that its prior rights must also be respected. Looking however to the fact that His Excellency the Shaikh did not claim mineral rights in June-July 1909, we think it unlikely that he will claim them now.

It appears to us likely that had he seriously considered he had any claim to mineral rights in June-July 1909, he would have produced his Firmans at that time, especially as you report that he had a general recollection that he had complete rights.

We think you will agree that it would be very unlikely for His Excellency the Shaikh to give up anything that he thought he could legitimately claim or, possibly illegitimately get by "bluff." Undoubtedly this Company would expect to be compensated, if it were necessary to pay a second time for what has already been purchased, but then the Company does not propose to act in any such manner.

We are instructed, as already advised you, that henceforth the Directors propose to act strictly on the lines of the concession. Paragraph 8, first sentence of your letter appears to us to contain the crux of the position. You suggest financially interesting His Excellency the Shaikh in the prosperity of the wells at Ahwaz, if worked. The Company has already given an undertaking to make some amicable arrangement with him in the event of oil being tapped (naturally in the commercially paying quantities, as you presume), but that has nothing whatever to do with the Company's right under its concession to prospect for oil at Ahwaz.

We cannot agree with your remark that the Company has been unhampered by the slightest local opposition, but that is a matter into which we need not enter here. We do not consider it necessary at all for the Company to threaten His Excellency the Shaikh with the wrath of the Central Government at Tehran. We consider it necessary to threaten Tehran, and if and when the Shaikh obstructs the Company in exercising its rights purchased from the Central Government, our opinion being as first stated above, that from the Company's point of view the Shaikh has no *locus standi* in the matter.

We are sure the Directors will give the subject matter of your letter under acknowledgment their very careful consideration, but their instructions to us indicate the unlikelihood of their agreeing to pay anything to His Excellency the Shaikh in excess of the surface value of the land taken up for the purpose of working oil at Ahwaz.

Dated the 26th October 1910.

From—Messrs. LLOYD SCOTT & Co., Ltd., Managing Agents, Anglo-Persian Oil Company, Ltd.

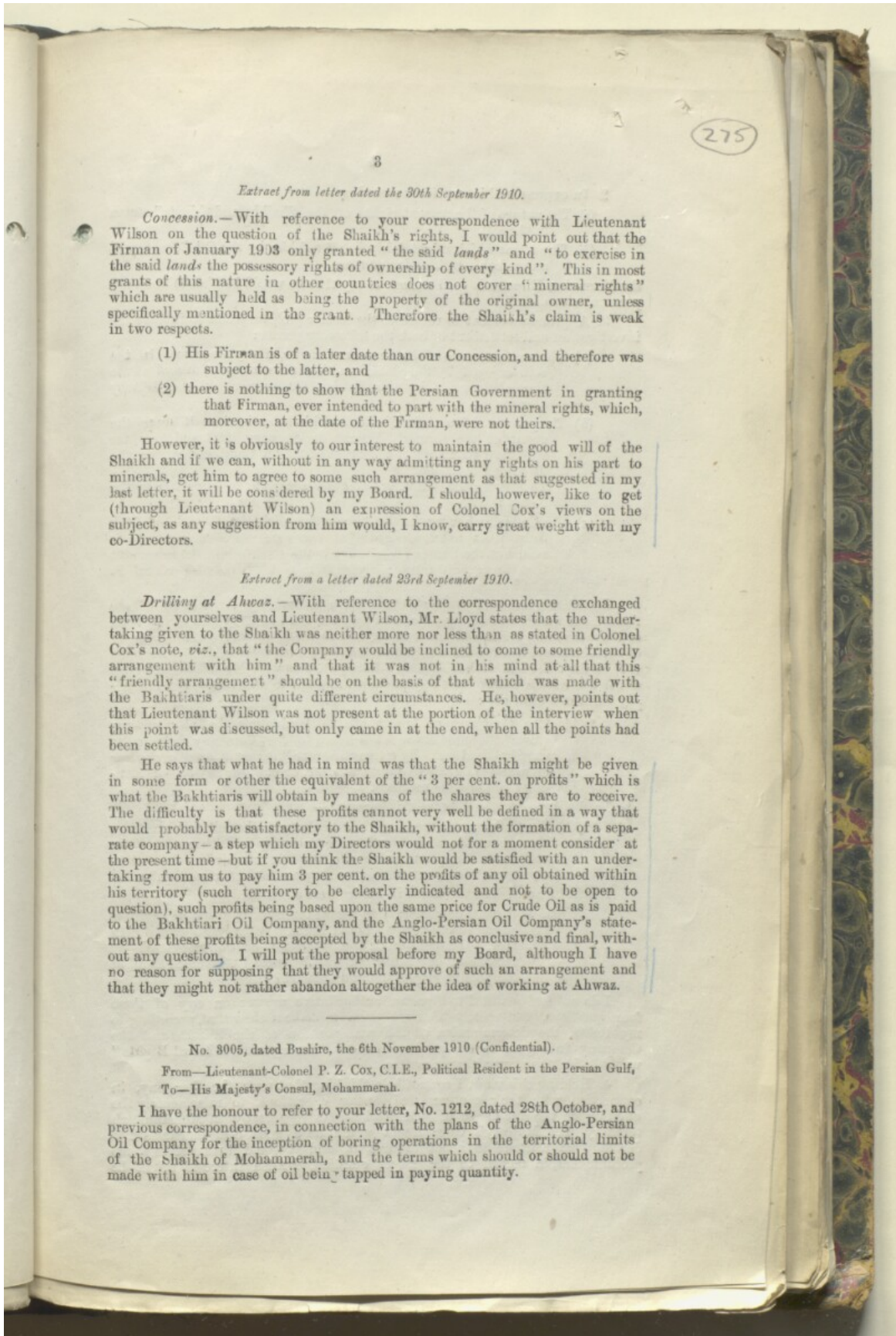
To—His Majesty's Consul for Arabistan.

In connection with past correspondence on the subject of this Company's proposal to drill for oil at Ahwaz, we have the honour to attach hereto extracts from letters received from the Managing Director, dated 23rd and 30th ultimo.

In accordance with the final sentence thereof, we will be grateful if you will forward the attached papers to the Honourable the Political Resident, and seek on our behalf, any expression of his opinion or comment, which he may wish to make.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٥ و] (٣٣٨/١١٥)



Extract from letter dated the 30th September 1910.

Concession.—With reference to your correspondence with Lieutenant Wilson on the question of the Shaikh's rights, I would point out that the Firman of January 1903 only granted "the said lands" and "to exercise in the said lands the possessory rights of ownership of every kind". This in most grants of this nature in other countries does not cover "mineral rights" which are usually held as being the property of the original owner, unless specifically mentioned in the grant. Therefore the Shaikh's claim is weak in two respects.

- (1) His Firman is of a later date than our Concession, and therefore was subject to the latter, and
- (2) there is nothing to show that the Persian Government in granting that Firman, ever intended to part with the mineral rights, which, moreover, at the date of the Firman, were not theirs.

However, it is obviously to our interest to maintain the good will of the Shaikh and if we can, without in any way admitting any rights on his part to minerals, get him to agree to some such arrangement as that suggested in my last letter, it will be considered by my Board. I should, however, like to get (through Lieutenant Wilson) an expression of Colonel Cox's views on the subject, as any suggestion from him would, I know, carry great weight with my co-Directors.

Extract from a letter dated 23rd September 1910.

Drilling at Ahwaz.—With reference to the correspondence exchanged between yourselves and Lieutenant Wilson, Mr. Lloyd states that the undertaking given to the Shaikh was neither more nor less than as stated in Colonel Cox's note, *viz.*, that "the Company would be inclined to come to some friendly arrangement with him" and that it was not in his mind at all that this "friendly arrangement" should be on the basis of that which was made with the Bakhtiari under quite different circumstances. He, however, points out that Lieutenant Wilson was not present at the portion of the interview when this point was discussed, but only came in at the end, when all the points had been settled.

He says that what he had in mind was that the Shaikh might be given in some form or other the equivalent of the "3 per cent. on profits" which is what the Bakhtiari will obtain by means of the shares they are to receive. The difficulty is that these profits cannot very well be defined in a way that would probably be satisfactory to the Shaikh, without the formation of a separate company—a step which my Directors would not for a moment consider at the present time—but if you think the Shaikh would be satisfied with an undertaking from us to pay him 3 per cent. on the profits of any oil obtained within his territory (such territory to be clearly indicated and not to be open to question), such profits being based upon the same price for Crude Oil as is paid to the Bakhtiari Oil Company, and the Anglo-Persian Oil Company's statement of these profits being accepted by the Shaikh as conclusive and final, without any question, I will put the proposal before my Board, although I have no reason for supposing that they would approve of such an arrangement and that they might not rather abandon altogether the idea of working at Ahwaz.

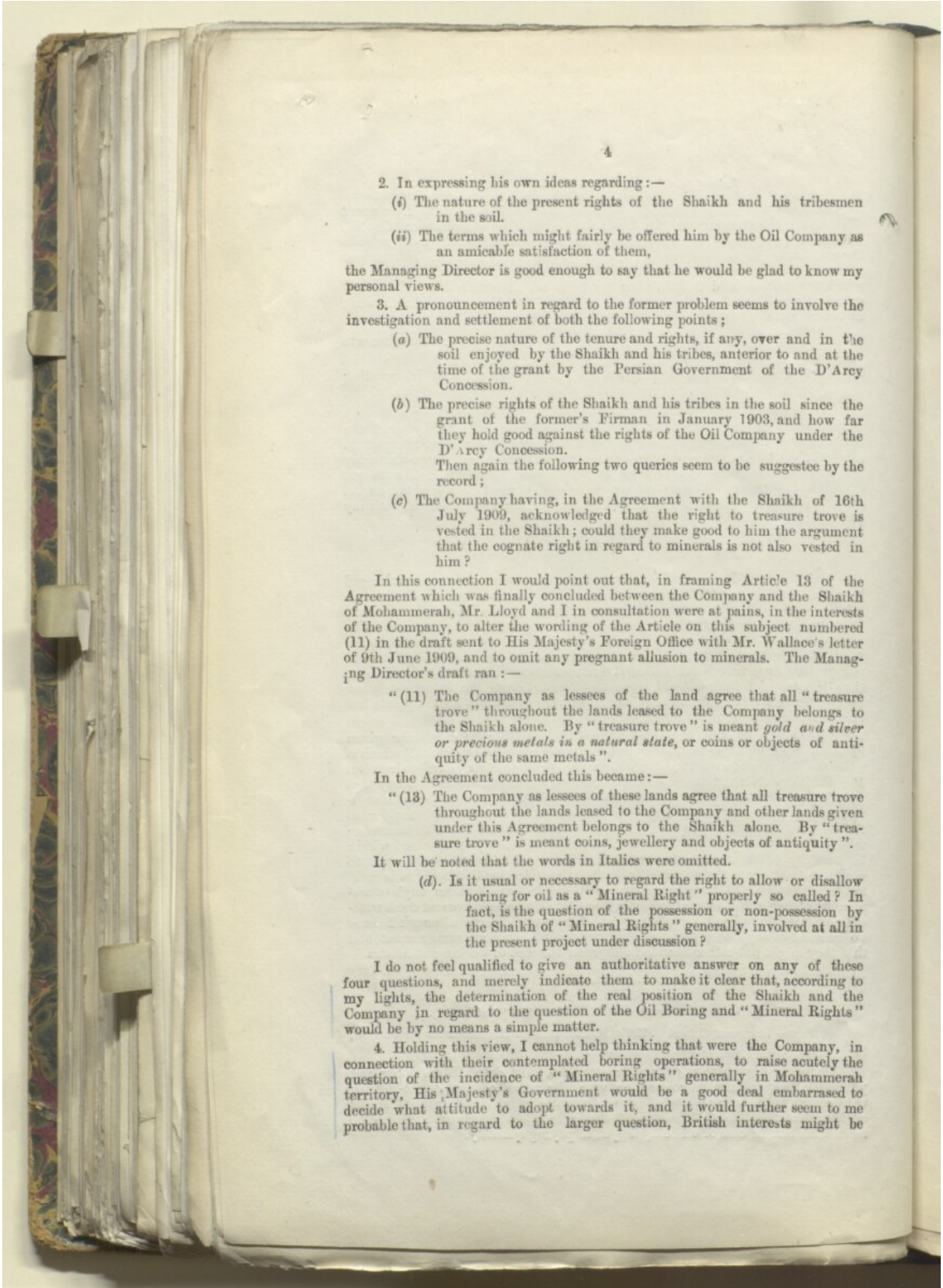
No. 3905, dated Bushire, the 6th November 1910 (Confidential).

From—Lieutenant-Colonel P. Z. Cox, C.I.E., Political Resident in the Persian Gulf,
To—His Majesty's Consul, Mohammerah.

I have the honour to refer to your letter, No. 1212, dated 28th October, and previous correspondence, in connection with the plans of the Anglo-Persian Oil Company for the inception of boring operations in the territorial limits of the Shaikh of Mohammerah, and the terms which should or should not be made with him in case of oil being tapped in paying quantity.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٥ظ] (٣٣٨/١١٦)



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2. In expressing his own ideas regarding :—

(i) The nature of the present rights of the Shaikh and his tribesmen in the soil.

(ii) The terms which might fairly be offered him by the Oil Company as an amicable satisfaction of them,

the Managing Director is good enough to say that he would be glad to know my personal views.

3. A pronouncement in regard to the former problem seems to involve the investigation and settlement of both the following points ;

(a) The precise nature of the tenure and rights, if any, over and in the soil enjoyed by the Shaikh and his tribes, anterior to and at the time of the grant by the Persian Government of the D'Arcy Concession.

(b) The precise rights of the Shaikh and his tribes in the soil since the grant of the former's Firman in January 1903, and how far they hold good against the rights of the Oil Company under the D'Arcy Concession.

Then again the following two queries seem to be suggested by the record ;

(c) The Company having, in the Agreement with the Shaikh of 16th July 1909, acknowledged that the right to treasure trove is vested in the Shaikh ; could they make good to him the argument that the cognate right in regard to minerals is not also vested in him ?

In this connection I would point out that, in framing Article 13 of the Agreement which was finally concluded between the Company and the Shaikh of Mohammerah, Mr. Lloyd and I in consultation were at pains, in the interests of the Company, to alter the wording of the Article on this subject numbered (11) in the draft sent to His Majesty's Foreign Office with Mr. Wallace's letter of 9th June 1909, and to omit any pregnant allusion to minerals. The Managing Director's draft ran :—

“(11) The Company as lessees of the land agree that all “treasure trove” throughout the lands leased to the Company belongs to the Shaikh alone. By “treasure trove” is meant *gold and silver or precious metals in a natural state*, or coins or objects of antiquity of the same metals”.

In the Agreement concluded this became :—

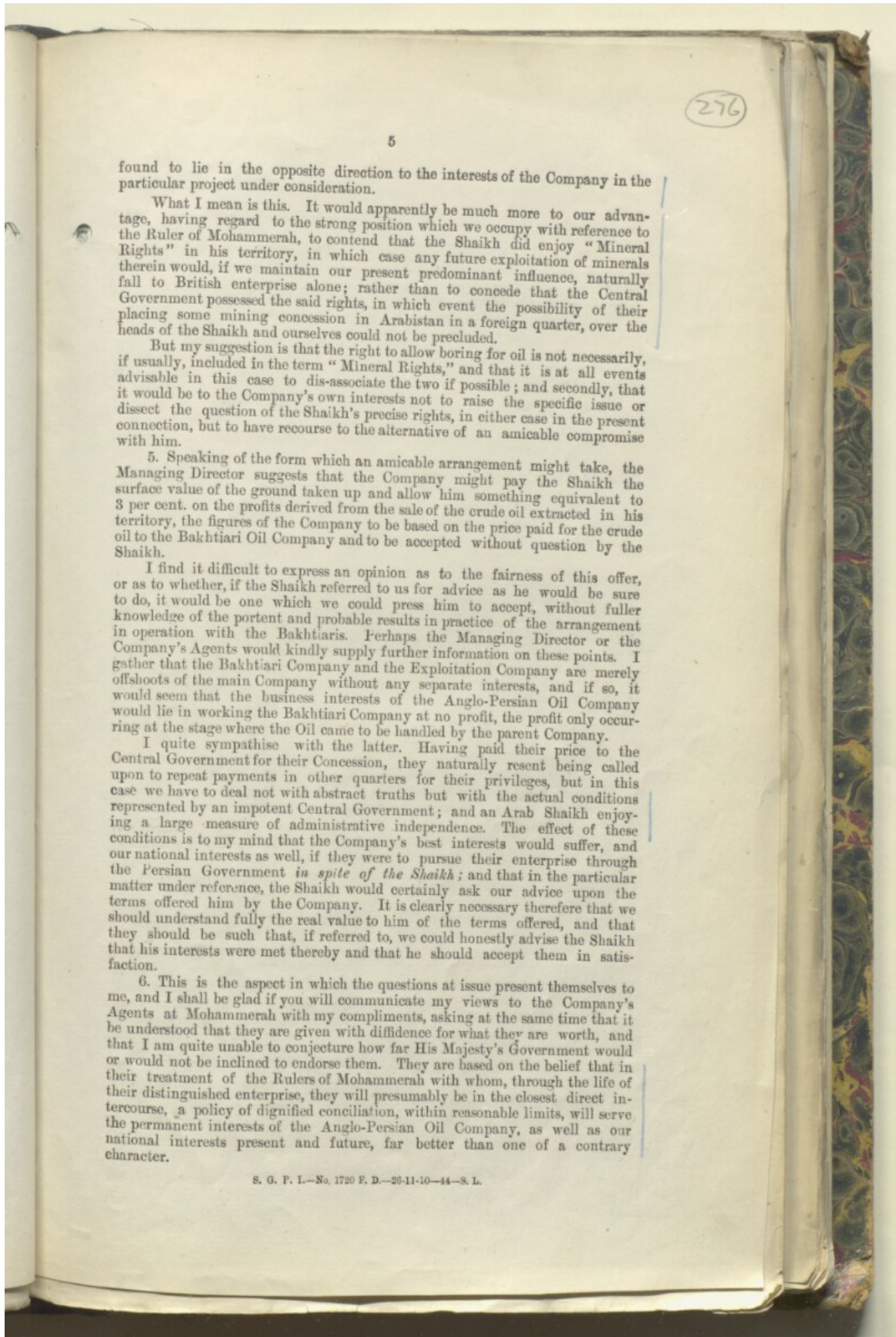
“(13) The Company as lessees of these lands agree that all treasure trove throughout the lands leased to the Company and other lands given under this Agreement belongs to the Shaikh alone. By “treasure trove” is meant coins, jewellery and objects of antiquity”.

It will be noted that the words in Italics were omitted.

(d). Is it usual or necessary to regard the right to allow or disallow boring for oil as a “Mineral Right” properly so called ? In fact, is the question of the possession or non-possession by the Shaikh of “Mineral Rights” generally, involved at all in the present project under discussion ?

I do not feel qualified to give an authoritative answer on any of these four questions, and merely indicate them to make it clear that, according to my lights, the determination of the real position of the Shaikh and the Company in regard to the question of the Oil Boring and “Mineral Rights” would be by no means a simple matter.

4. Holding this view, I cannot help thinking that were the Company, in connection with their contemplated boring operations, to raise acutely the question of the incidence of “Mineral Rights” generally in Mohammerah territory, His Majesty's Government would be a good deal embarrassed to decide what attitude to adopt towards it, and it would further seem to me probable that, in regard to the larger question, British interests might be



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found to lie in the opposite direction to the interests of the Company in the particular project under consideration.

What I mean is this. It would apparently be much more to our advantage, having regard to the strong position which we occupy with reference to the Ruler of Mohammerah, to contend that the Shaikh did enjoy "Mineral Rights" in his territory, in which case any future exploitation of minerals therein would, if we maintain our present predominant influence, naturally fall to British enterprise alone; rather than to concede that the Central Government possessed the said rights, in which event the possibility of their placing some mining concession in Arabistan in a foreign quarter, over the heads of the Shaikh and ourselves could not be precluded.

But my suggestion is that the right to allow boring for oil is not necessarily, if usually, included in the term "Mineral Rights," and that it is at all events advisable in this case to dis-associate the two if possible; and secondly, that it would be to the Company's own interests not to raise the specific issue or dissect the question of the Shaikh's precise rights, in either case in the present connection, but to have recourse to the alternative of an amicable compromise with him.

5. Speaking of the form which an amicable arrangement might take, the Managing Director suggests that the Company might pay the Shaikh the surface value of the ground taken up and allow him something equivalent to 3 per cent. on the profits derived from the sale of the crude oil extracted in his territory, the figures of the Company to be based on the price paid for the crude oil to the Bakhtiari Oil Company and to be accepted without question by the Shaikh.

I find it difficult to express an opinion as to the fairness of this offer, or as to whether, if the Shaikh referred to us for advice as he would be sure to do, it would be one which we could press him to accept, without fuller knowledge of the portent and probable results in practice of the arrangement in operation with the Bakhtiaris. Perhaps the Managing Director or the Company's Agents would kindly supply further information on these points. I gather that the Bakhtiari Company and the Exploitation Company are merely offshoots of the main Company without any separate interests, and if so, it would seem that the business interests of the Anglo-Persian Oil Company would lie in working the Bakhtiari Company at no profit, the profit only occurring at the stage where the Oil came to be handled by the parent Company.

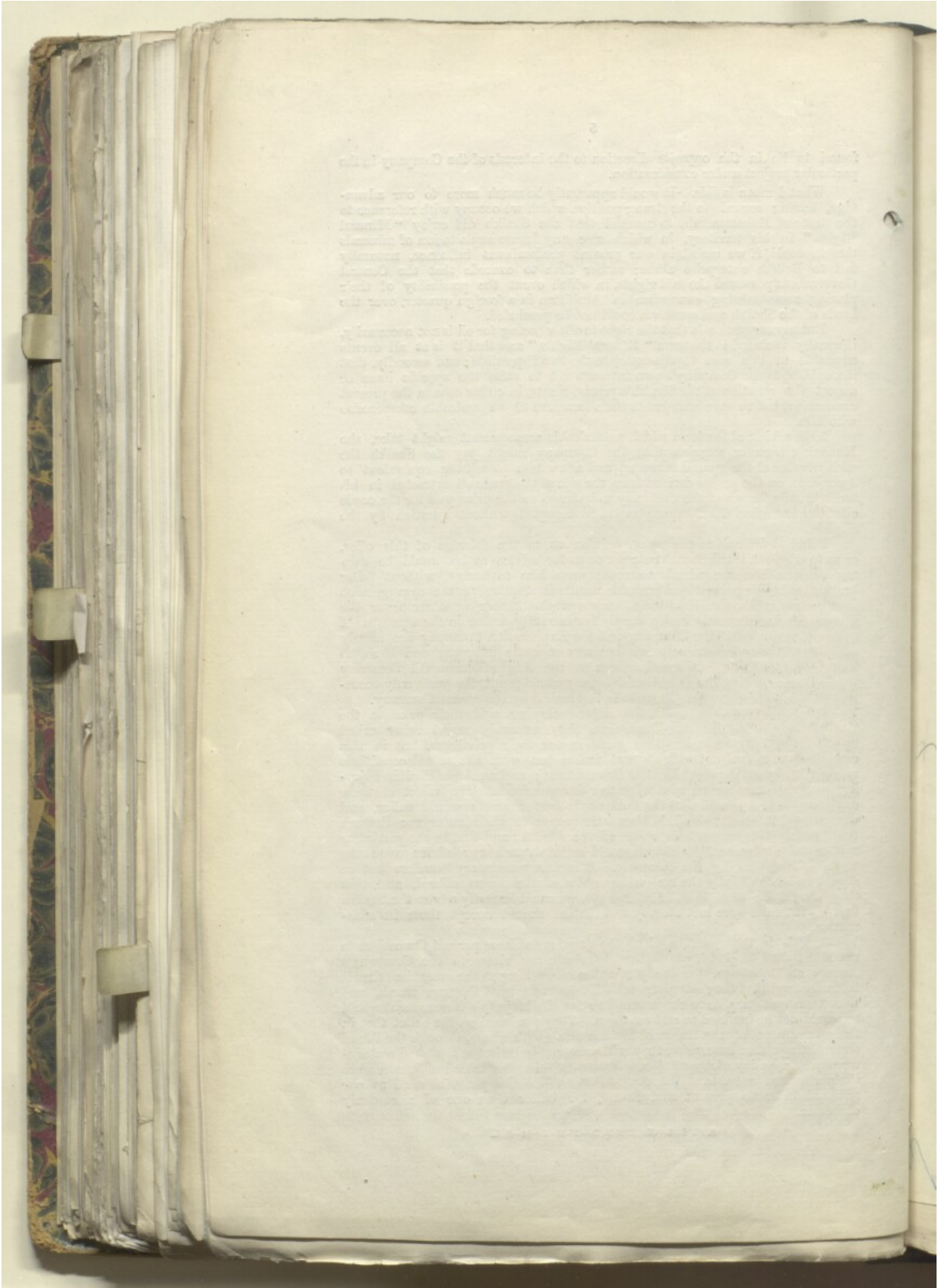
I quite sympathise with the latter. Having paid their price to the Central Government for their Concession, they naturally resent being called upon to repeat payments in other quarters for their privileges, but in this case we have to deal not with abstract truths but with the actual conditions represented by an impotent Central Government; and an Arab Shaikh enjoying a large measure of administrative independence. The effect of these conditions is to my mind that the Company's best interests would suffer, and our national interests as well, if they were to pursue their enterprise through the Persian Government *in spite of the Shaikh*; and that in the particular matter under reference, the Shaikh would certainly ask our advice upon the terms offered him by the Company. It is clearly necessary therefore that we should understand fully the real value to him of the terms offered, and that they should be such that, if referred to, we could honestly advise the Shaikh that his interests were met thereby and that he should accept them in satisfaction.

6. This is the aspect in which the questions at issue present themselves to me, and I shall be glad if you will communicate my views to the Company's Agents at Mohammerah with my compliments, asking at the same time that it be understood that they are given with diffidence for what they are worth, and that I am quite unable to conjecture how far His Majesty's Government would or would not be inclined to endorse them. They are based on the belief that in their treatment of the Rulers of Mohammerah with whom, through the life of their distinguished enterprise, they will presumably be in the closest direct intercourse, a policy of dignified conciliation, within reasonable limits, will serve the permanent interests of the Anglo-Persian Oil Company, as well as our national interests present and future, far better than one of a contrary character.

S. G. P. L.—No. 1720 F. D.—26-11-10—44—S. L.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٦ظ] (٣٣٨/١١٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٧و] (٣٣٨/١١٩)

Register No.
1701
(4283)

Minute Paper. Secret Department.

Seqa Letter from India, No 44 M
.. - F.O. P. & Recd 30 Nov 1910

Dated 10 } November 1910.
Rec. 26 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	1 Dec.	lata	Persia
Secretary of State			
Committee	2	RM	Anglo-Persian Oil Co. & Shell of Mohammara
Under Secretary.....			
Secretary of State			

Copy to F.O. 13 Dec. 1910.
.. - India (4283) Secy. 48, 2 Dec. 1910.

FOR INFORMATION.

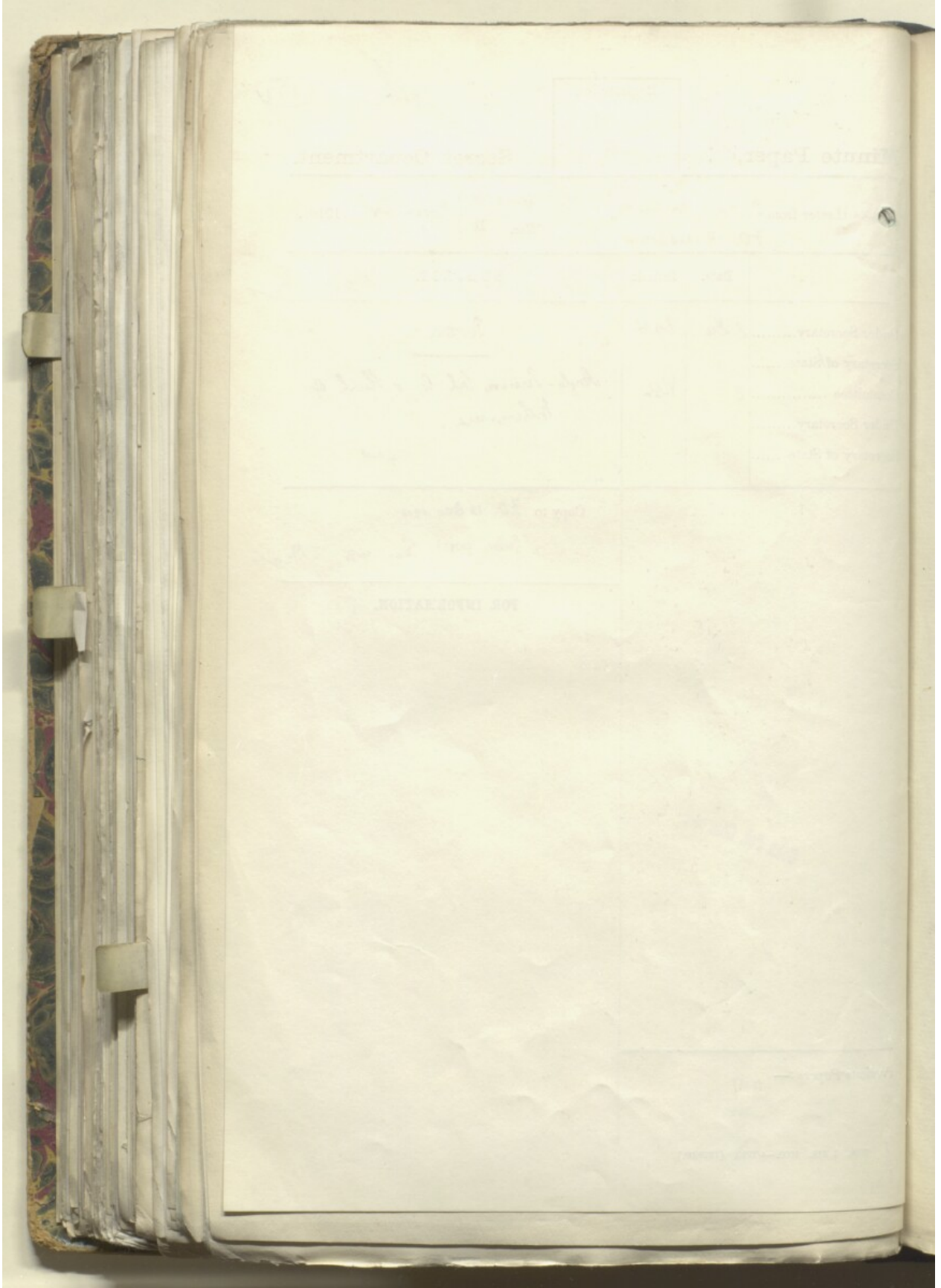
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Previous Papers:—
427
2824

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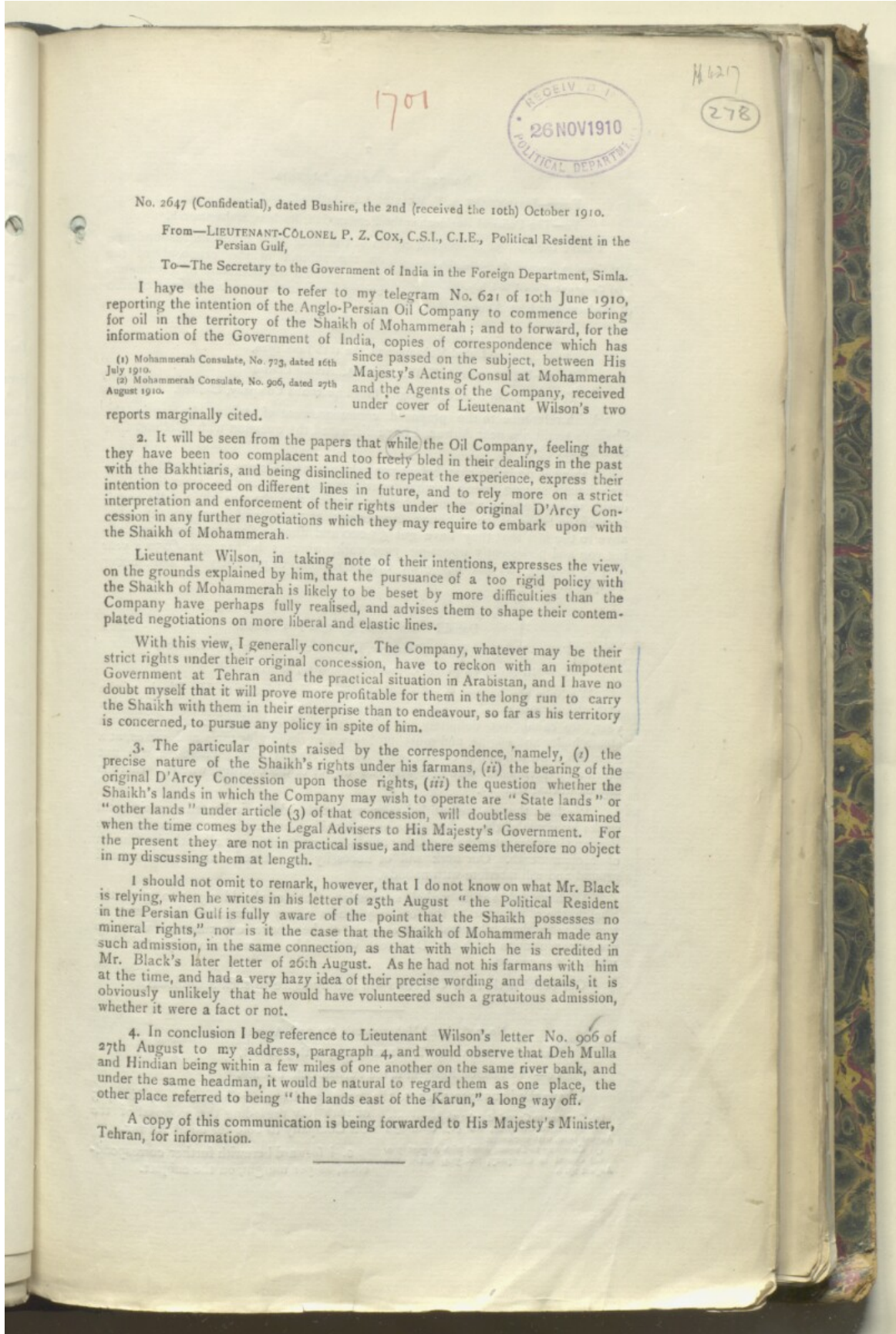


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٧ظ] (٣٣٨/١٢٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٧٨و] (٣٣٨/١٢١)



No. 2647 (Confidential), dated Bushire, the 2nd (received the 10th) October 1910.

From—LIEUTENANT-COLONEL P. Z. COX, C.S.I., C.I.E., Political Resident in the Persian Gulf,

To—The Secretary to the Government of India in the Foreign Department, Simla.

I have the honour to refer to my telegram No. 621 of 10th June 1910, reporting the intention of the Anglo-Persian Oil Company to commence boring for oil in the territory of the Shaikh of Mohammerah; and to forward, for the information of the Government of India, copies of correspondence which has

since passed on the subject, between His Majesty's Acting Consul at Mohammerah and the Agents of the Company, received under cover of Lieutenant Wilson's two reports marginally cited.

2. It will be seen from the papers that while the Oil Company, feeling that they have been too complacent and too freely bled in their dealings in the past with the Bakhtiaris, and being disinclined to repeat the experience, express their intention to proceed on different lines in future, and to rely more on a strict interpretation and enforcement of their rights under the original D'Arcy Concession in any further negotiations which they may require to embark upon with the Shaikh of Mohammerah.

Lieutenant Wilson, in taking note of their intentions, expresses the view, on the grounds explained by him, that the pursuance of a too rigid policy with the Shaikh of Mohammerah is likely to be beset by more difficulties than the Company have perhaps fully realised, and advises them to shape their contemplated negotiations on more liberal and elastic lines.

With this view, I generally concur. The Company, whatever may be their strict rights under their original concession, have to reckon with an impotent Government at Tehran and the practical situation in Arabistan, and I have no doubt myself that it will prove more profitable for them in the long run to carry the Shaikh with them in their enterprise than to endeavour, so far as his territory is concerned, to pursue any policy in spite of him.

3. The particular points raised by the correspondence, namely, (i) the precise nature of the Shaikh's rights under his farmans, (ii) the bearing of the original D'Arcy Concession upon those rights, (iii) the question whether the Shaikh's lands in which the Company may wish to operate are "State lands" or "other lands" under article (3) of that concession, will doubtless be examined when the time comes by the Legal Advisers to His Majesty's Government. For the present they are not in practical issue, and there seems therefore no object in my discussing them at length.

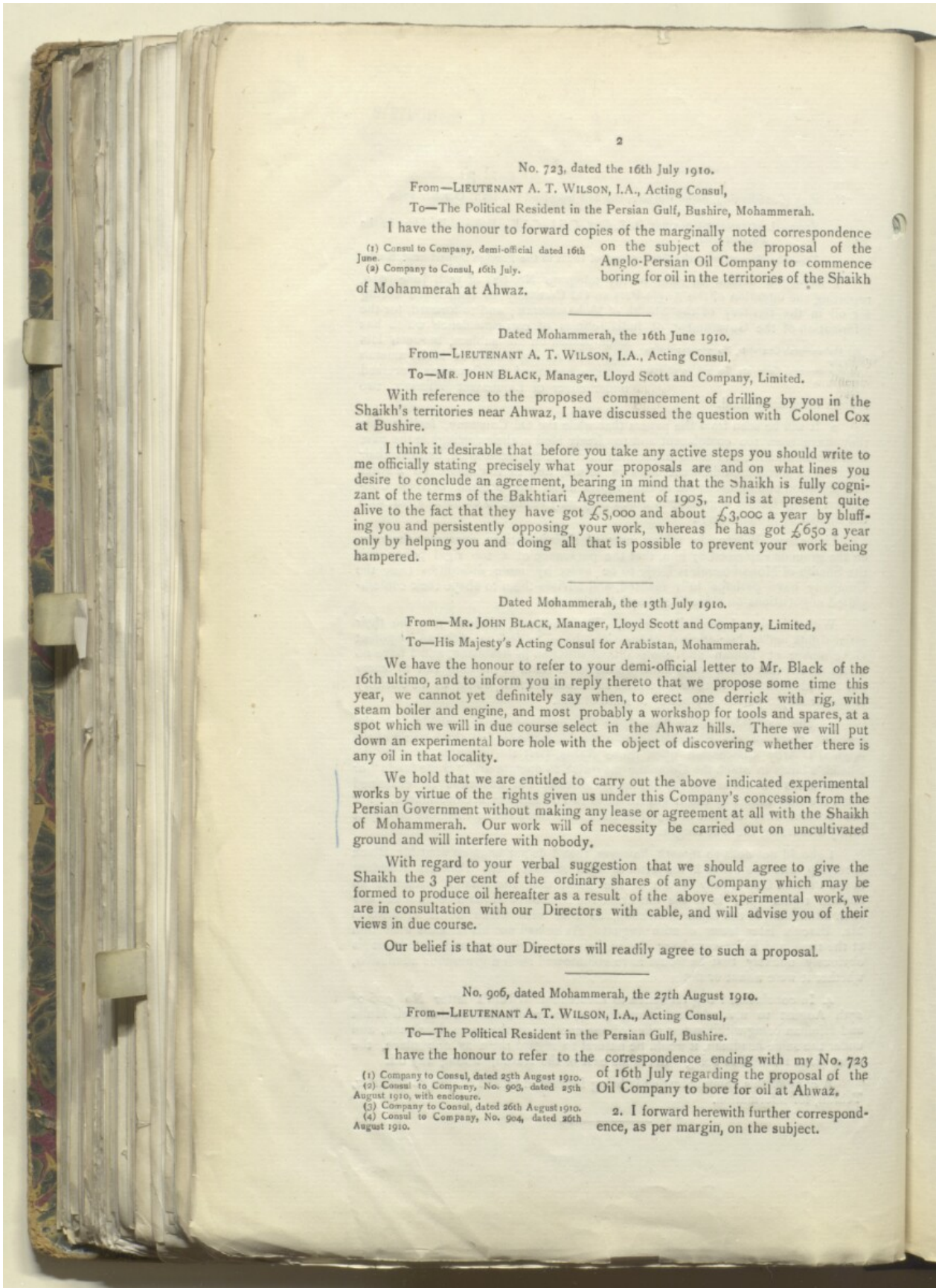
I should not omit to remark, however, that I do not know on what Mr. Black is relying, when he writes in his letter of 25th August "the Political Resident in the Persian Gulf is fully aware of the point that the Shaikh possesses no mineral rights," nor is it the case that the Shaikh of Mohammerah made any such admission, in the same connection, as that with which he is credited in Mr. Black's later letter of 26th August. As he had not his farmans with him at the time, and had a very hazy idea of their precise wording and details, it is obviously unlikely that he would have volunteered such a gratuitous admission, whether it were a fact or not.

4. In conclusion I beg reference to Lieutenant Wilson's letter No. 906 of 27th August to my address, paragraph 4, and would observe that Deh Mulla and Hindian being within a few miles of one another on the same river bank, and under the same headman, it would be natural to regard them as one place, the other place referred to being "the lands east of the Karun," a long way off.

A copy of this communication is being forwarded to His Majesty's Minister, Tehran, for information.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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No. 723, dated the 16th July 1910.

From—LIEUTENANT A. T. WILSON, I.A., Acting Consul,

To—The Political Resident in the Persian Gulf, Bushire, Mohammerah.

I have the honour to forward copies of the marginally noted correspondence on the subject of the proposal of the Anglo-Persian Oil Company to commence boring for oil in the territories of the Shaikh of Mohammerah at Ahwaz.

(1) Consul to Company, demi-official dated 16th June.

(2) Company to Consul, 16th July.

Dated Mohammerah, the 16th June 1910.

From—LIEUTENANT A. T. WILSON, I.A., Acting Consul.

To—MR. JOHN BLACK, Manager, Lloyd Scott and Company, Limited.

With reference to the proposed commencement of drilling by you in the Shaikh's territories near Ahwaz, I have discussed the question with Colonel Cox at Bushire.

I think it desirable that before you take any active steps you should write to me officially stating precisely what your proposals are and on what lines you desire to conclude an agreement, bearing in mind that the Shaikh is fully cognizant of the terms of the Bakhtiari Agreement of 1905, and is at present quite alive to the fact that they have got £5,000 and about £3,000 a year by bluffing you and persistently opposing your work, whereas he has got £650 a year only by helping you and doing all that is possible to prevent your work being hampered.

Dated Mohammerah, the 13th July 1910.

From—MR. JOHN BLACK, Manager, Lloyd Scott and Company, Limited,

To—His Majesty's Acting Consul for Arabistan, Mohammerah.

We have the honour to refer to your demi-official letter to Mr. Black of the 16th ultimo, and to inform you in reply thereto that we propose some time this year, we cannot yet definitely say when, to erect one derrick with rig, with steam boiler and engine, and most probably a workshop for tools and spares, at a spot which we will in due course select in the Ahwaz hills. There we will put down an experimental bore hole with the object of discovering whether there is any oil in that locality.

We hold that we are entitled to carry out the above indicated experimental works by virtue of the rights given us under this Company's concession from the Persian Government without making any lease or agreement at all with the Shaikh of Mohammerah. Our work will of necessity be carried out on uncultivated ground and will interfere with nobody.

With regard to your verbal suggestion that we should agree to give the Shaikh the 3 per cent of the ordinary shares of any Company which may be formed to produce oil hereafter as a result of the above experimental work, we are in consultation with our Directors with cable, and will advise you of their views in due course.

Our belief is that our Directors will readily agree to such a proposal.

No. 906, dated Mohammerah, the 27th August 1910.

From—LIEUTENANT A. T. WILSON, I.A., Acting Consul,

To—The Political Resident in the Persian Gulf, Bushire.

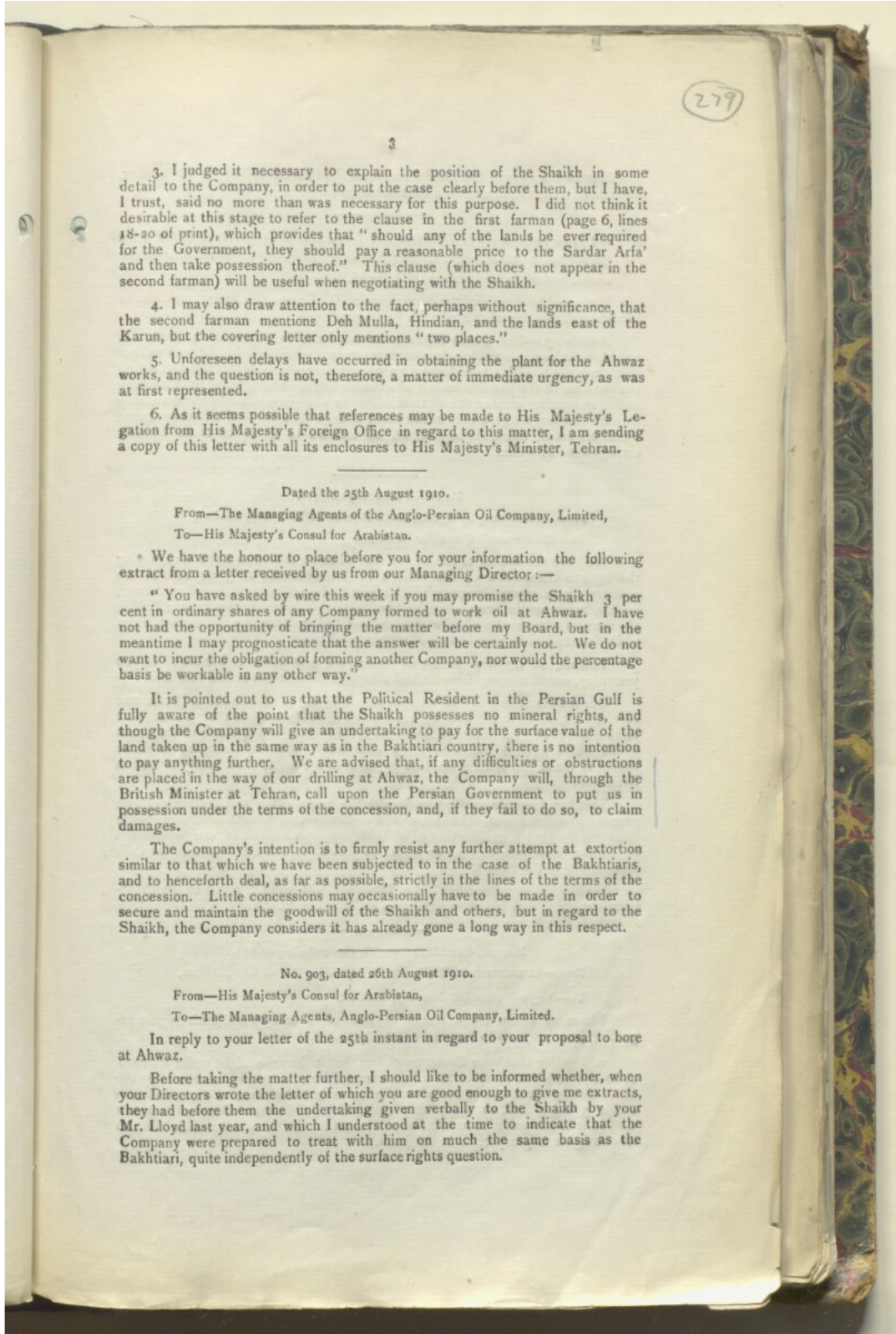
I have the honour to refer to the correspondence ending with my No. 723 of 16th July regarding the proposal of the Oil Company to bore for oil at Ahwaz.

(1) Company to Consul, dated 25th August 1910.
(2) Consul to Company, No. 903, dated 25th August 1910, with enclosure.
(3) Company to Consul, dated 26th August 1910.
(4) Consul to Company, No. 904, dated 26th August 1910.

2. I forward herewith further correspondence, as per margin, on the subject.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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3. I judged it necessary to explain the position of the Shaikh in some detail to the Company, in order to put the case clearly before them, but I have, I trust, said no more than was necessary for this purpose. I did not think it desirable at this stage to refer to the clause in the first farman (page 6, lines 18-20 of print), which provides that "should any of the lands be ever required for the Government, they should pay a reasonable price to the Sardar Arfa' and then take possession thereof." This clause (which does not appear in the second farman) will be useful when negotiating with the Shaikh.

4. I may also draw attention to the fact, perhaps without significance, that the second farman mentions Deh Mulla, Hindian, and the lands east of the Karun, but the covering letter only mentions "two places."

5. Unforeseen delays have occurred in obtaining the plant for the Ahwaz works, and the question is not, therefore, a matter of immediate urgency, as was at first represented.

6. As it seems possible that references may be made to His Majesty's Legation from His Majesty's Foreign Office in regard to this matter, I am sending a copy of this letter with all its enclosures to His Majesty's Minister, Tehran.

Dated the 25th August 1910.

From—The Managing Agents of the Anglo-Persian Oil Company, Limited,
To—His Majesty's Consul for Arabistan.

We have the honour to place before you for your information the following extract from a letter received by us from our Managing Director:—

"You have asked by wire this week if you may promise the Shaikh 3 per cent in ordinary shares of any Company formed to work oil at Ahwaz. I have not had the opportunity of bringing the matter before my Board, but in the meantime I may prognosticate that the answer will be certainly not. We do not want to incur the obligation of forming another Company, nor would the percentage basis be workable in any other way."

It is pointed out to us that the Political Resident in the Persian Gulf is fully aware of the point that the Shaikh possesses no mineral rights, and though the Company will give an undertaking to pay for the surface value of the land taken up in the same way as in the Bakhtiari country, there is no intention to pay anything further. We are advised that, if any difficulties or obstructions are placed in the way of our drilling at Ahwaz, the Company will, through the British Minister at Tehran, call upon the Persian Government to put us in possession under the terms of the concession, and, if they fail to do so, to claim damages.

The Company's intention is to firmly resist any further attempt at extortion similar to that which we have been subjected to in the case of the Bakhtiaris, and to henceforth deal, as far as possible, strictly in the lines of the terms of the concession. Little concessions may occasionally have to be made in order to secure and maintain the goodwill of the Shaikh and others, but in regard to the Shaikh, the Company considers it has already gone a long way in this respect.

No. 903, dated 25th August 1910.

From—His Majesty's Consul for Arabistan,
To—The Managing Agents, Anglo-Persian Oil Company, Limited.

In reply to your letter of the 25th instant in regard to your proposal to bore at Ahwaz.

Before taking the matter further, I should like to be informed whether, when your Directors wrote the letter of which you are good enough to give me extracts, they had before them the undertaking given verbally to the Shaikh by your Mr. Lloyd last year, and which I understood at the time to indicate that the Company were prepared to treat with him on much the same basis as the Bakhtiari, quite independently of the surface rights question.



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I forward a copy of the official record of the understanding on the matter, for your information, in case you have not seen it.

Extract from enclosure 2 to Political Resident's No. 9-Commercial, dated 25th July 1909, to the Foreign Office (forwarded to Foreign Department under endorsement No. 1795 of the 26th July).

Notes on the details of the Anglo-Persian Oil Company's agreement with the Shaikh of Mohammerah, dated 16th July 1909.

Article 13.—This article differs somewhat from the Company's draft. It was thought best to specify only what treasure trove did cover, and not to put ideas into the Shaikh's head by stating what it did not cover. He himself raised the question of the possible finding of oil in his limits. The rights of the Company in this eventuality were explained to him, but he was given to understand verbally by the Company's Agent that in the event of separate springs of oil being tapped within his limits, the Company would be inclined to come to some friendly arrangement with him.

Dated the 26th August 1910.

From—The Managing Agents, Anglo-Persian Oil Company, Limited,
To—His Majesty's Consul for Arabistan.

We have the honour to advise you that when we cabled to London regarding the issue to His Excellency the Shaikh of Mohammerah of 3 per cent of the ordinary shares of any Company which might be formed to produce oil at Ahwaz, we had before us the notes made by the Political Resident in the Persian Gulf at the time an agreement with the Shaikh was being drawn up, an extract from which is attached to your letter under acknowledgment.

Further, in replying to us, as per extract and remarks submitted to you yesterday, our Managing Director had a copy of these notes before him also.

Our understanding of the note on article 13 of the agreement is that it was carefully explained at the time by the Shaikh of Mohammerah that, although he had no mineral rights whatever, under his firman from the Persian Government which holds against the Company's concession, still the Company might be willing to make him some gratuitous payment in the event of oil being tapped in Arabistan.

This has, however, nothing to do with the prospecting and drilling work we propose to undertake at Ahwaz. His Excellency the Shaikh would probably bring the matter up, in the event of oil being found as a result of our operations at Ahwaz, and in such case we would be pleased to ask our Directors for their instructions in the matter.

We think it very improbable the Directors will submit again to the extortionate robbery they had of necessity to suffer at the hands of the Bakhtiari.

No. 904, dated Mohammerah, the 27th August 1910.

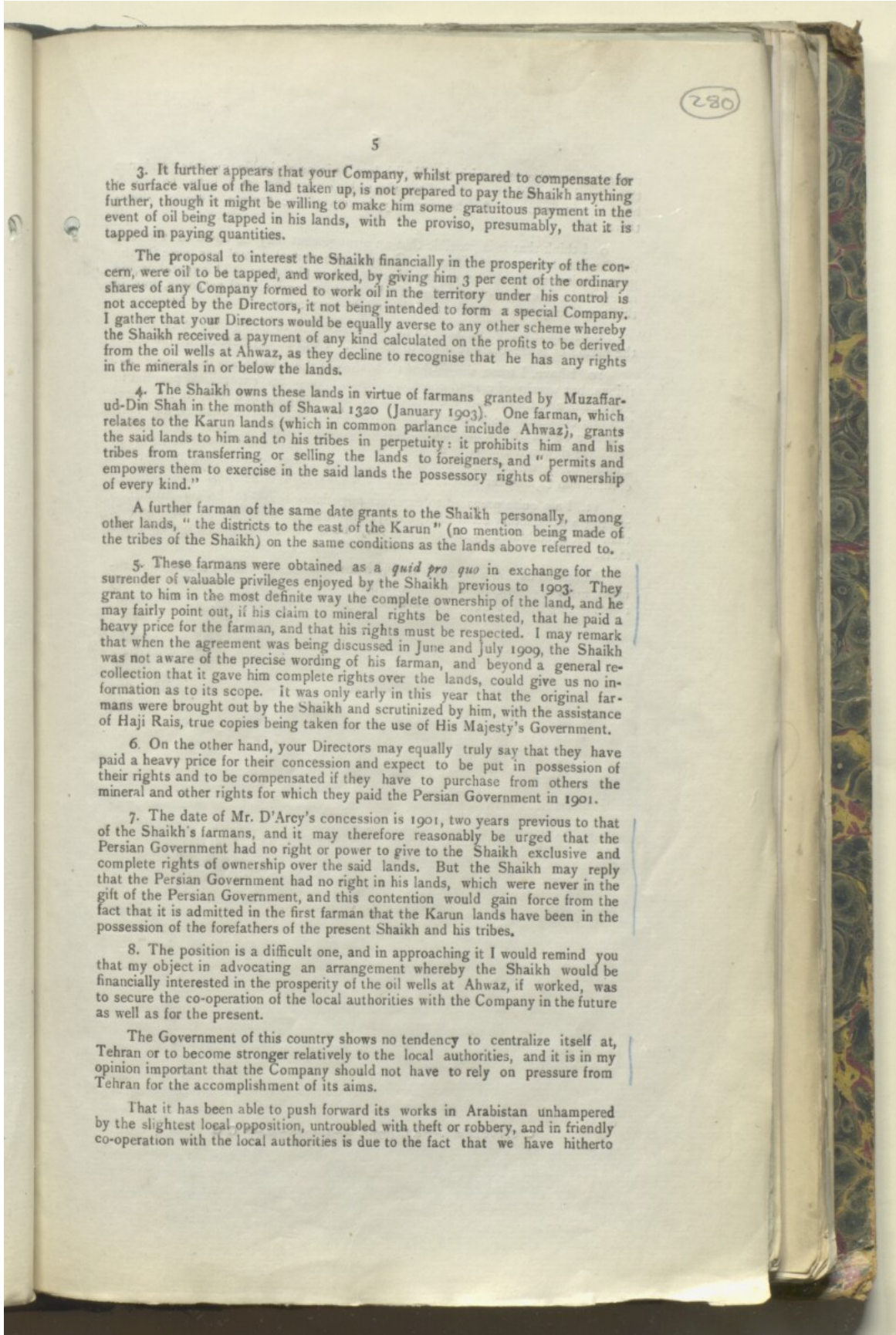
From—LIEUTENANT A. T. WILSON, I. A., Acting Consul for Arabistan,
To—Anglo-Persian Oil Company, Limited.

I have to acknowledge receipt of your letters of 25th and 26th August regarding your proposal to bore for oil at Ahwaz.

2. I gather that your Company claims that it has the right under article 1 of its concession to prospect for oil anywhere within the provinces covered by the concession, without asking leave or paying rent to anyone, the provisions of article 3 being held to apply only to article 2, and that in consequence your Company is not prepared to make any payment to the Shaikh of Mohammerah for the rights to prospect oil in his lands.



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3. It further appears that your Company, whilst prepared to compensate for the surface value of the land taken up, is not prepared to pay the Shaikh anything further, though it might be willing to make him some gratuitous payment in the event of oil being tapped in his lands, with the proviso, presumably, that it is tapped in paying quantities.

The proposal to interest the Shaikh financially in the prosperity of the concern, were oil to be tapped, and worked, by giving him 3 per cent of the ordinary shares of any Company formed to work oil in the territory under his control is not accepted by the Directors, it not being intended to form a special Company. I gather that your Directors would be equally averse to any other scheme whereby the Shaikh received a payment of any kind calculated on the profits to be derived from the oil wells at Ahwaz, as they decline to recognise that he has any rights in the minerals in or below the lands.

4. The Shaikh owns these lands in virtue of farmans granted by Muzaffar-ud-Din Shah in the month of Shawal 1320 (January 1903). One farman, which relates to the Karun lands (which in common parlance include Ahwaz), grants the said lands to him and to his tribes in perpetuity: it prohibits him and his tribes from transferring or selling the lands to foreigners, and "permits and empowers them to exercise in the said lands the possessory rights of ownership of every kind."

A further farman of the same date grants to the Shaikh personally, among other lands, "the districts to the east of the Karun" (no mention being made of the tribes of the Shaikh) on the same conditions as the lands above referred to.

5. These farmans were obtained as a *quid pro quo* in exchange for the surrender of valuable privileges enjoyed by the Shaikh previous to 1903. They grant to him in the most definite way the complete ownership of the land, and he may fairly point out, if his claim to mineral rights be contested, that he paid a heavy price for the farman, and that his rights must be respected. I may remark that when the agreement was being discussed in June and July 1909, the Shaikh was not aware of the precise wording of his farman, and beyond a general recollection that it gave him complete rights over the lands, could give us no information as to its scope. It was only early in this year that the original farmans were brought out by the Shaikh and scrutinized by him, with the assistance of Haji Rais, true copies being taken for the use of His Majesty's Government.

6. On the other hand, your Directors may equally truly say that they have paid a heavy price for their concession and expect to be put in possession of their rights and to be compensated if they have to purchase from others the mineral and other rights for which they paid the Persian Government in 1901.

7. The date of Mr. D'Arcy's concession is 1901, two years previous to that of the Shaikh's farmans, and it may therefore reasonably be urged that the Persian Government had no right or power to give to the Shaikh exclusive and complete rights of ownership over the said lands. But the Shaikh may reply that the Persian Government had no right in his lands, which were never in the gift of the Persian Government, and this contention would gain force from the fact that it is admitted in the first farman that the Karun lands have been in the possession of the forefathers of the present Shaikh and his tribes.

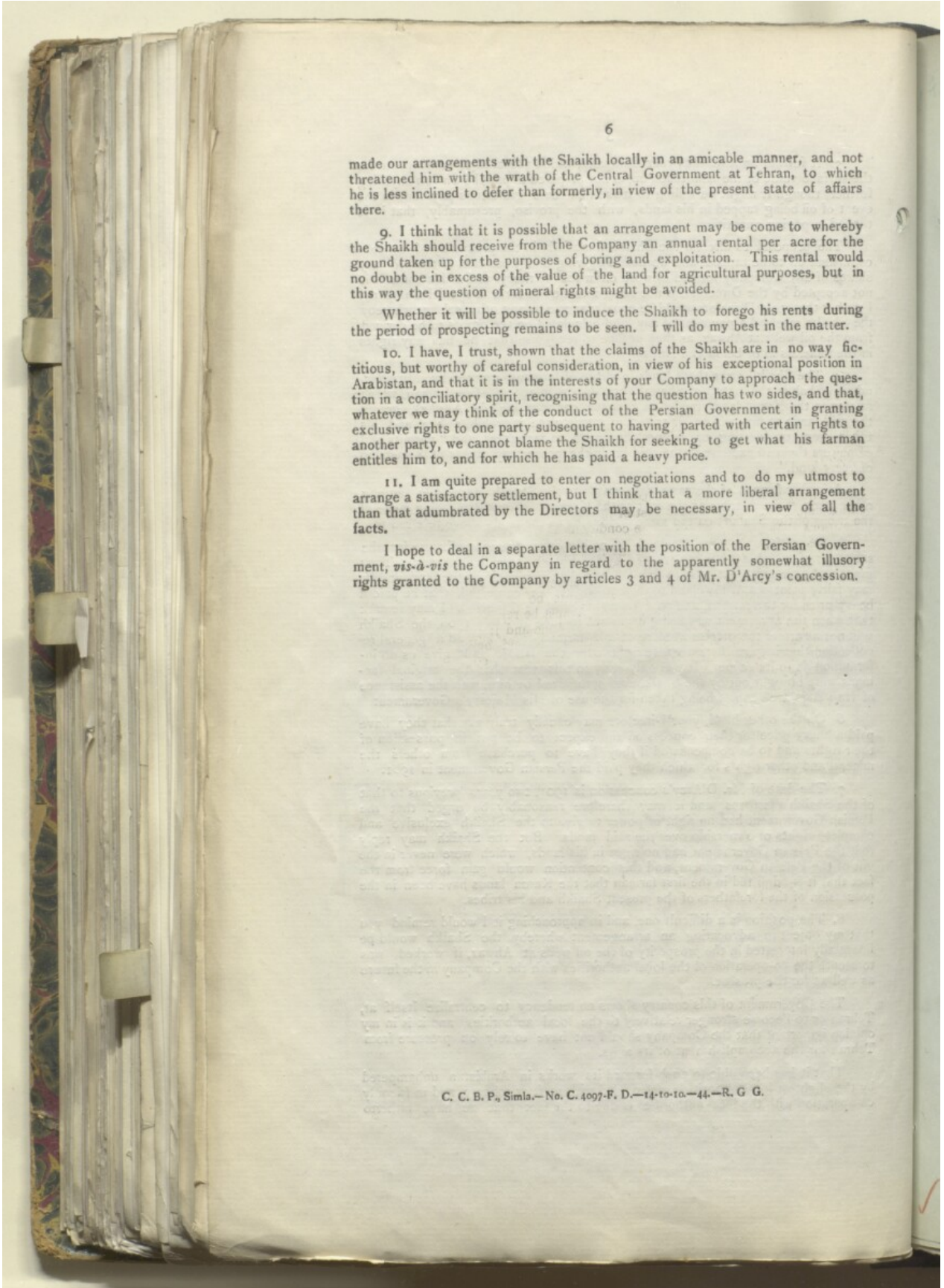
8. The position is a difficult one, and in approaching it I would remind you that my object in advocating an arrangement whereby the Shaikh would be financially interested in the prosperity of the oil wells at Ahwaz, if worked, was to secure the co-operation of the local authorities with the Company in the future as well as for the present.

The Government of this country shows no tendency to centralize itself at Tehran or to become stronger relatively to the local authorities, and it is in my opinion important that the Company should not have to rely on pressure from Tehran for the accomplishment of its aims.

That it has been able to push forward its works in Arabistan unhampered by the slightest local opposition, untroubled with theft or robbery, and in friendly co-operation with the local authorities is due to the fact that we have hitherto



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made our arrangements with the Shaikh locally in an amicable manner, and not threatened him with the wrath of the Central Government at Tehran, to which he is less inclined to defer than formerly, in view of the present state of affairs there.

9. I think that it is possible that an arrangement may be come to whereby the Shaikh should receive from the Company an annual rental per acre for the ground taken up for the purposes of boring and exploitation. This rental would no doubt be in excess of the value of the land for agricultural purposes, but in this way the question of mineral rights might be avoided.

Whether it will be possible to induce the Shaikh to forego his rents during the period of prospecting remains to be seen. I will do my best in the matter.

10. I have, I trust, shown that the claims of the Shaikh are in no way fictitious, but worthy of careful consideration, in view of his exceptional position in Arabistan, and that it is in the interests of your Company to approach the question in a conciliatory spirit, recognising that the question has two sides, and that, whatever we may think of the conduct of the Persian Government in granting exclusive rights to one party subsequent to having parted with certain rights to another party, we cannot blame the Shaikh for seeking to get what his farman entitles him to, and for which he has paid a heavy price.

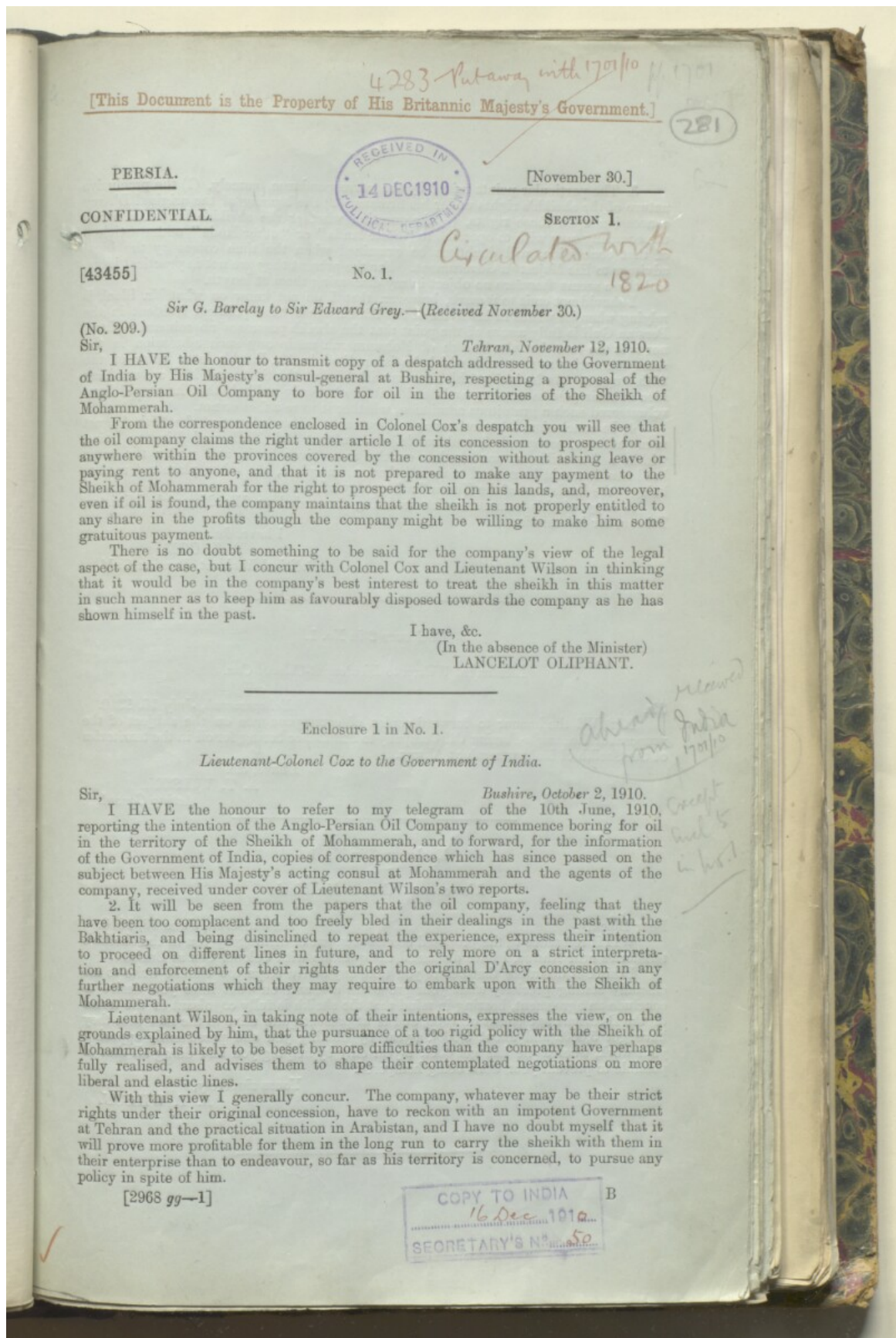
11. I am quite prepared to enter on negotiations and to do my utmost to arrange a satisfactory settlement, but I think that a more liberal arrangement than that adumbrated by the Directors may be necessary, in view of all the facts.

I hope to deal in a separate letter with the position of the Persian Government, *vis-à-vis* the Company in regard to the apparently somewhat illusory rights granted to the Company by articles 3 and 4 of Mr. D'Arcy's concession.

C. C. B. P., Simla.—No. C. 4097-F. D.—14-10-10.—44.—R. G. G.

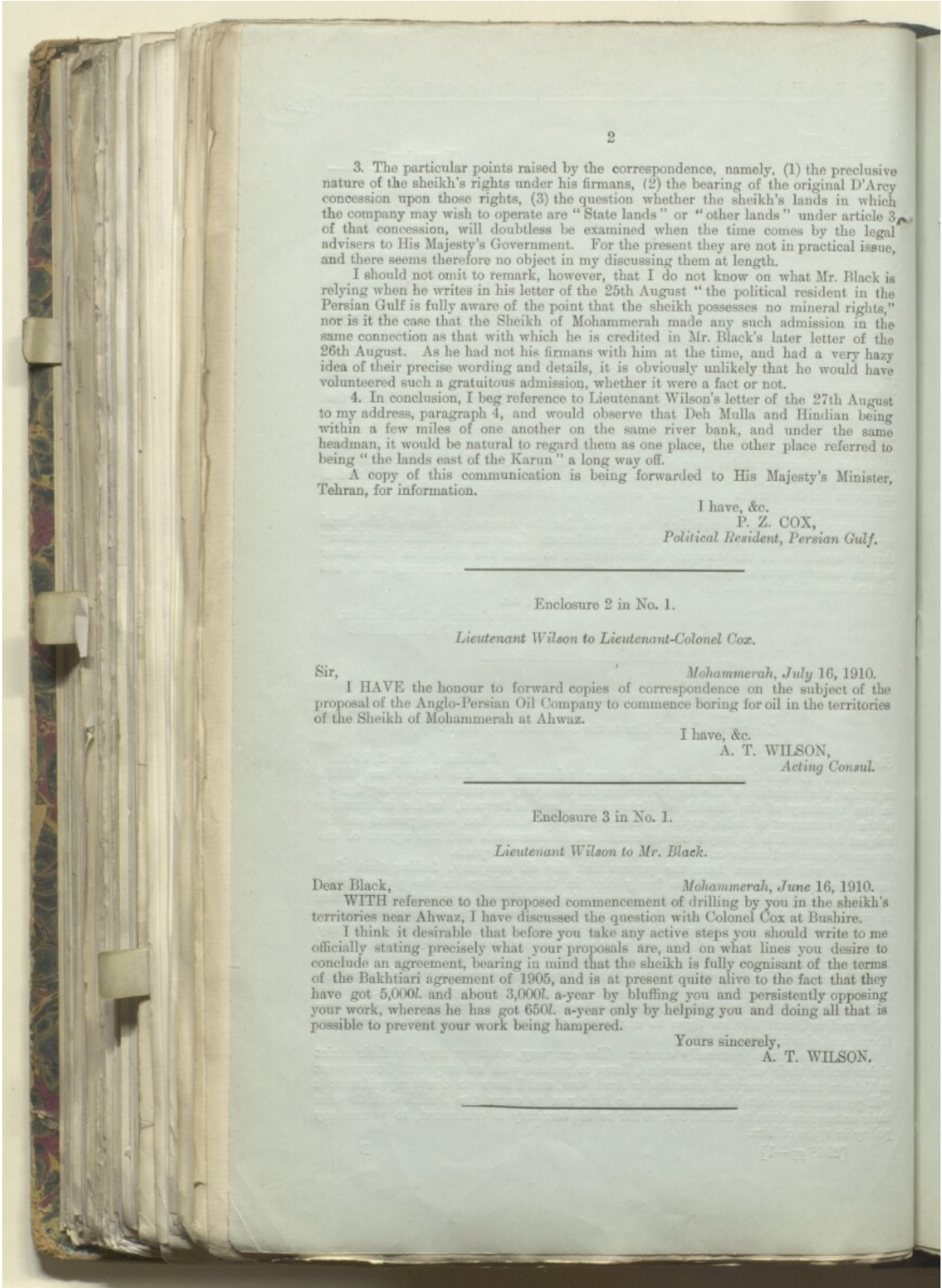


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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2

3. The particular points raised by the correspondence, namely, (1) the preclusive nature of the sheikh's rights under his firmans, (2) the bearing of the original D'Arcy concession upon those rights, (3) the question whether the sheikh's lands in which the company may wish to operate are "State lands" or "other lands" under article 3 of that concession, will doubtless be examined when the time comes by the legal advisers to His Majesty's Government. For the present they are not in practical issue, and there seems therefore no object in my discussing them at length.

I should not omit to remark, however, that I do not know on what Mr. Black is relying when he writes in his letter of the 25th August "the political resident in the Persian Gulf is fully aware of the point that the sheikh possesses no mineral rights," nor is it the case that the Sheikh of Mohammerah made any such admission in the same connection as that with which he is credited in Mr. Black's later letter of the 26th August. As he had not his firmans with him at the time, and had a very hazy idea of their precise wording and details, it is obviously unlikely that he would have volunteered such a gratuitous admission, whether it were a fact or not.

4. In conclusion, I beg reference to Lieutenant Wilson's letter of the 27th August to my address, paragraph 4, and would observe that Deh Mulla and Hindian being within a few miles of one another on the same river bank, and under the same headman, it would be natural to regard them as one place, the other place referred to being "the lands east of the Karun" a long way off.

A copy of this communication is being forwarded to His Majesty's Minister, Tehran, for information.

I have, &c.
P. Z. COX,
Political Resident, Persian Gulf.

Enclosure 2 in No. 1.

Lieutenant Wilson to Lieutenant-Colonel Cox.

Sir, *Mohammerah, July 16, 1910.*
I HAVE the honour to forward copies of correspondence on the subject of the proposal of the Anglo-Persian Oil Company to commence boring for oil in the territories of the Sheikh of Mohammerah at Ahwaz.

I have, &c.
A. T. WILSON,
Acting Consul.

Enclosure 3 in No. 1.

Lieutenant Wilson to Mr. Black.

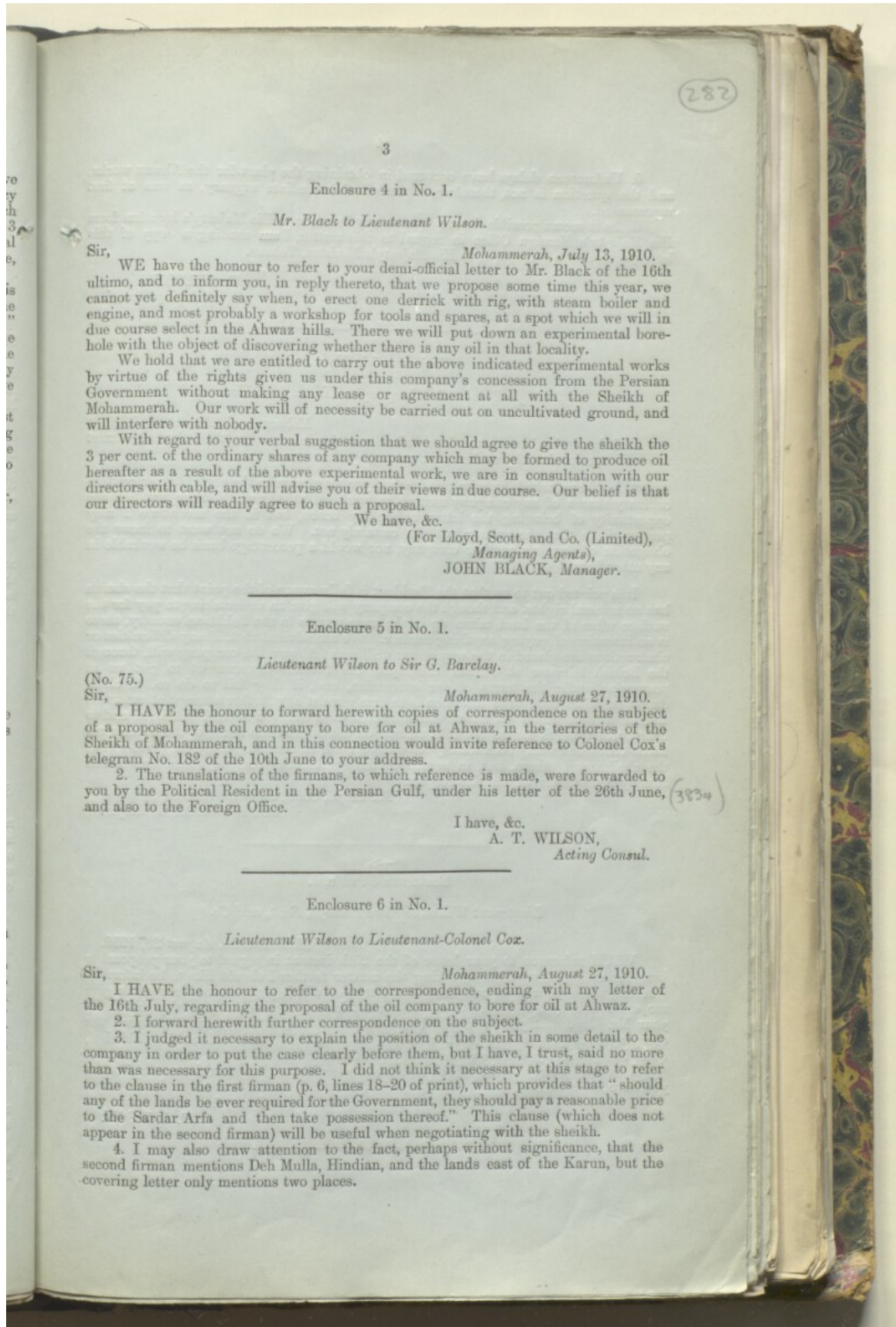
Dear Black, *Mohammerah, June 16, 1910.*
WITH reference to the proposed commencement of drilling by you in the sheikh's territories near Ahwaz, I have discussed the question with Colonel Cox at Bushire.

I think it desirable that before you take any active steps you should write to me officially stating precisely what your proposals are, and on what lines you desire to conclude an agreement, bearing in mind that the sheikh is fully cognisant of the terms of the Bakhtiari agreement of 1905, and is at present quite alive to the fact that they have got 5,000L. and about 3,000L. a-year by bluffing you and persistently opposing your work, whereas he has got 650L. a-year only by helping you and doing all that is possible to prevent your work being hampered.

Yours sincerely,
A. T. WILSON.



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Enclosure 4 in No. 1.

Mr. Black to Lieutenant Wilson.

Sir,
Mohammerah, July 13, 1910.
WE have the honour to refer to your demi-official letter to Mr. Black of the 16th ultimo, and to inform you, in reply thereto, that we propose some time this year, we cannot yet definitely say when, to erect one derrick with rig, with steam boiler and engine, and most probably a workshop for tools and spares, at a spot which we will in due course select in the Ahwaz hills. There we will put down an experimental bore-hole with the object of discovering whether there is any oil in that locality.

We hold that we are entitled to carry out the above indicated experimental works by virtue of the rights given us under this company's concession from the Persian Government without making any lease or agreement at all with the Sheikh of Mohammerah. Our work will of necessity be carried out on uncultivated ground, and will interfere with nobody.

With regard to your verbal suggestion that we should agree to give the sheikh the 3 per cent. of the ordinary shares of any company which may be formed to produce oil hereafter as a result of the above experimental work, we are in consultation with our directors with cable, and will advise you of their views in due course. Our belief is that our directors will readily agree to such a proposal.

We have, &c.

(For Lloyd, Scott, and Co. (Limited),
Managing Agents),
JOHN BLACK, Manager.

Enclosure 5 in No. 1.

Lieutenant Wilson to Sir G. Barclay.

(No. 75.)

Sir,
Mohammerah, August 27, 1910.
I HAVE the honour to forward herewith copies of correspondence on the subject of a proposal by the oil company to bore for oil at Ahwaz, in the territories of the Sheikh of Mohammerah, and in this connection would invite reference to Colonel Cox's telegram No. 182 of the 10th June to your address.

2. The translations of the firmans, to which reference is made, were forwarded to you by the Political Resident in the Persian Gulf, under his letter of the 26th June, and also to the Foreign Office.

I have, &c.

A. T. WILSON,
Acting Consul.

Enclosure 6 in No. 1.

Lieutenant Wilson to Lieutenant-Colonel Cox.

Sir,
Mohammerah, August 27, 1910.
I HAVE the honour to refer to the correspondence, ending with my letter of the 16th July, regarding the proposal of the oil company to bore for oil at Ahwaz.

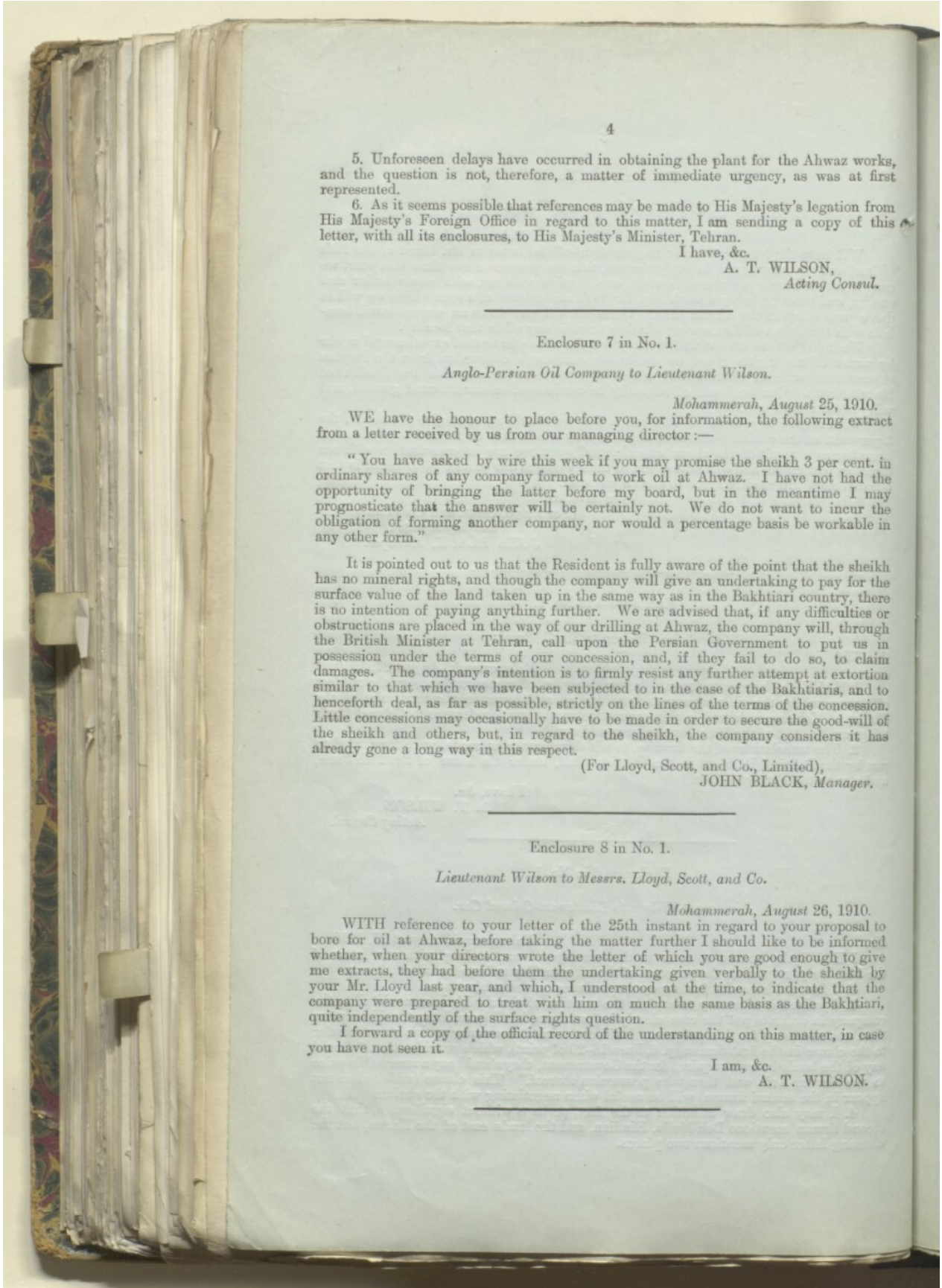
2. I forward herewith further correspondence on the subject.

3. I judged it necessary to explain the position of the sheikh in some detail to the company in order to put the case clearly before them, but I have, I trust, said no more than was necessary for this purpose. I did not think it necessary at this stage to refer to the clause in the first firman (p. 6, lines 18-20 of print), which provides that "should any of the lands be ever required for the Government, they should pay a reasonable price to the Sardar Arfa and then take possession thereof." This clause (which does not appear in the second firman) will be useful when negotiating with the sheikh.

4. I may also draw attention to the fact, perhaps without significance, that the second firman mentions Deh Mulla, Hindian, and the lands east of the Karun, but the covering letter only mentions two places.



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المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٢ظ] (٣٣٨/١٣٠)



4

5. Unforeseen delays have occurred in obtaining the plant for the Ahwaz works, and the question is not, therefore, a matter of immediate urgency, as was at first represented.

6. As it seems possible that references may be made to His Majesty's legation from His Majesty's Foreign Office in regard to this matter, I am sending a copy of this letter, with all its enclosures, to His Majesty's Minister, Tehran.

I have, &c.

A. T. WILSON,
Acting Consul.

Enclosure 7 in No. 1.

Anglo-Persian Oil Company to Lieutenant Wilson.

Mohammerah, August 25, 1910.

WE have the honour to place before you, for information, the following extract from a letter received by us from our managing director:—

"You have asked by wire this week if you may promise the sheikh 3 per cent. in ordinary shares of any company formed to work oil at Ahwaz. I have not had the opportunity of bringing the latter before my board, but in the meantime I may prognosticate that the answer will be certainly not. We do not want to incur the obligation of forming another company, nor would a percentage basis be workable in any other form."

It is pointed out to us that the Resident is fully aware of the point that the sheikh has no mineral rights, and though the company will give an undertaking to pay for the surface value of the land taken up in the same way as in the Bakhtiari country, there is no intention of paying anything further. We are advised that, if any difficulties or obstructions are placed in the way of our drilling at Ahwaz, the company will, through the British Minister at Tehran, call upon the Persian Government to put us in possession under the terms of our concession, and, if they fail to do so, to claim damages. The company's intention is to firmly resist any further attempt at extortion similar to that which we have been subjected to in the case of the Bakhtiari, and to henceforth deal, as far as possible, strictly on the lines of the terms of the concession. Little concessions may occasionally have to be made in order to secure the good-will of the sheikh and others, but, in regard to the sheikh, the company considers it has already gone a long way in this respect.

(For Lloyd, Scott, and Co., Limited),
JOHN BLACK, *Manager.*

Enclosure 8 in No. 1.

Lieutenant Wilson to Messrs. Lloyd, Scott, and Co.

Mohammerah, August 26, 1910.

WITH reference to your letter of the 25th instant in regard to your proposal to bore for oil at Ahwaz, before taking the matter further I should like to be informed whether, when your directors wrote the letter of which you are good enough to give me extracts, they had before them the undertaking given verbally to the sheikh by your Mr. Lloyd last year, and which, I understood at the time, to indicate that the company were prepared to treat with him on much the same basis as the Bakhtiari, quite independently of the surface rights question.

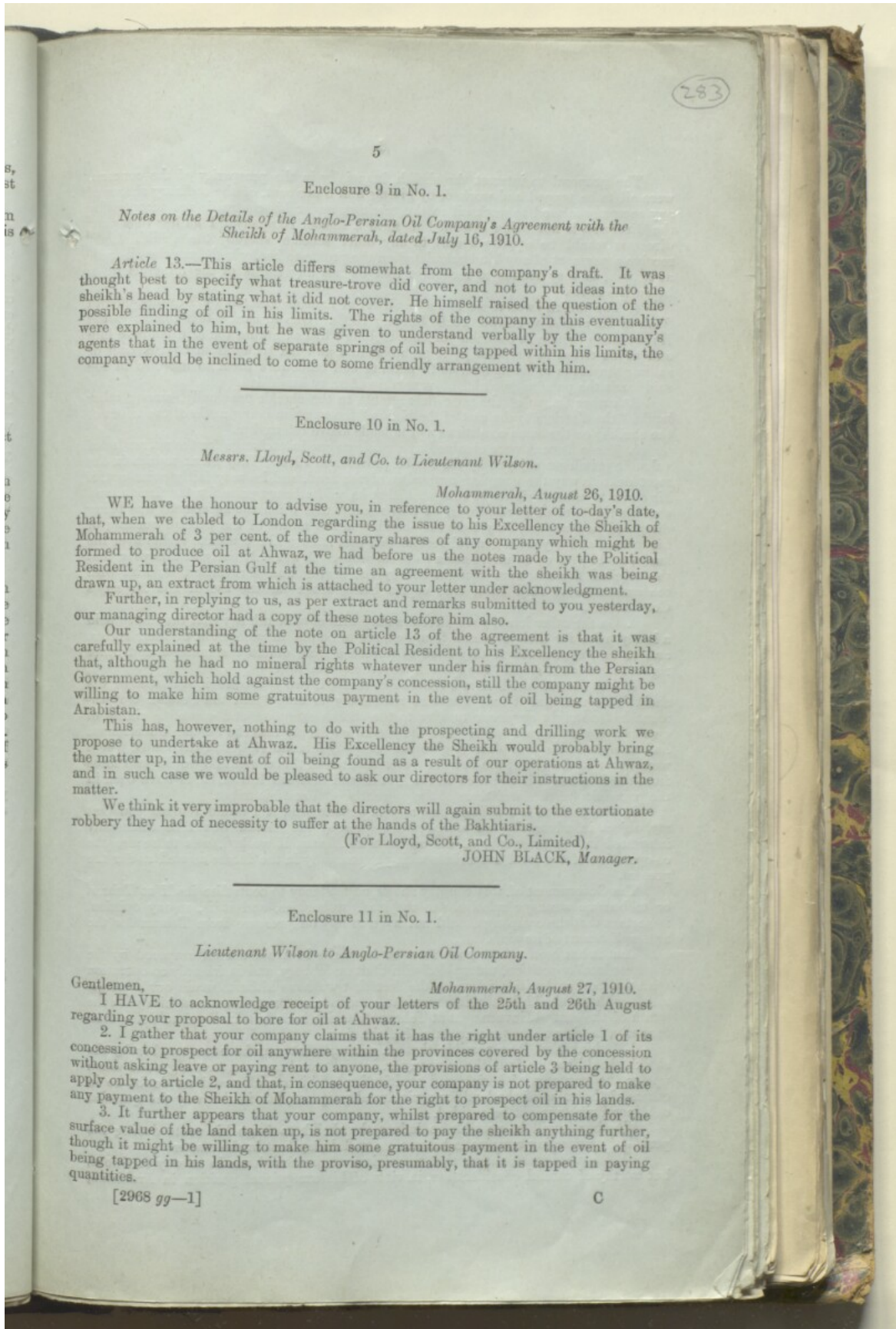
I forward a copy of the official record of the understanding on this matter, in case you have not seen it.

I am, &c.

A. T. WILSON.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٣ و] (٣٣٨/١٣١)



5

Enclosure 9 in No. 1.

*Notes on the Details of the Anglo-Persian Oil Company's Agreement with the
Sheikh of Mohammerah, dated July 16, 1910.*

Article 13.—This article differs somewhat from the company's draft. It was thought best to specify what treasure-trove did cover, and not to put ideas into the sheikh's head by stating what it did not cover. He himself raised the question of the possible finding of oil in his limits. The rights of the company in this eventuality were explained to him, but he was given to understand verbally by the company's agents that in the event of separate springs of oil being tapped within his limits, the company would be inclined to come to some friendly arrangement with him.

Enclosure 10 in No. 1.

Messrs. Lloyd, Scott, and Co. to Lieutenant Wilson.

Mohammerah, August 26, 1910.

WE have the honour to advise you, in reference to your letter of to-day's date, that, when we cabled to London regarding the issue to his Excellency the Sheikh of Mohammerah of 3 per cent. of the ordinary shares of any company which might be formed to produce oil at Ahwaz, we had before us the notes made by the Political Resident in the Persian Gulf at the time an agreement with the sheikh was being drawn up, an extract from which is attached to your letter under acknowledgment.

Further, in replying to us, as per extract and remarks submitted to you yesterday, our managing director had a copy of these notes before him also.

Our understanding of the note on article 13 of the agreement is that it was carefully explained at the time by the Political Resident to his Excellency the sheikh that, although he had no mineral rights whatever under his firman from the Persian Government, which hold against the company's concession, still the company might be willing to make him some gratuitous payment in the event of oil being tapped in Arabistan.

This has, however, nothing to do with the prospecting and drilling work we propose to undertake at Ahwaz. His Excellency the Sheikh would probably bring the matter up, in the event of oil being found as a result of our operations at Ahwaz, and in such case we would be pleased to ask our directors for their instructions in the matter.

We think it very improbable that the directors will again submit to the extortionate robbery they had of necessity to suffer at the hands of the Bakhtiaris.

(For Lloyd, Scott, and Co., Limited),
JOHN BLACK, *Manager.*

Enclosure 11 in No. 1.

Lieutenant Wilson to Anglo-Persian Oil Company.

Mohammerah, August 27, 1910.

Gentlemen,
I HAVE to acknowledge receipt of your letters of the 25th and 26th August regarding your proposal to bore for oil at Ahwaz.

2. I gather that your company claims that it has the right under article 1 of its concession to prospect for oil anywhere within the provinces covered by the concession without asking leave or paying rent to anyone, the provisions of article 3 being held to apply only to article 2, and that, in consequence, your company is not prepared to make any payment to the Sheikh of Mohammerah for the right to prospect oil in his lands.

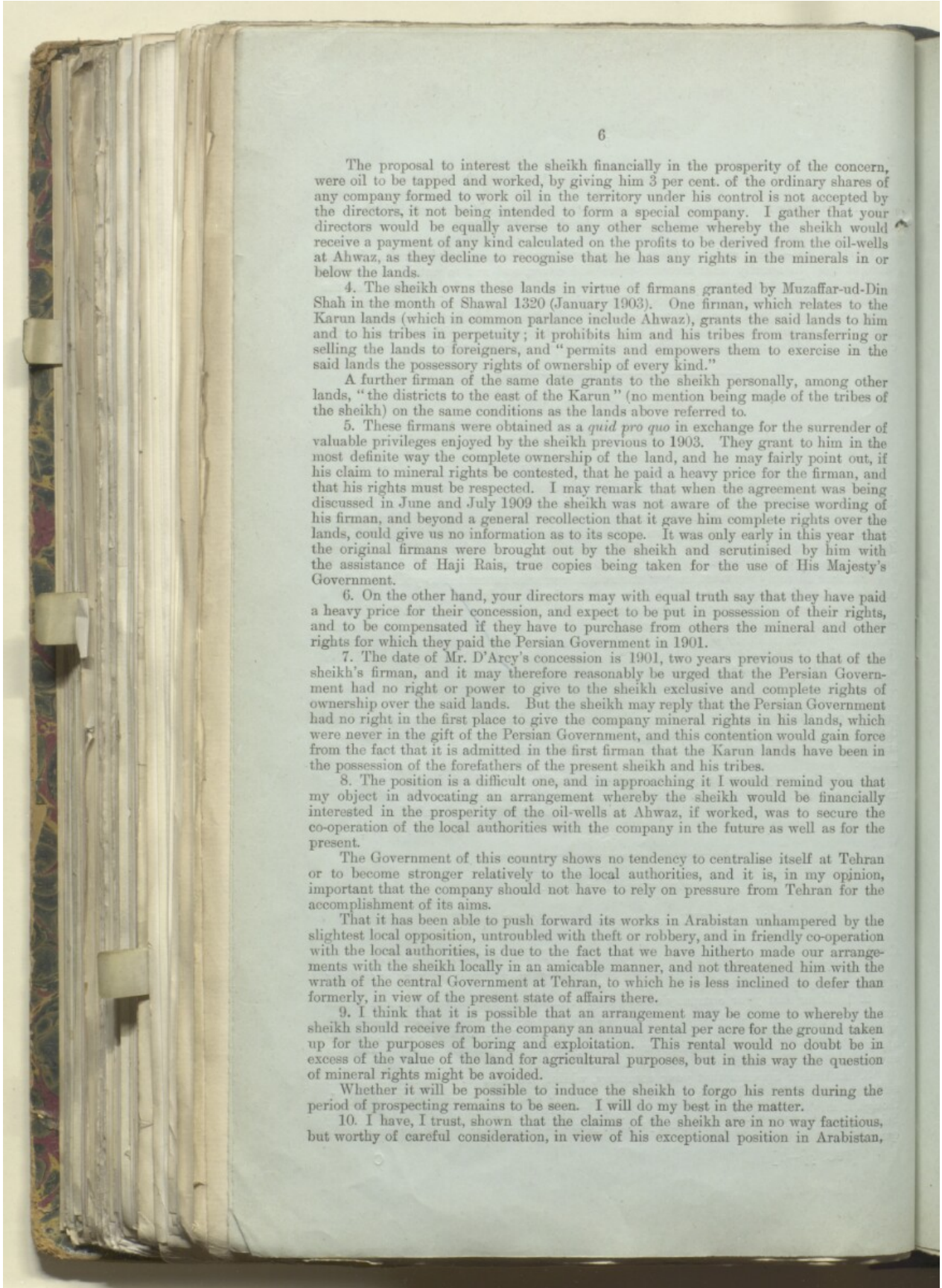
3. It further appears that your company, whilst prepared to compensate for the surface value of the land taken up, is not prepared to pay the sheikh anything further, though it might be willing to make him some gratuitous payment in the event of oil being tapped in his lands, with the proviso, presumably, that it is tapped in paying quantities.

[2968 gg—1]

C

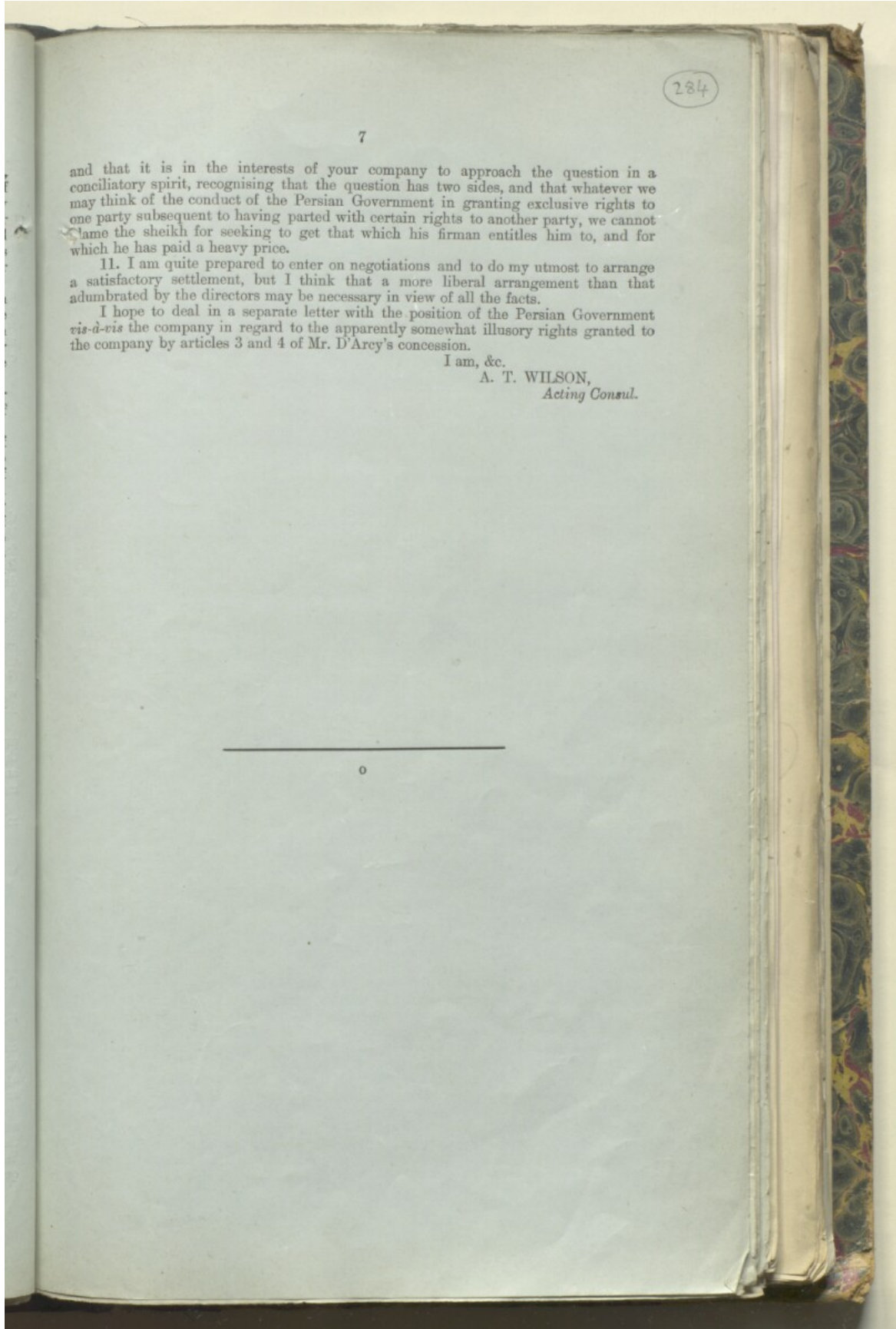


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٣ظ] (٣٣٨/١٣٢)



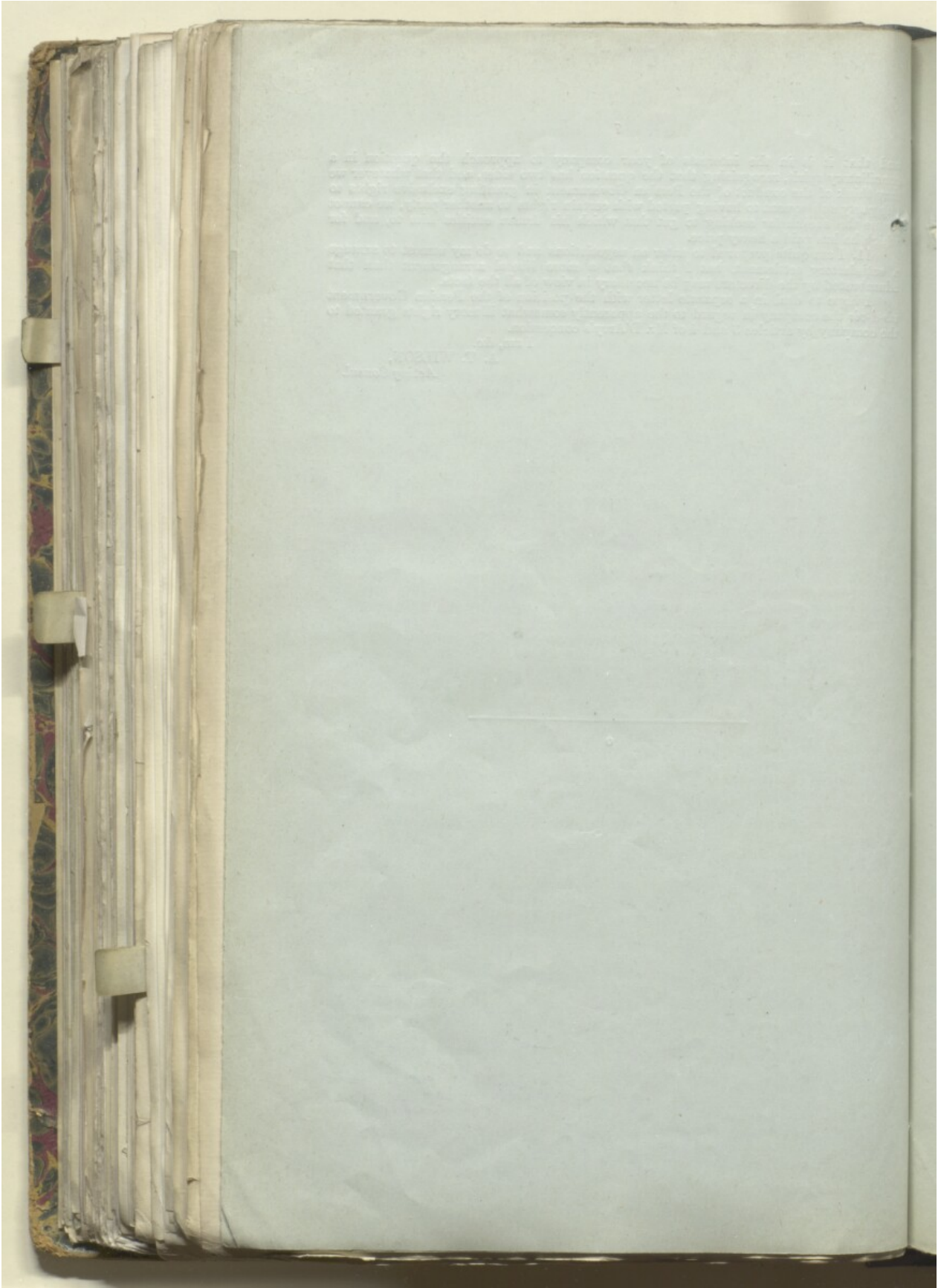


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٤ و] (٣٣٨/١٣٣)



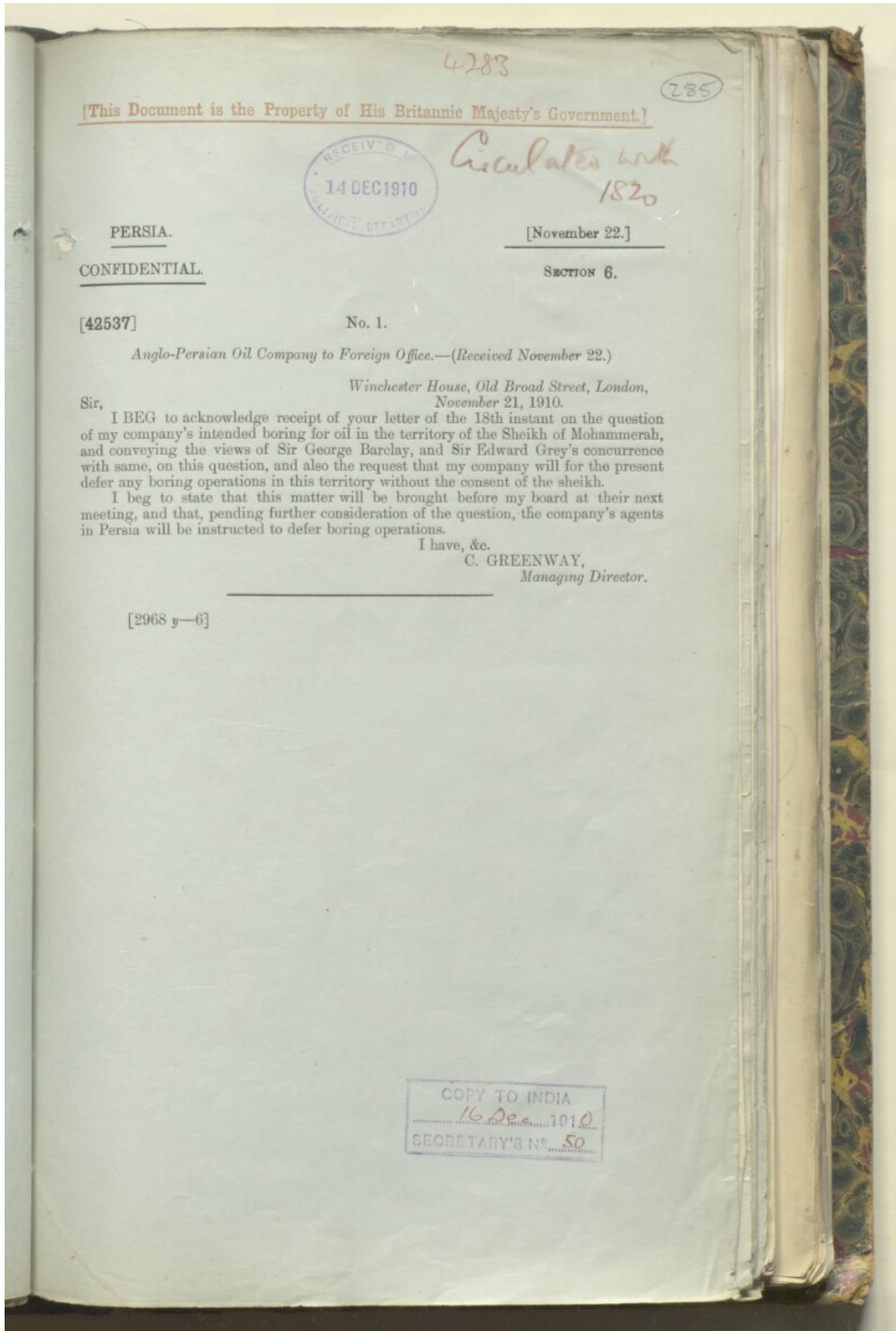


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٤ظ] (٣٣٨/١٣٤)



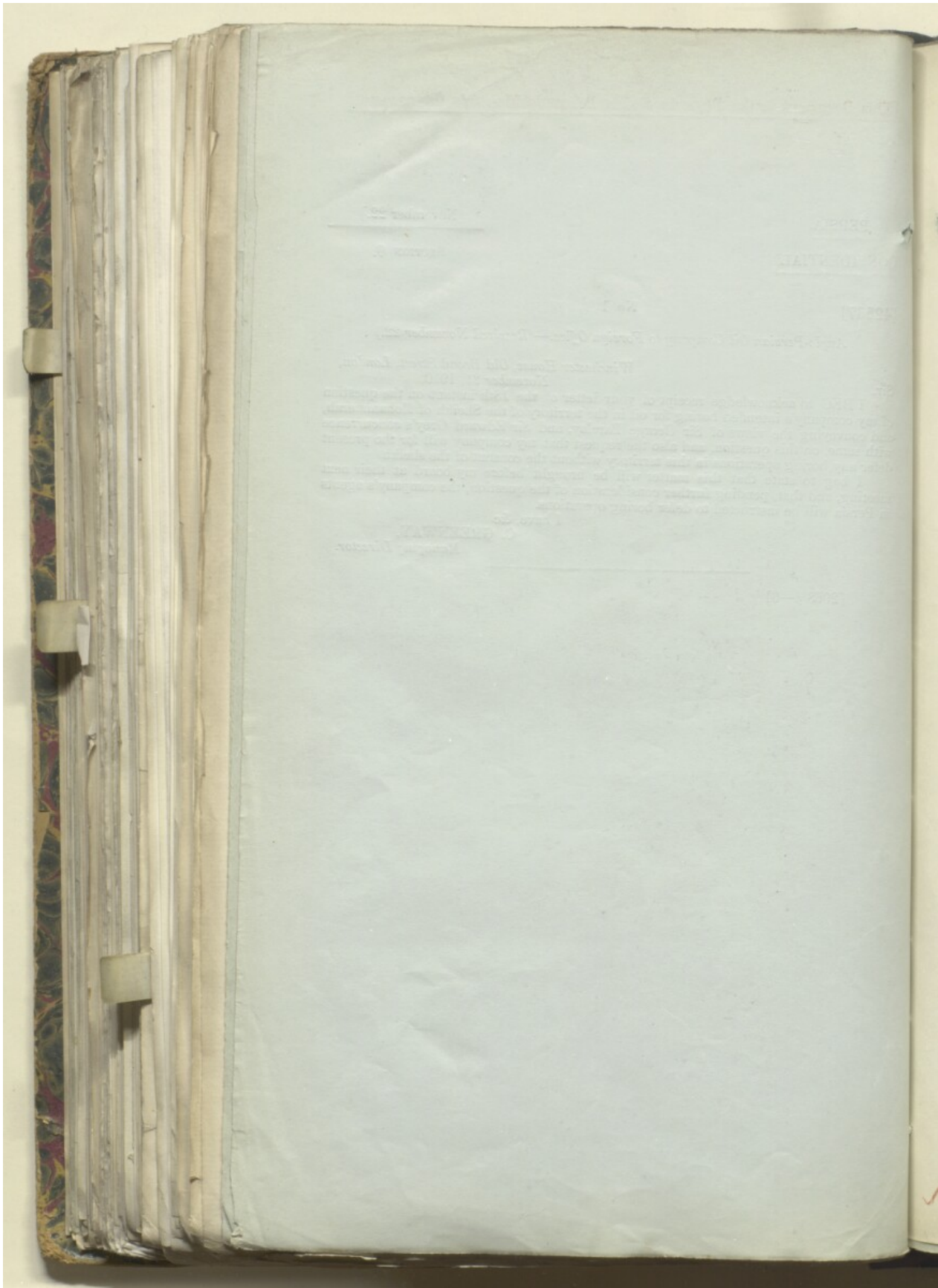


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٥ و] (٣٣٨/١٣٥)



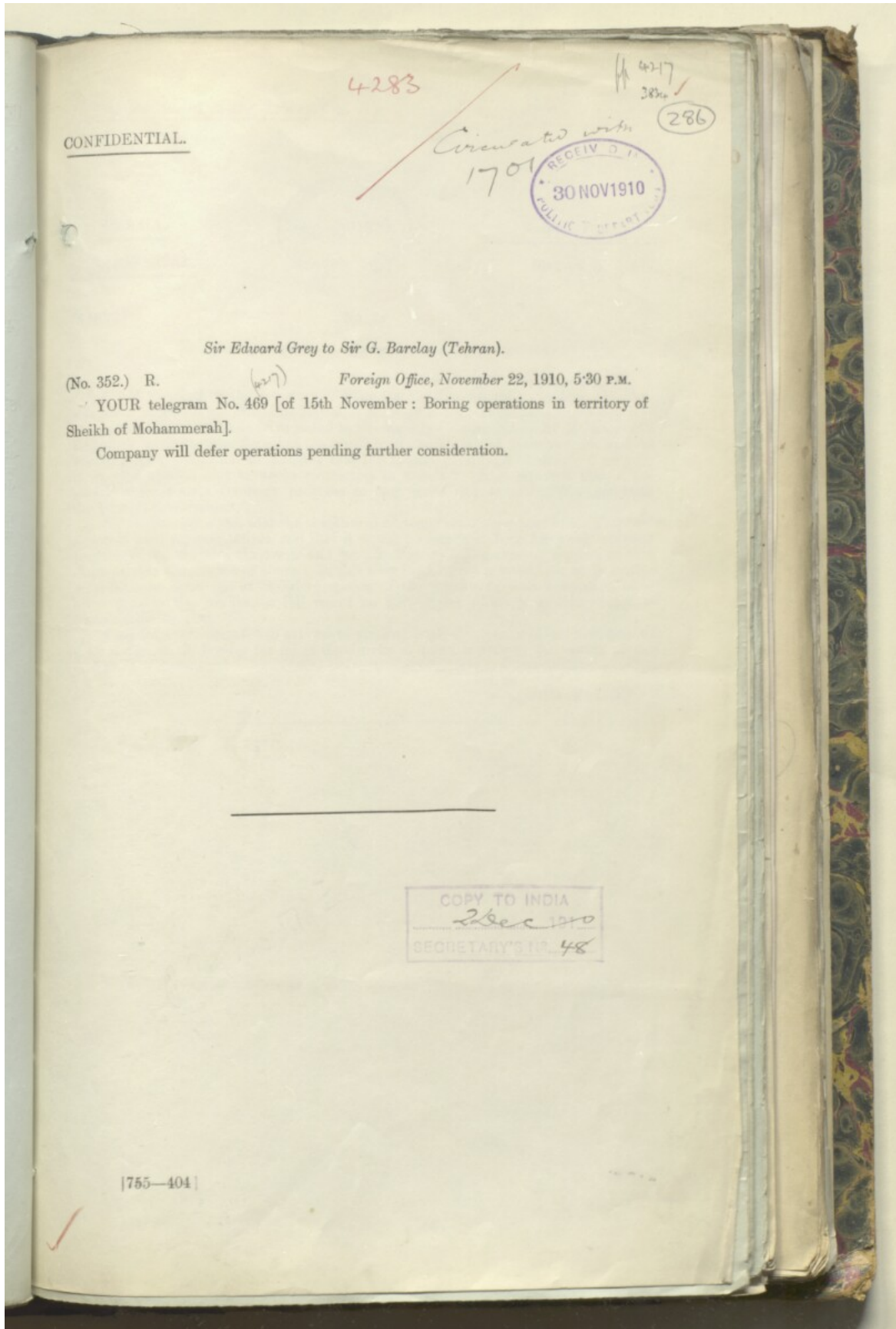


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٥ظ] (٣٣٨/١٣٦)



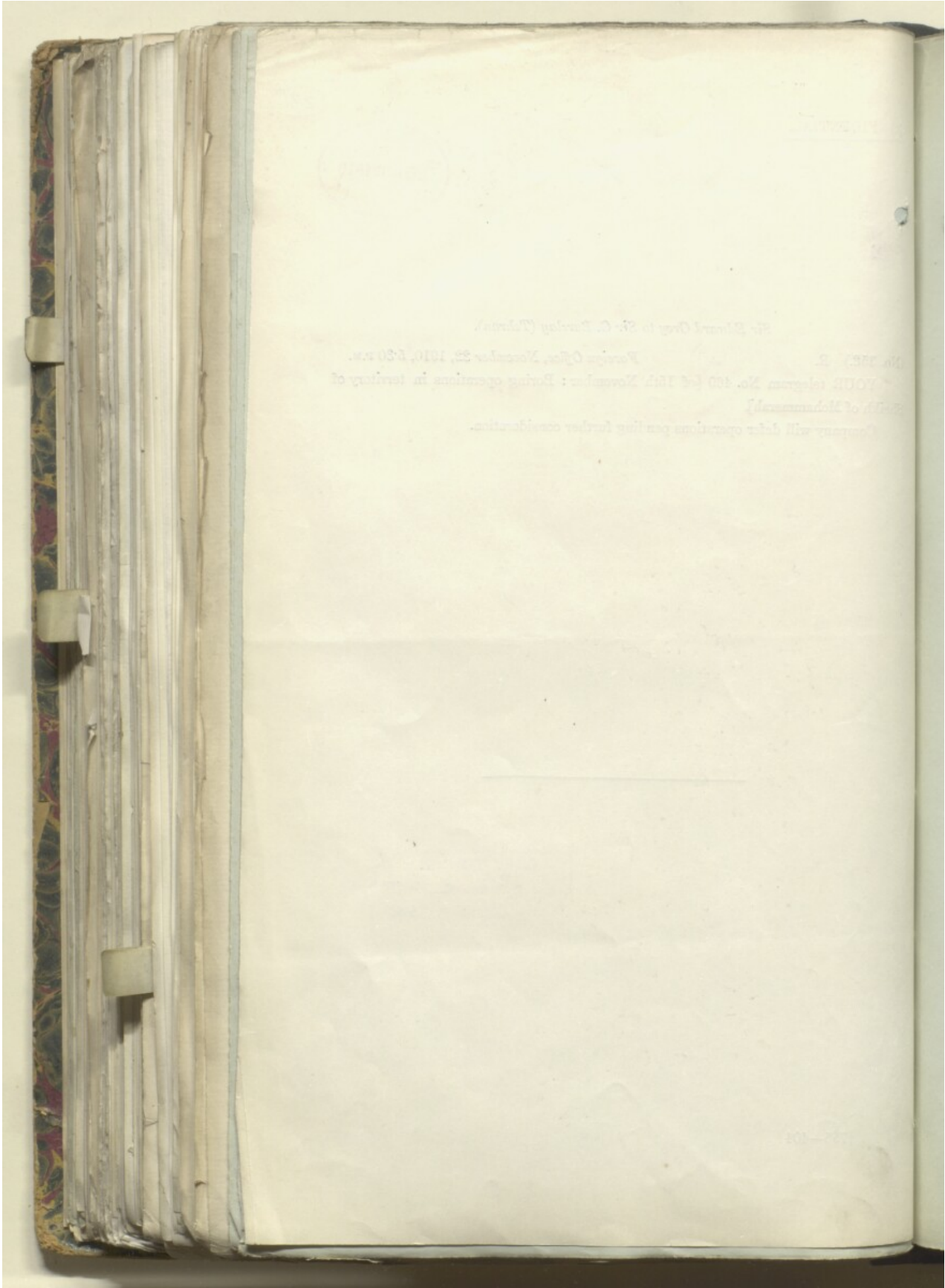


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٦ و] (٣٣٨/١٣٧)



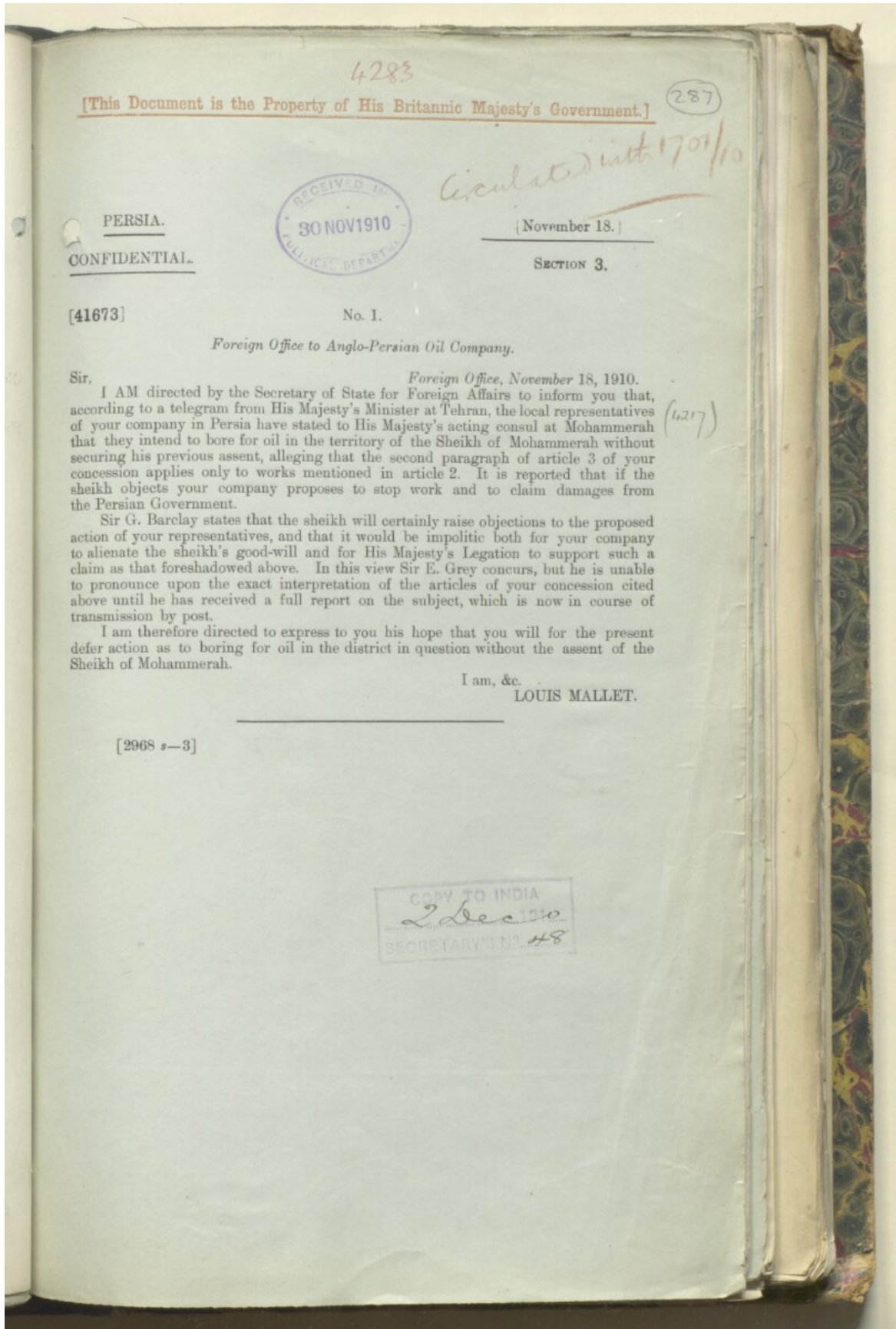


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٦ظ] (٣٣٨/١٣٨)



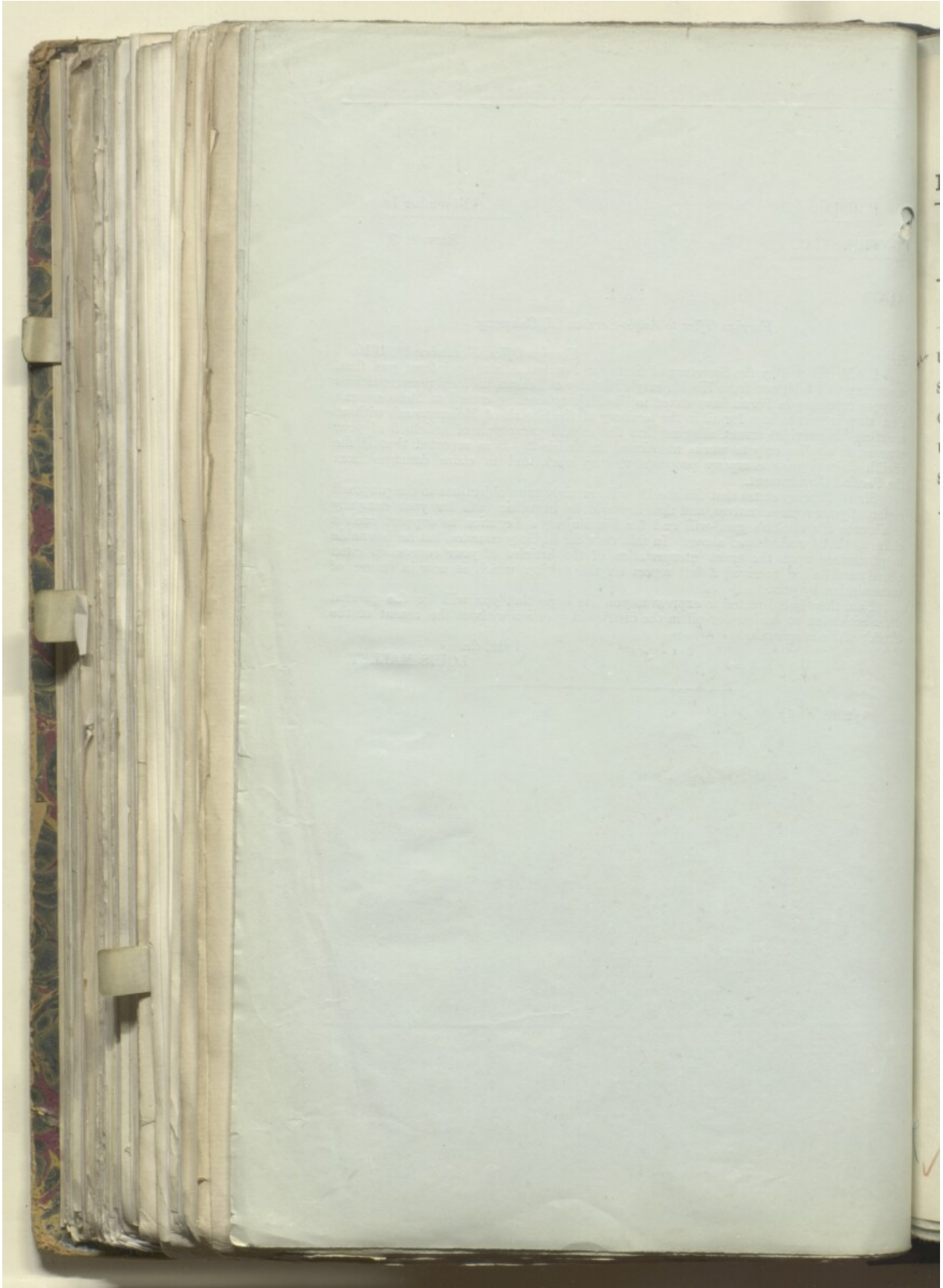


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٧و] (٣٣٨/١٣٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٧ظ] (٣٣٨/١٤٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٨ و] (١٤١/٣٣٨)

(288)

Register No. 1414

Minute Paper. Secret Department.

Letter from India, 36 M Dated 15 September 1910.
Rec. 1 October

	Date.	Initials.	SUBJECT.
Under Secretary.....	6 Oct.	zath	Persia now Payment by the Sheikh of Mohammed of first instal. - must done in respect of his loan from the Oil Co. (£10,000).
Secretary of State	6	M	
Committee	7.	M.	
Under Secretary.....			
Secretary of State			

Copy to F.O. 6 Oct. 1910.

FOR INFORMATION.

The Sheikh has paid up promptly.
(For the conditions of the loan see his letter of 7 Aug. '09).

14 Nov. Persia Print Oct 24th - Barclay's def. 18th, Sept. 29 - added.

Seen Pol. Comm. 12 Oct. 1910

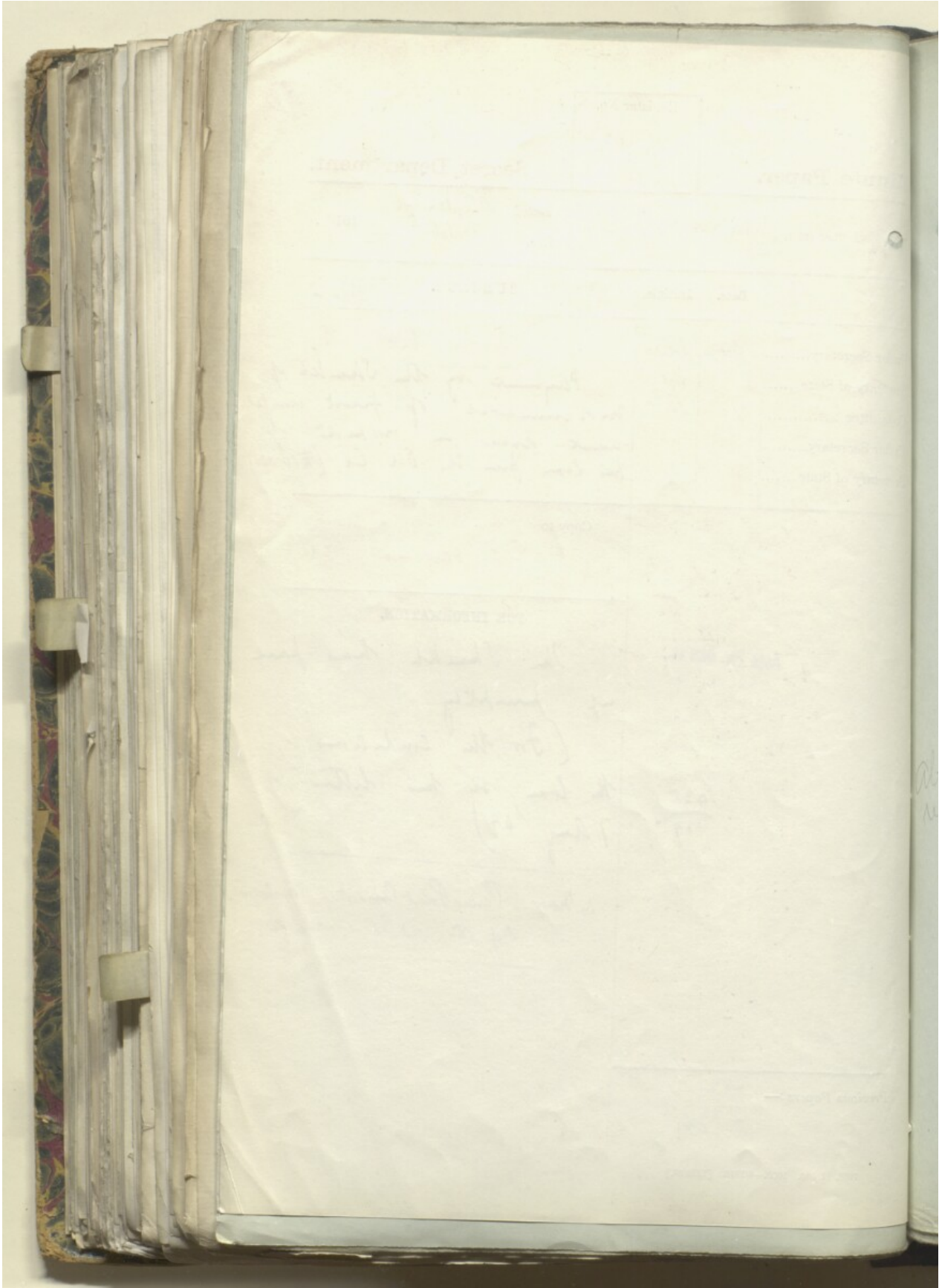
1425/19

Previous Papers:— 3821/10
1425/09

7008. I. 516. 1000.—4/1910. [1278/00.]

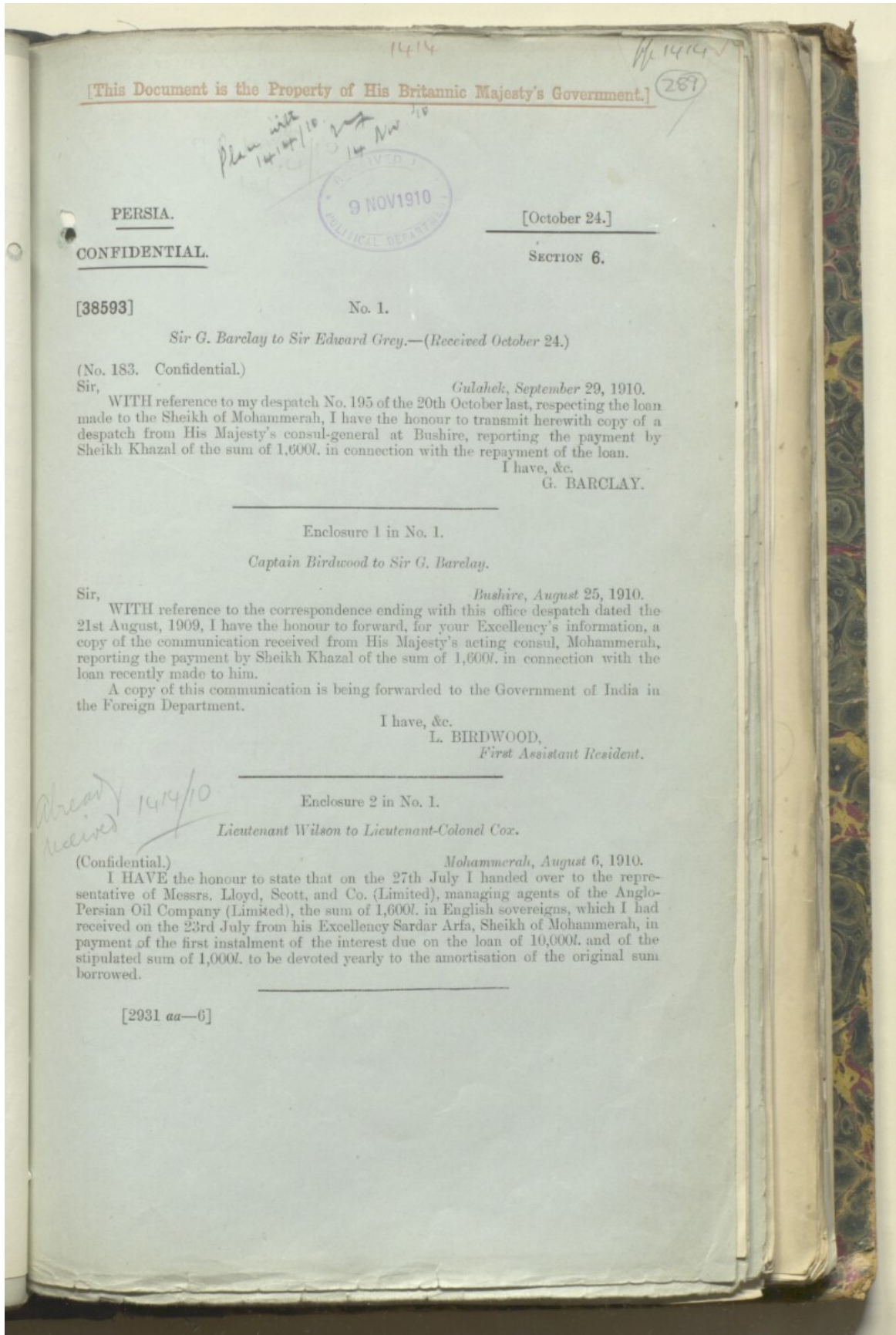


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٨ظ] (٣٣٨/١٤٢)



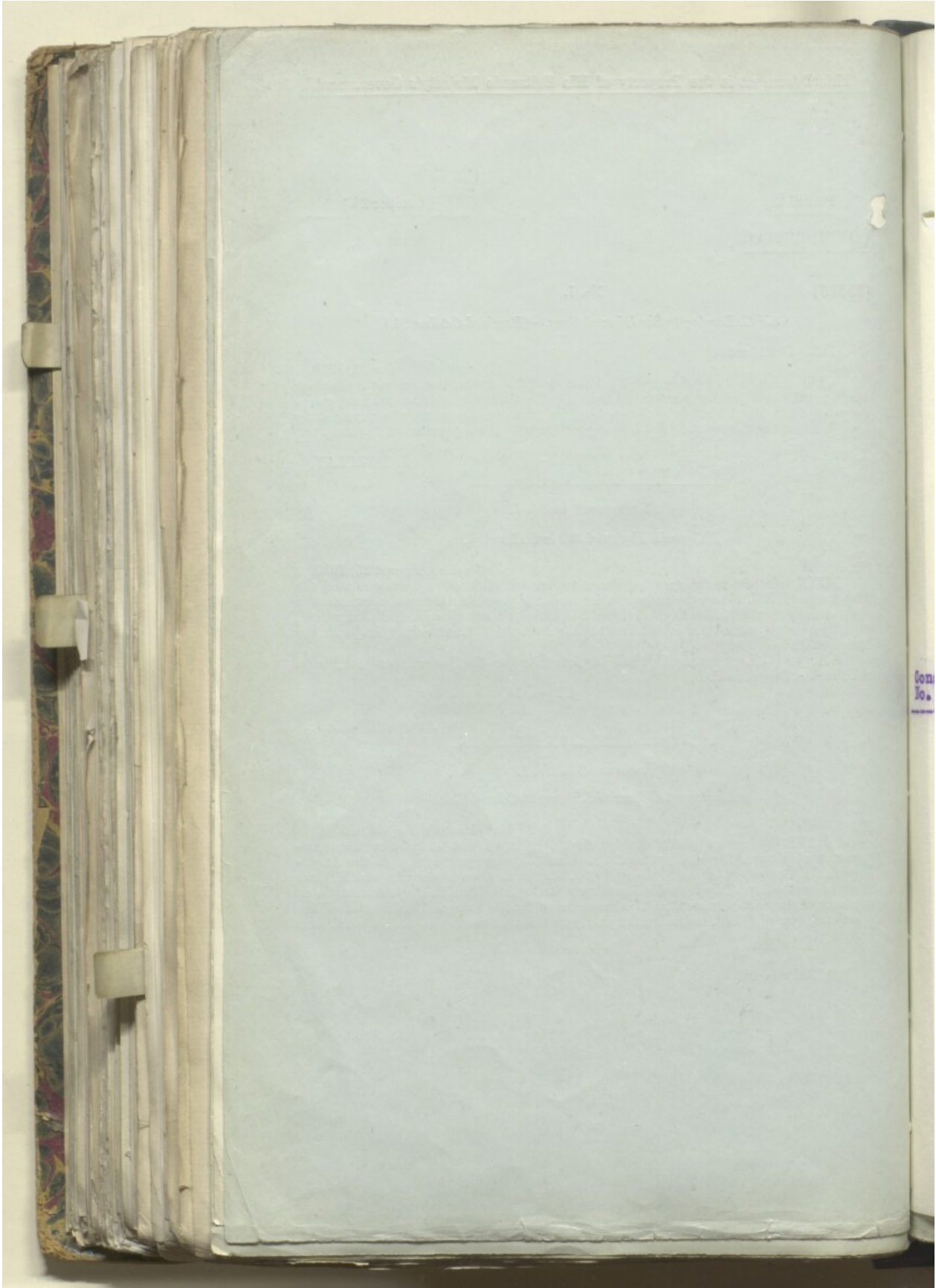


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٩و] [٣٣٨/١٤٣]





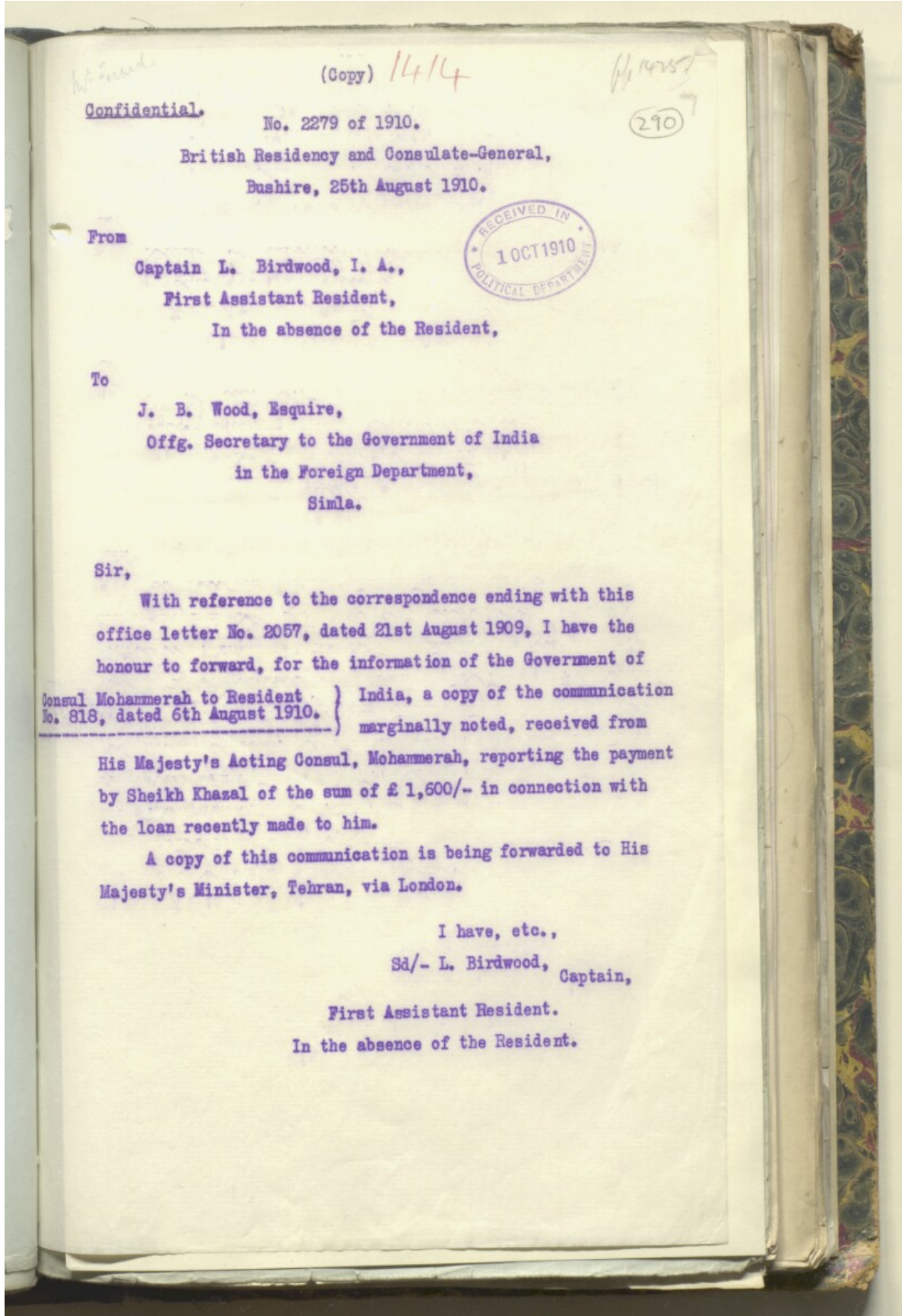
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٨٩ظ] (٣٣٨/١٤٤)



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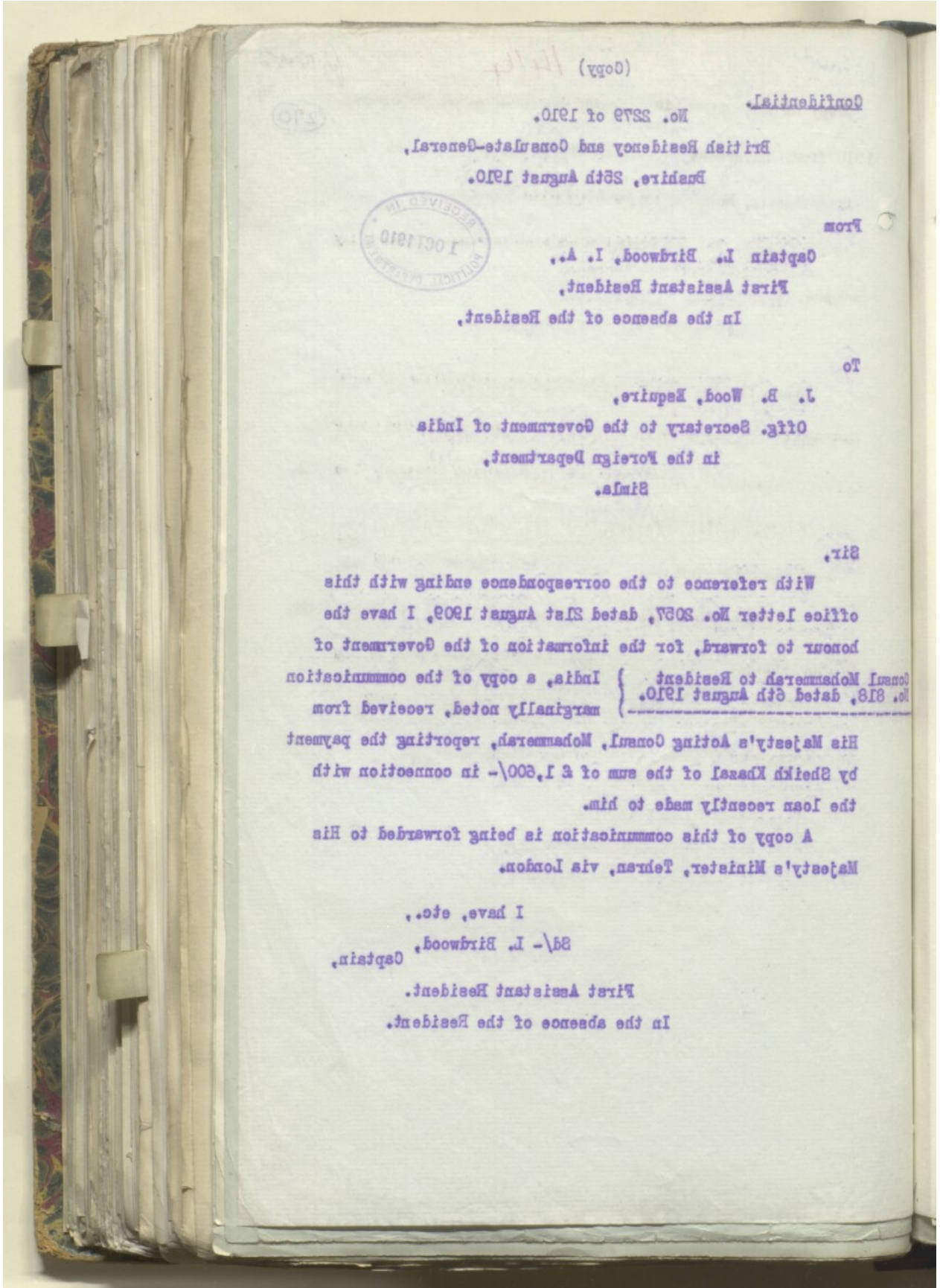


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٠ و] (٣٣٨/١٤٥)



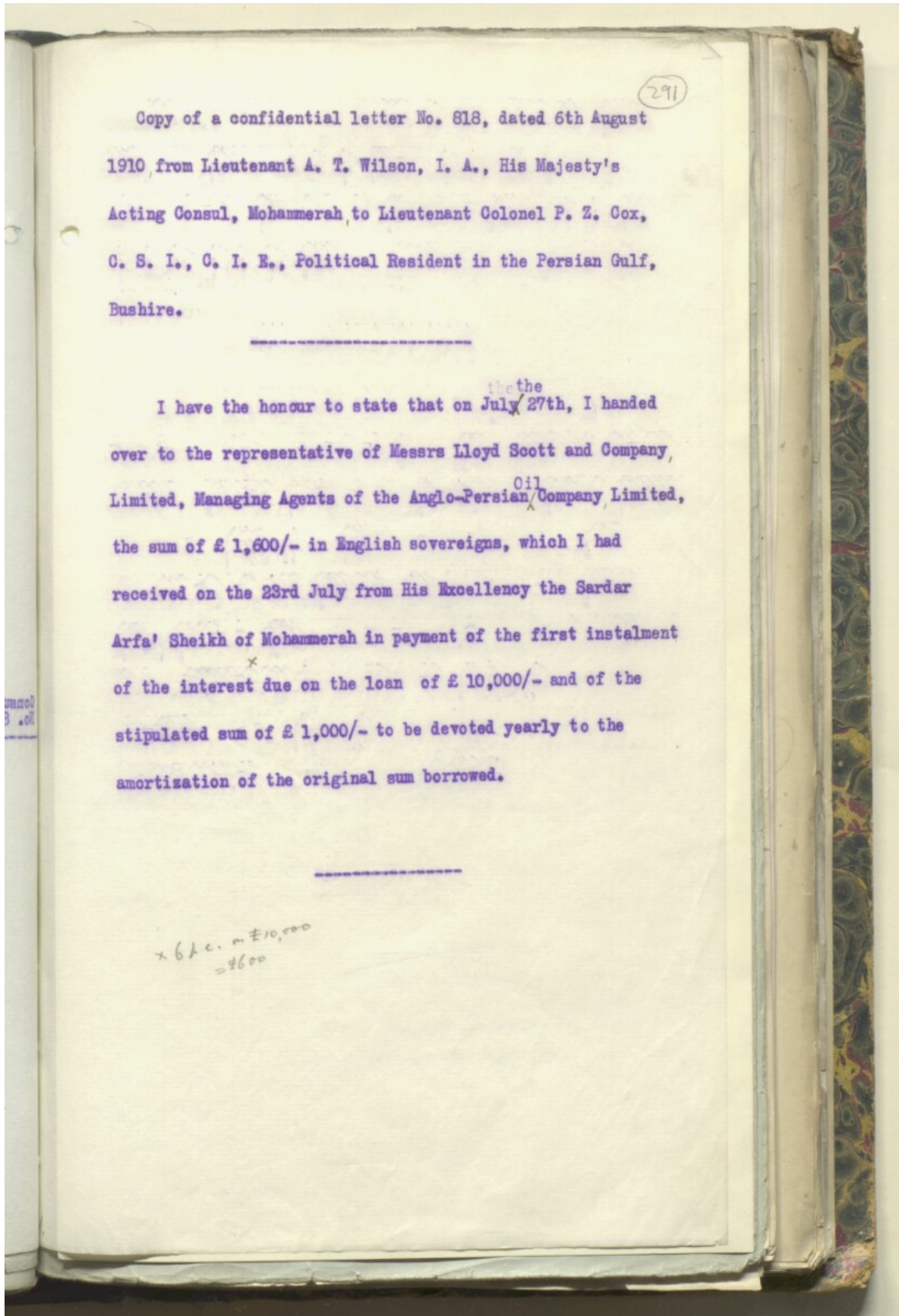


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٠ ظ] (٣٣٨/١٤٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩١ و] (٣٣٨/١٤٧)



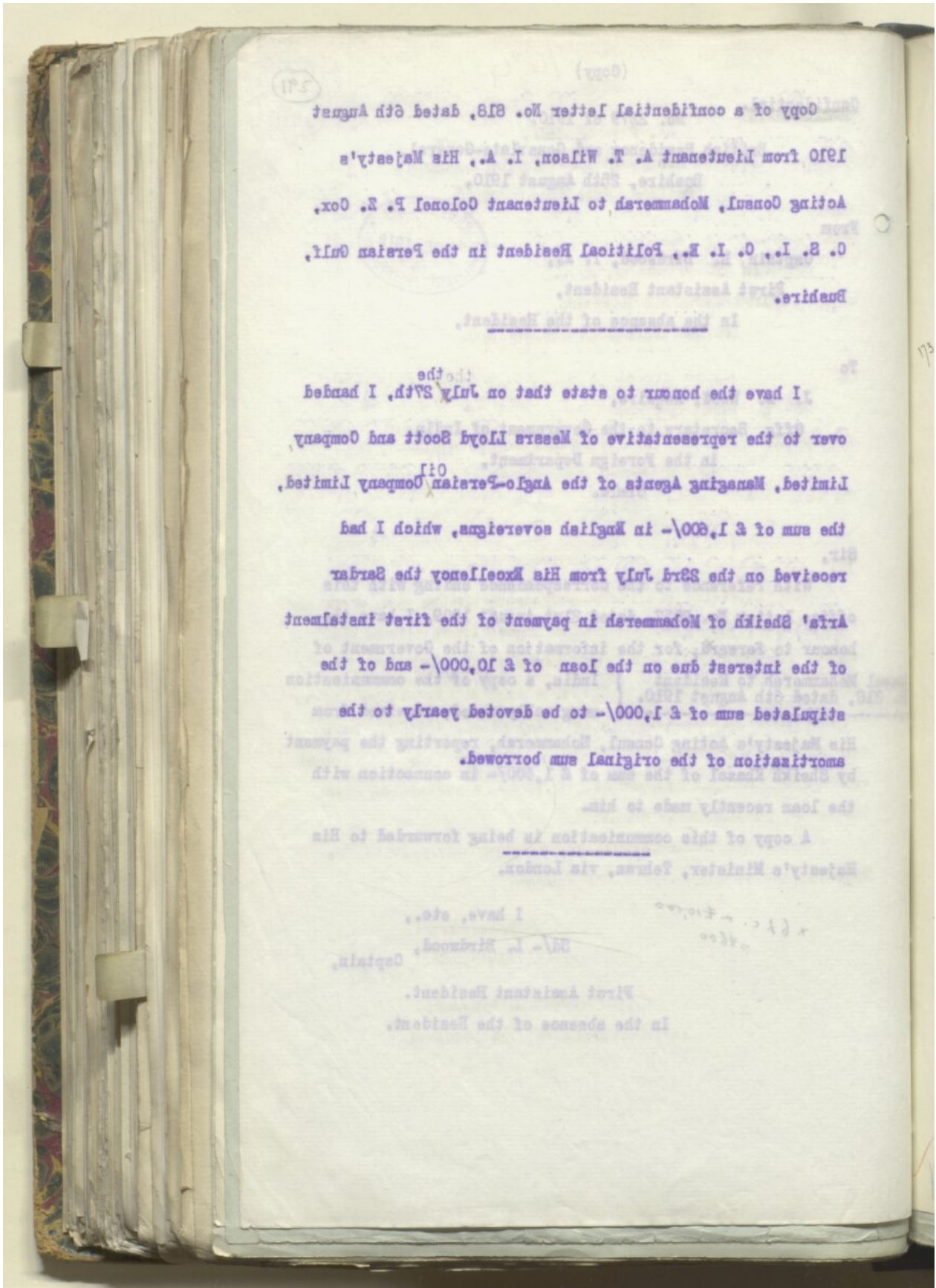
Copy of a confidential letter No. 818, dated 6th August
1910 from Lieutenant A. T. Wilson, I. A., His Majesty's
Acting Consul, Mohammerah, to Lieutenant Colonel P. Z. Cox,
C. S. I., C. I. E., Political Resident in the Persian Gulf,
Bushire.

I have the honour to state that on July^{the} 27th, I handed
over to the representative of Messrs Lloyd Scott and Company,
Limited, Managing Agents of the Anglo-Persian^{Oil} Company Limited,
the sum of £ 1,600/- in English sovereigns, which I had
received on the 23rd July from His Excellency the Sardar
Arfa' Sheikh of Mohammerah in payment of the first instalment
of the interest due on the loan of £ 10,000/- and of the
stipulated sum of £ 1,000/- to be devoted yearly to the
amortization of the original sum borrowed.

x 6 h c. m £10,000
= 2600



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩١١ظ] (٣٣٨/١٤٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٢و] (٣٣٨/١٤٩)

(292)

Register No. 3834

Minute Paper. **Secret Department.**

Letters from 70. Dated } 3, 7 August 1910.
Rec. }

	Date.	Initials.	SUBJECT.
173 Under Secretary.....	25 Aug.	EWK	<u>Persia.</u> <i>WMT</i>
Secretary of State			Shikhs of the Muhammadi's
Committee	26	KK	'Title Deeds' to Musam.
Under Secretary.....			musam, Abadan Island,
Secretary of State			etc.

Copy to Chair -
See within.

FOR INFORMATION.

Col. Gue remarks on
the satisfactory character
of the Shikhs' title to
the places in question.

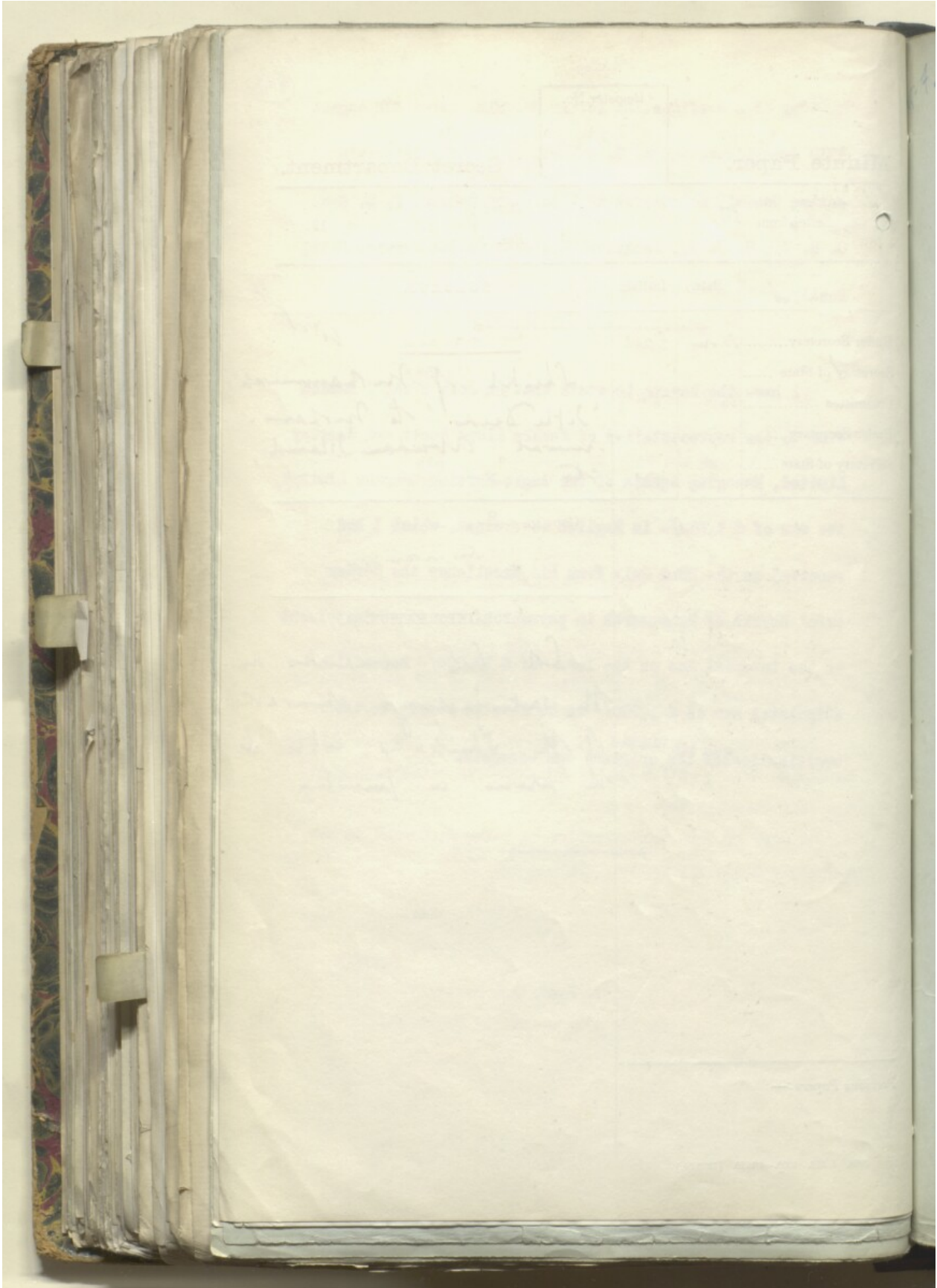
Seen Pol. Comtee.
3 SEP. 1910

Previous Papers:—

7908. I. 516. 1000.—4/1910. [1278/00.]

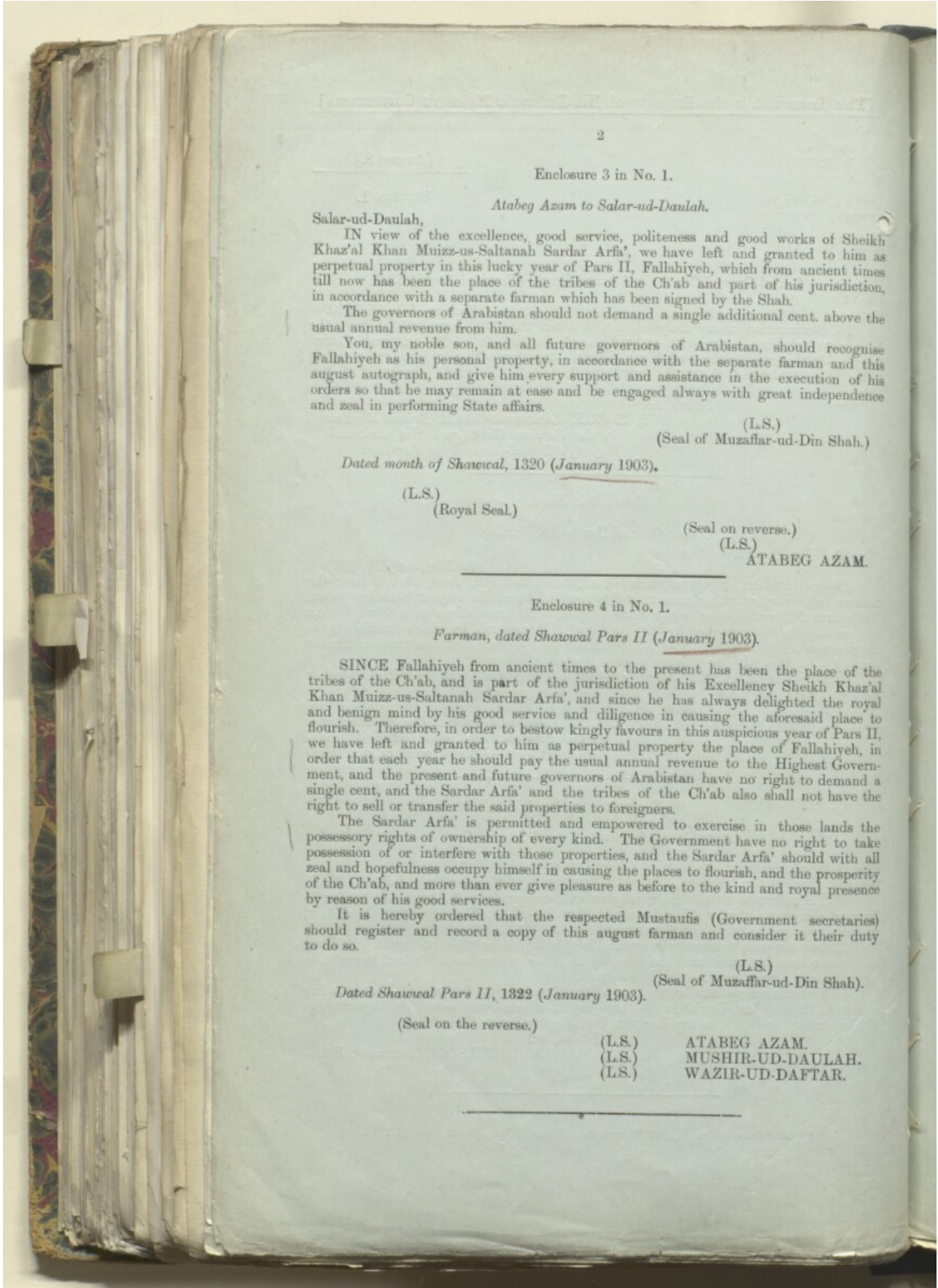


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٢ظ] (٣٣٨/١٥٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٣ظ] (٣٣٨/١٥٢)



2

Enclosure 3 in No. 1.

Atabeg Azam to Salar-ud-Daulah.

Salar-ud-Daulah,

IN view of the excellence, good service, politeness and good works of Sheikh Khaz'al Khan Muizz-us-Saltanah Sardar Arfa', we have left and granted to him as perpetual property in this lucky year of Pars II, Fallahiye, which from ancient times till now has been the place of the tribes of the Ch'ab and part of his jurisdiction, in accordance with a separate farman which has been signed by the Shah.

The governors of Arabistan should not demand a single additional cent. above the usual annual revenue from him.

You, my noble son, and all future governors of Arabistan, should recognise Fallahiye as his personal property, in accordance with the separate farman and this august autograph, and give him every support and assistance in the execution of his orders so that he may remain at ease and be engaged always with great independence and zeal in performing State affairs.

(L.S.)

(Seal of Muzaffar-ud-Din Shah.)

Dated month of Shawwal, 1320 (January 1903).

(L.S.)

(Royal Seal.)

(Seal on reverse.)

(L.S.)

ATABEG AZAM.

Enclosure 4 in No. 1.

Farman, dated Shawwal Pars II (January 1903).

SINCE Fallahiye from ancient times to the present has been the place of the tribes of the Ch'ab, and is part of the jurisdiction of his Excellency Sheikh Khaz'al Khan Muizz-us-Saltanah Sardar Arfa', and since he has always delighted the royal and benign mind by his good service and diligence in causing the aforesaid place to flourish. Therefore, in order to bestow kingly favours in this auspicious year of Pars II, we have left and granted to him as perpetual property the place of Fallahiye, in order that each year he should pay the usual annual revenue to the Highest Government, and the present and future governors of Arabistan have no right to demand a single cent, and the Sardar Arfa' and the tribes of the Ch'ab also shall not have the right to sell or transfer the said properties to foreigners.

The Sardar Arfa' is permitted and empowered to exercise in those lands the possessory rights of ownership of every kind. The Government have no right to take possession of or interfere with those properties, and the Sardar Arfa' should with all zeal and hopefulness occupy himself in causing the places to flourish, and the prosperity of the Ch'ab, and more than ever give pleasure as before to the kind and royal presence by reason of his good services.

It is hereby ordered that the respected Mustaufis (Government secretaries) should register and record a copy of this august farman and consider it their duty to do so.

(L.S.)

(Seal of Muzaffar-ud-Din Shah.)

Dated Shawwal Pars II, 1322 (January 1903).

(Seal on the reverse.)

(L.S.)

(L.S.)

(L.S.)

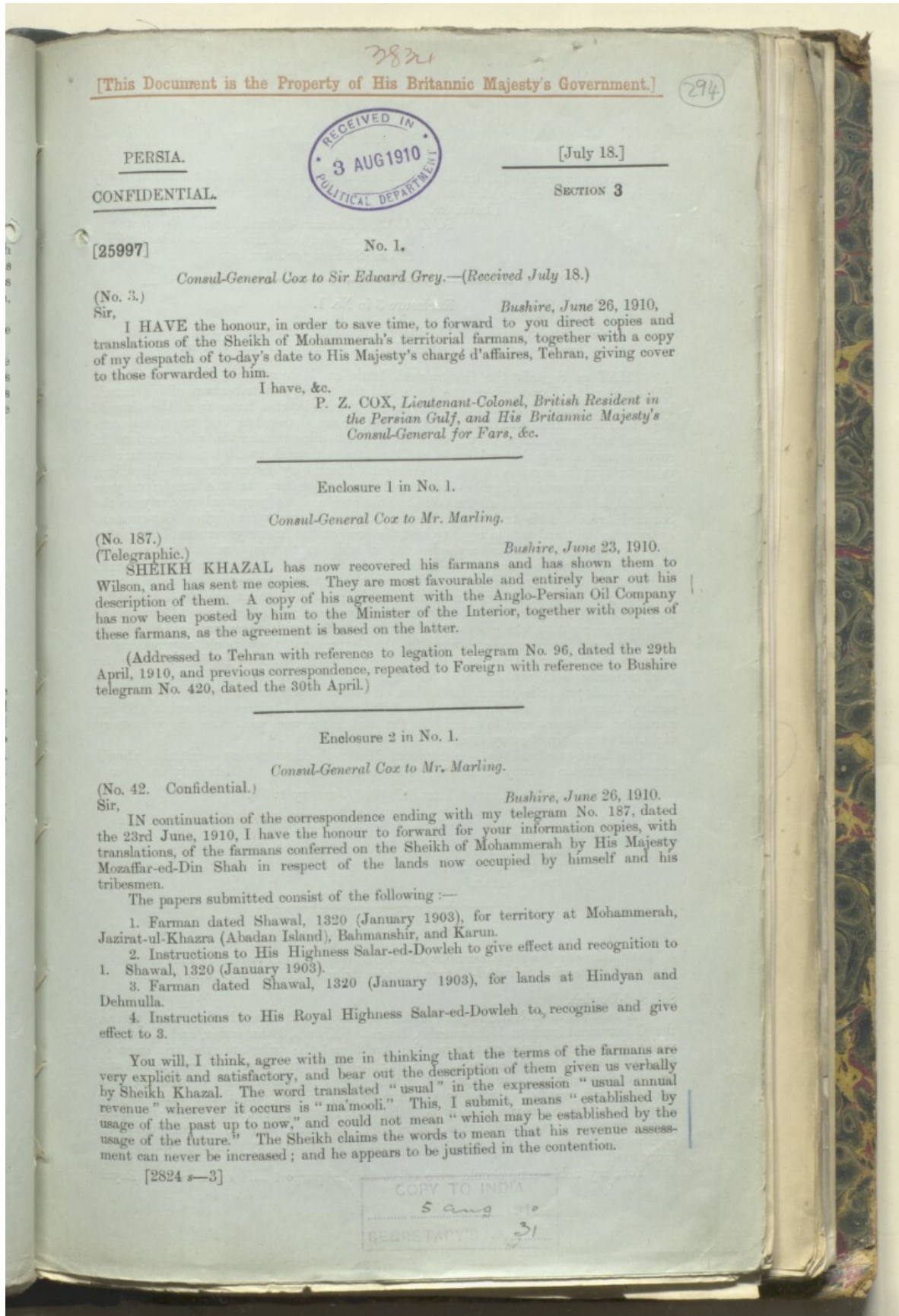
ATABEG AZAM.

MUSHIR-UD-DAULAH.

WAZIR-UD-DAFTAR.

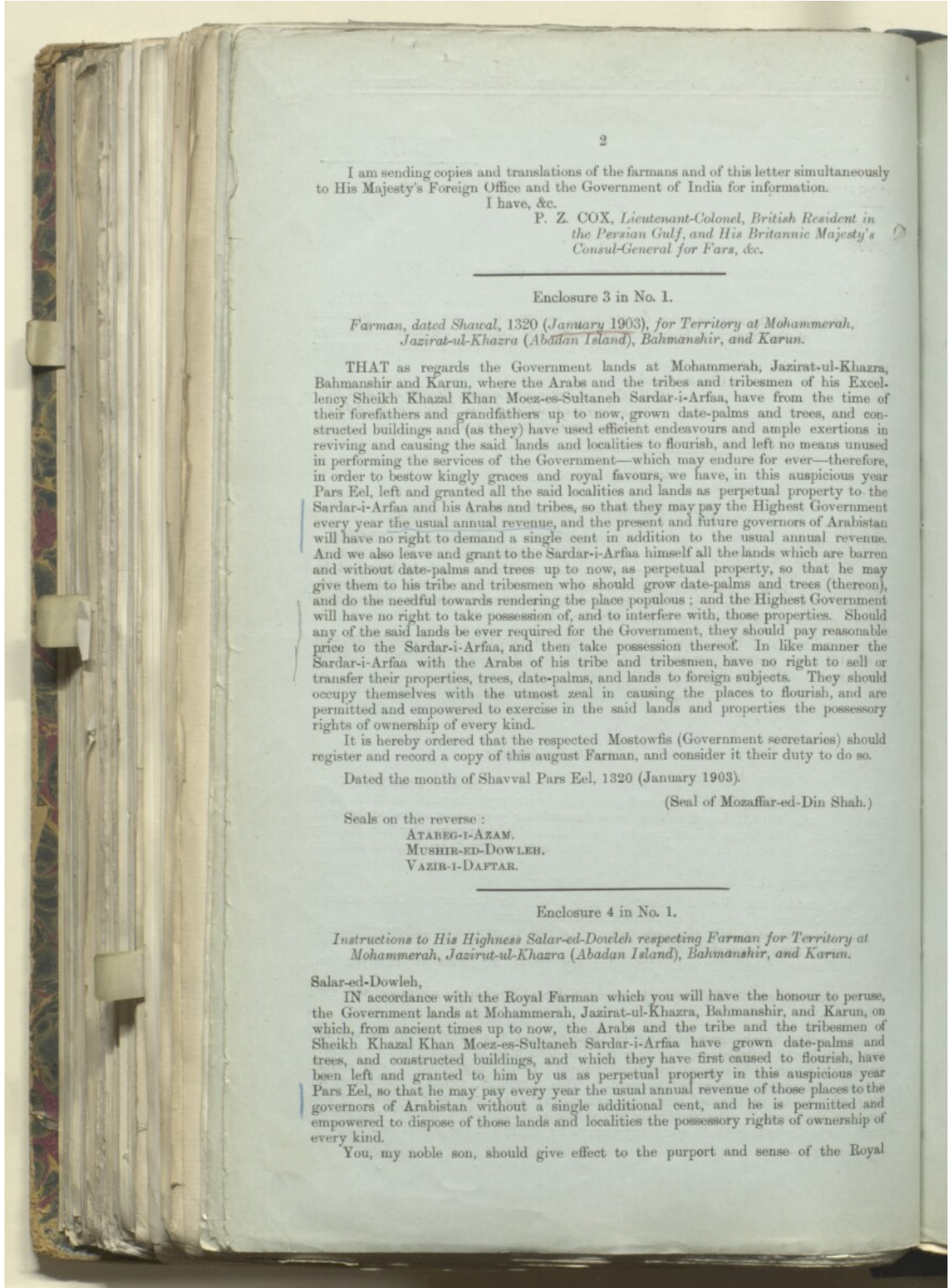


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٤ و] (٣٣٨/١٥٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٤ظ] (٣٣٨/١٥٤)



2

I am sending copies and translations of the farmans and of this letter simultaneously to His Majesty's Foreign Office and the Government of India for information.

I have, &c.

P. Z. COX, Lieutenant-Colonel, British Resident in the Persian Gulf, and His Britannic Majesty's Consul-General for Fars, &c.

Enclosure 3 in No. 1.

Farman, dated Shawal, 1320 (January 1903), for Territory at Mohammerah, Jazirat-ul-Khazra (Abadan Island), Bahmanshir, and Karun.

THAT as regards the Government lands at Mohammerah, Jazirat-ul-Khazra, Bahmanshir and Karun, where the Arabs and the tribes and tribesmen of his Excellency Sheikh Khazal Khan Moez-es-Sultaneh Sardar-i-Arfaa, have from the time of their forefathers and grandfathers up to now, grown date-palms and trees, and constructed buildings and (as they) have used efficient endeavours and ample exertions in reviving and causing the said lands and localities to flourish, and left no means unused in performing the services of the Government—which may endure for ever—therefore, in order to bestow kingly graces and royal favours, we have, in this auspicious year Pars Eel, left and granted all the said localities and lands as perpetual property to the Sardar-i-Arfaa and his Arabs and tribes, so that they may pay the Highest Government every year the usual annual revenue, and the present and future governors of Arabistan will have no right to demand a single cent in addition to the usual annual revenue. And we also leave and grant to the Sardar-i-Arfaa himself all the lands which are barren and without date-palms and trees up to now, as perpetual property, so that he may give them to his tribe and tribesmen who should grow date-palms and trees (thereon), and do the needful towards rendering the place populous; and the Highest Government will have no right to take possession of, and to interfere with, those properties. Should any of the said lands be ever required for the Government, they should pay reasonable price to the Sardar-i-Arfaa, and then take possession thereof. In like manner the Sardar-i-Arfaa with the Arabs of his tribe and tribesmen, have no right to sell or transfer their properties, trees, date-palms, and lands to foreign subjects. They should occupy themselves with the utmost zeal in causing the places to flourish, and are permitted and empowered to exercise in the said lands and properties the possessory rights of ownership of every kind.

It is hereby ordered that the respected Mostowfis (Government secretaries) should register and record a copy of this august Farman, and consider it their duty to do so.

Dated the month of Shawval Pars Eel, 1320 (January 1903).

(Seal of Mozaffar-ed-Din Shah.)

Seals on the reverse :

ATABEG-I-AZAM.
MUSHIR-ED-DOWLEH.
VAZIR-I-DAFTAR.

Enclosure 4 in No. 1.

Instructions to His Highness Salar-ed-Dowleh respecting Farman for Territory at Mohammerah, Jazirat-ul-Khazra (Abadan Island), Bahmanshir, and Karun.

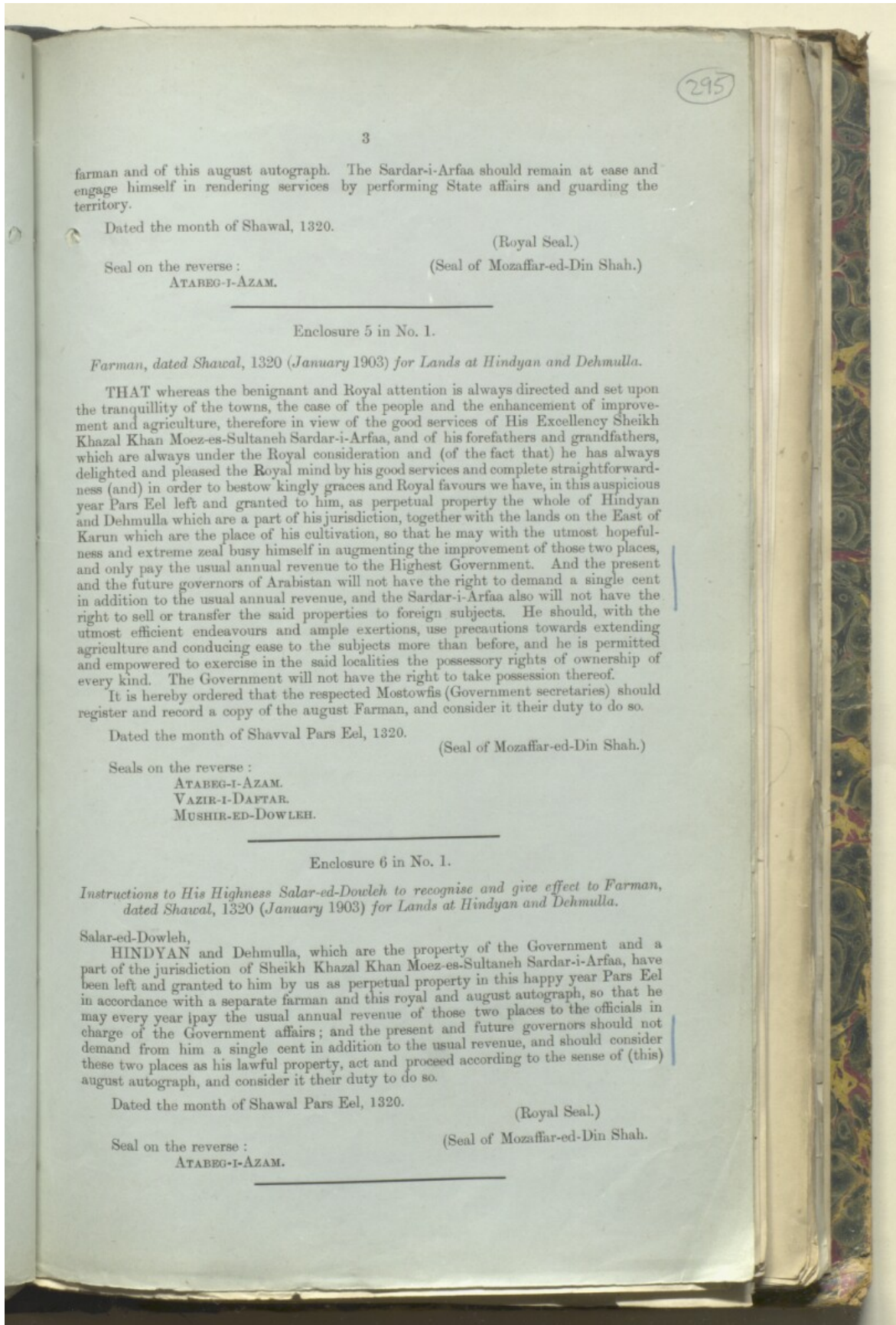
Salar-ed-Dowleh,

IN accordance with the Royal Farman which you will have the honour to peruse, the Government lands at Mohammerah, Jazirat-ul-Khazra, Bahmanshir, and Karun, on which, from ancient times up to now, the Arabs and the tribe and the tribesmen of Sheikh Khazal Khan Moez-es-Sultaneh Sardar-i-Arfaa have grown date-palms and trees, and constructed buildings, and which they have first caused to flourish, have been left and granted to him by us as perpetual property in this auspicious year Pars Eel, so that he may pay every year the usual annual revenue of those places to the governors of Arabistan without a single additional cent, and he is permitted and empowered to dispose of those lands and localities the possessory rights of ownership of every kind.

You, my noble son, should give effect to the purport and sense of the Royal



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٥ و] (٣٣٨/١٥٥)



3

farman and of this august autograph. The Sardar-i-Arfaa should remain at ease and engage himself in rendering services by performing State affairs and guarding the territory.

Dated the month of Shawal, 1320.

(Royal Seal.)

Seal on the reverse :

(Seal of Mozaffar-ed-Din Shah.)

ATABEG-I-AZAM.

Enclosure 5 in No. 1.

Farman, dated Shawal, 1320 (January 1903) for Lands at Hindyan and Dehmulla.

THAT whereas the benignant and Royal attention is always directed and set upon the tranquillity of the towns, the ease of the people and the enhancement of improvement and agriculture, therefore in view of the good services of His Excellency Sheikh Khazal Khan Moez-es-Sultaneh Sardar-i-Arfaa, and of his forefathers and grandfathers, which are always under the Royal consideration and (of the fact that) he has always delighted and pleased the Royal mind by his good services and complete straightforwardness (and) in order to bestow kingly graces and Royal favours we have, in this auspicious year Pars Eel left and granted to him, as perpetual property the whole of Hindyan and Dehmulla which are a part of his jurisdiction, together with the lands on the East of Karun which are the place of his cultivation, so that he may with the utmost hopefulness and extreme zeal busy himself in augmenting the improvement of those two places, and only pay the usual annual revenue to the Highest Government. And the present and the future governors of Arabistan will not have the right to demand a single cent in addition to the usual annual revenue, and the Sardar-i-Arfaa also will not have the right to sell or transfer the said properties to foreign subjects. He should, with the utmost efficient endeavours and ample exertions, use precautions towards extending agriculture and conducting ease to the subjects more than before, and he is permitted and empowered to exercise in the said localities the possessory rights of ownership of every kind. The Government will not have the right to take possession thereof.

It is hereby ordered that the respected Mostowfis (Government secretaries) should register and record a copy of the august Farman, and consider it their duty to do so.

Dated the month of Shawal Pars Eel, 1320.

(Seal of Mozaffar-ed-Din Shah.)

Seals on the reverse :

ATABEG-I-AZAM.

VAZIR-I-DAFTAR.

MUSHIR-ED-DOWLEH.

Enclosure 6 in No. 1.

Instructions to His Highness Salar-ed-Dowleh to recognise and give effect to Farman, dated Shawal, 1320 (January 1903) for Lands at Hindyan and Dehmulla.

Salar-ed-Dowleh,

HINDYAN and Dehmulla, which are the property of the Government and a part of the jurisdiction of Sheikh Khazal Khan Moez-es-Sultaneh Sardar-i-Arfaa, have been left and granted to him by us as perpetual property in this happy year Pars Eel in accordance with a separate farman and this royal and august autograph, so that he may every year ipay the usual annual revenue of those two places to the officials in charge of the Government affairs; and the present and future governors should not demand from him a single cent in addition to the usual revenue, and should consider these two places as his lawful property, act and proceed according to the sense of (this) august autograph, and consider it their duty to do so.

Dated the month of Shawal Pars Eel, 1320.

(Royal Seal.)

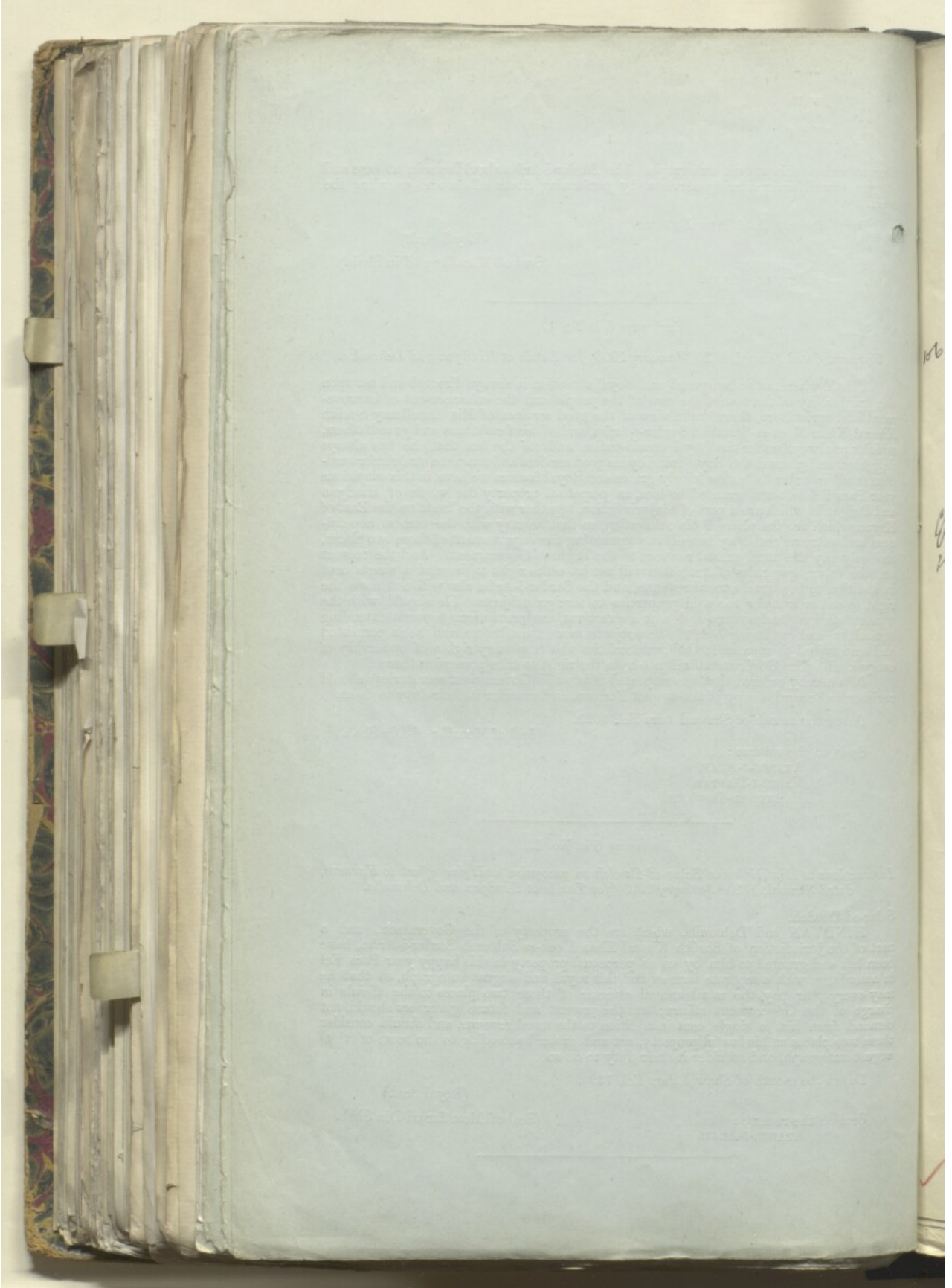
Seal on the reverse :

(Seal of Mozaffar-ed-Din Shah.)

ATABEG-I-AZAM.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٥ظ] (٣٣٨/١٥٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٢٩٦ و] (٣٣٨/١٥٧)

(296)

Register No. **3553**

Minute Paper. **Secret Department.**

Letter from *L.O.* Dated */5* } *June* 1910.
Rec. */5* }

	Date.	Initials.	SUBJECT.
Under Secretary.....	<i>17/11/10</i>	<i>JL</i>	<i>Persia.</i> <i>Nature of Sheikh of Moham.</i> <i>murah's title to lands on</i> <i>Abadan island.</i> <i>Representations to Sardar</i> <i>Assad through Mr. Preece.</i>
Secretary of State	<i>18</i>	<i>KL</i>	
Committee	<i>20</i>	<i>KL</i>	
Under Secretary.....			
Secretary of State			

Copy to
India May 24, June 17th 1910.

FOR INFORMATION.

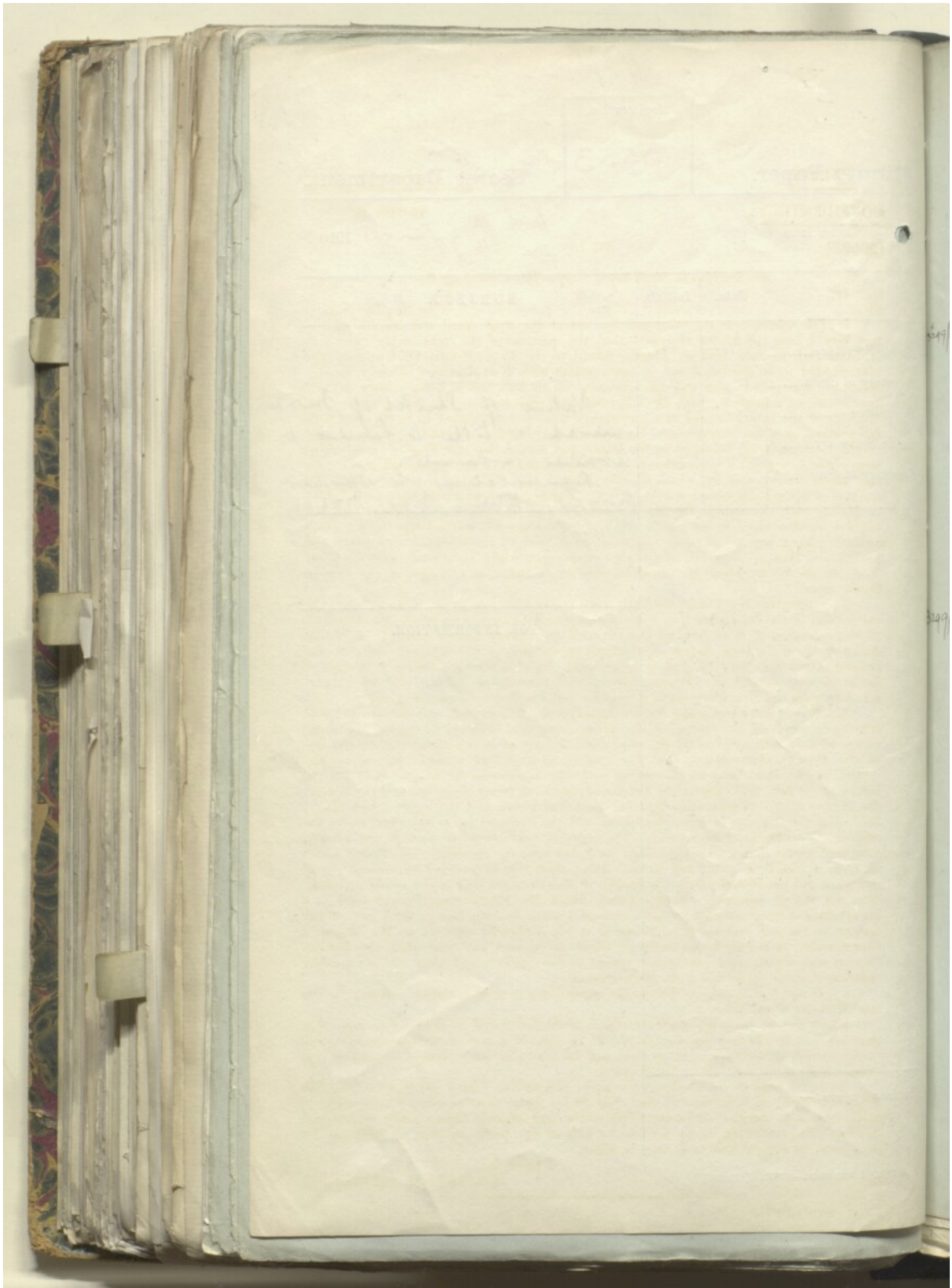
See Pol. Com. es,
23 JUN 1910

Previous Papers:—
3531 ✓
3299 ✓

7908. I. 516. 1000.—4/1910. [1278,09.]

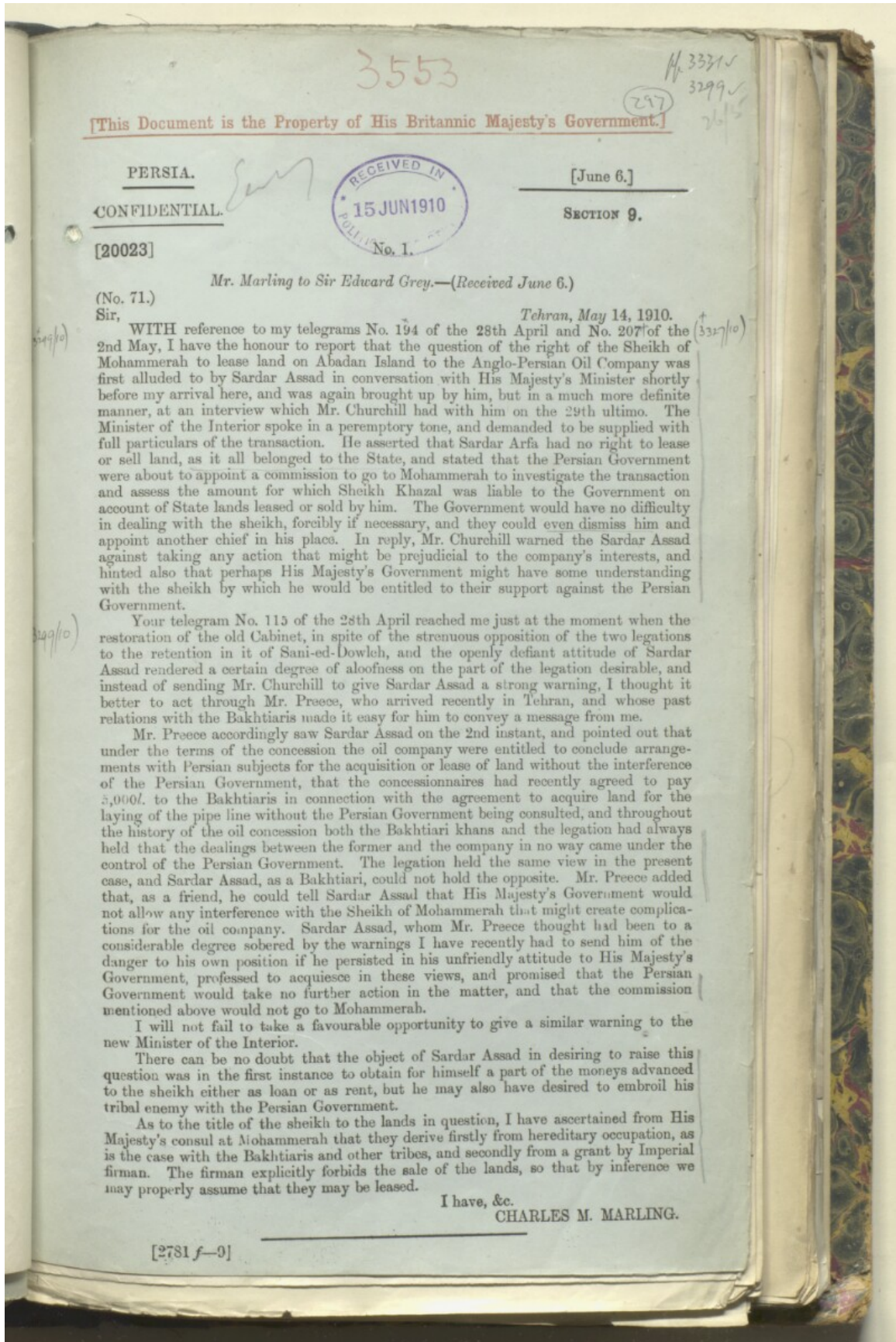


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٦ظ] (٣٣٨/١٥٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٧و] (٣٣٨/١٥٩)

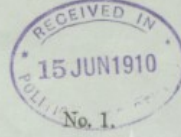


[This Document is the Property of His Britannic Majesty's Government.]

PERSIA.

[June 6.]

CONFIDENTIAL.



SECTION 9.

[20023]

Mr. Marling to Sir Edward Grey.—(Received June 6.)

(No. 71.)

Tehran, May 14, 1910.

Sir,

WITH reference to my telegrams No. 194 of the 23rd April and No. 207 of the 2nd May, I have the honour to report that the question of the right of the Sheikh of Mohammerah to lease land on Abadan Island to the Anglo-Persian Oil Company was first alluded to by Sardar Assad in conversation with His Majesty's Minister shortly before my arrival here, and was again brought up by him, but in a much more definite manner, at an interview which Mr. Churchill had with him on the 29th ultimo. The Minister of the Interior spoke in a peremptory tone, and demanded to be supplied with full particulars of the transaction. He asserted that Sardar Arfa had no right to lease or sell land, as it all belonged to the State, and stated that the Persian Government were about to appoint a commission to go to Mohammerah to investigate the transaction and assess the amount for which Sheikh Khazal was liable to the Government on account of State lands leased or sold by him. The Government would have no difficulty in dealing with the sheikh, forcibly if necessary, and they could even dismiss him and appoint another chief in his place. In reply, Mr. Churchill warned the Sardar Assad against taking any action that might be prejudicial to the company's interests, and hinted also that perhaps His Majesty's Government might have some understanding with the sheikh by which he would be entitled to their support against the Persian Government.

Your telegram No. 115 of the 25th April reached me just at the moment when the restoration of the old Cabinet, in spite of the strenuous opposition of the two legations to the retention in it of Sani-ed-Dowleh, and the openly defiant attitude of Sardar Assad rendered a certain degree of aloofness on the part of the legation desirable, and instead of sending Mr. Churchill to give Sardar Assad a strong warning, I thought it better to act through Mr. Preece, who arrived recently in Tehran, and whose past relations with the Bakhtiaris made it easy for him to convey a message from me.

Mr. Preece accordingly saw Sardar Assad on the 2nd instant, and pointed out that under the terms of the concession the oil company were entitled to conclude arrangements with Persian subjects for the acquisition or lease of land without the interference of the Persian Government, that the concessionaires had recently agreed to pay 5,000l. to the Bakhtiaris in connection with the agreement to acquire land for the laying of the pipe line without the Persian Government being consulted, and throughout the history of the oil concession both the Bakhtiari khans and the legation had always held that the dealings between the former and the company in no way came under the control of the Persian Government. The legation held the same view in the present case, and Sardar Assad, as a Bakhtiari, could not hold the opposite. Mr. Preece added that, as a friend, he could tell Sardar Assad that His Majesty's Government would not allow any interference with the Sheikh of Mohammerah that might create complications for the oil company. Sardar Assad, whom Mr. Preece thought had been to a considerable degree sobered by the warnings I have recently had to send him of the danger to his own position if he persisted in his unfriendly attitude to His Majesty's Government, professed to acquiesce in these views, and promised that the Persian Government would take no further action in the matter, and that the commission mentioned above would not go to Mohammerah.

I will not fail to take a favourable opportunity to give a similar warning to the new Minister of the Interior.

There can be no doubt that the object of Sardar Assad in desiring to raise this question was in the first instance to obtain for himself a part of the moneys advanced to the sheikh either as loan or as rent, but he may also have desired to embroil his tribal enemy with the Persian Government.

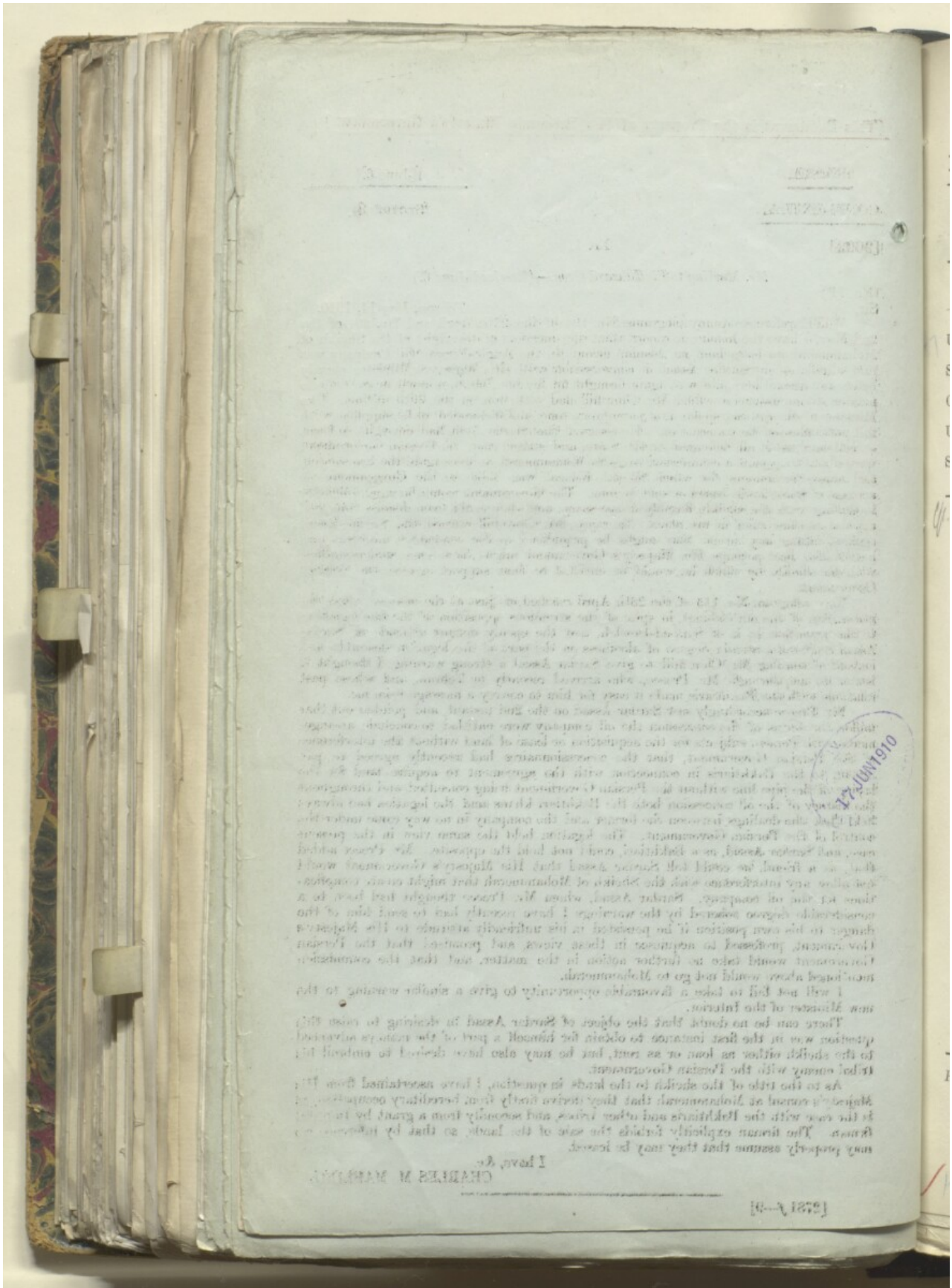
As to the title of the sheikh to the lands in question, I have ascertained from His Majesty's consul at Mohammerah that they derive firstly from hereditary occupation, as is the case with the Bakhtiaris and other tribes, and secondly from a grant by Imperial firman. The firman explicitly forbids the sale of the lands, so that by inference we may properly assume that they may be leased.

I have, &c.
CHARLES M. MARLING.

[2781 f-9]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
 المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٧ظ] (٣٣٨/١٦٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٨و] (٣٣٨/١٦١)

Register No. 3331

Minute Paper. Secret Department.

Letter from *Jo.* Dated 2,6 } May 1910.
Rec. 3,6 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	7 May	<i>Eab</i>	<i>Persia.</i> <i>Consent of Shikh of Moham.</i> <i>March to communication to</i> <i>Persian Govt. of his lease of</i> <i>Abadan Island to the Anglo. Per.</i> <i>-sian Oil Co.</i>
Secretary of State	9	<i>Re</i>	
Committee	10	<i>Mr.</i>	
Under Secretary.....			
Secretary of State			

Copy to India 6 May 1910
Sec. 15

FOR INFORMATION.

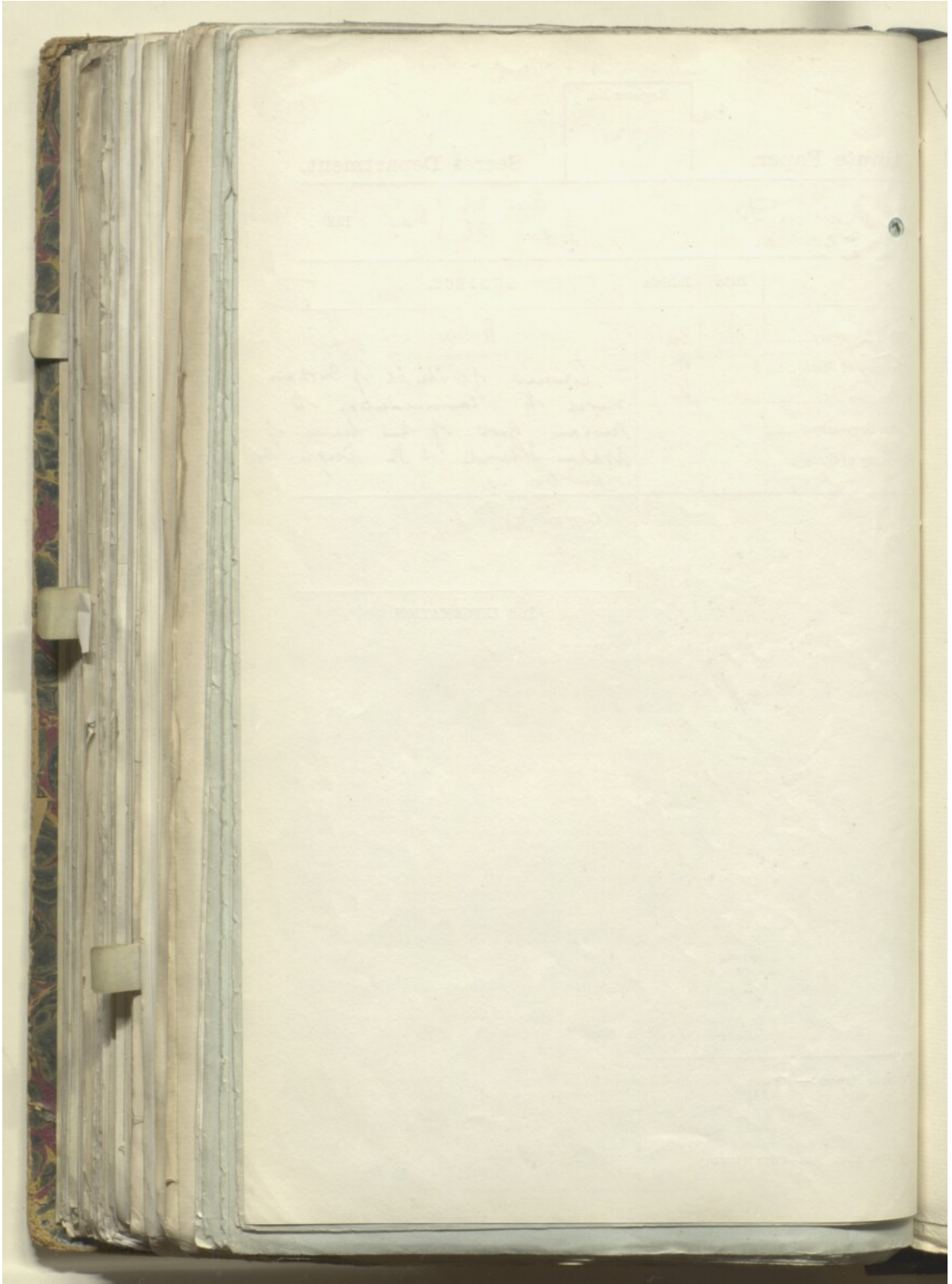
Seen Tel. Com. 24 MAY 1910

Previous Papers:— 3299 Com

7908. I. 518. 1000.—4/1910. [1278/06.]

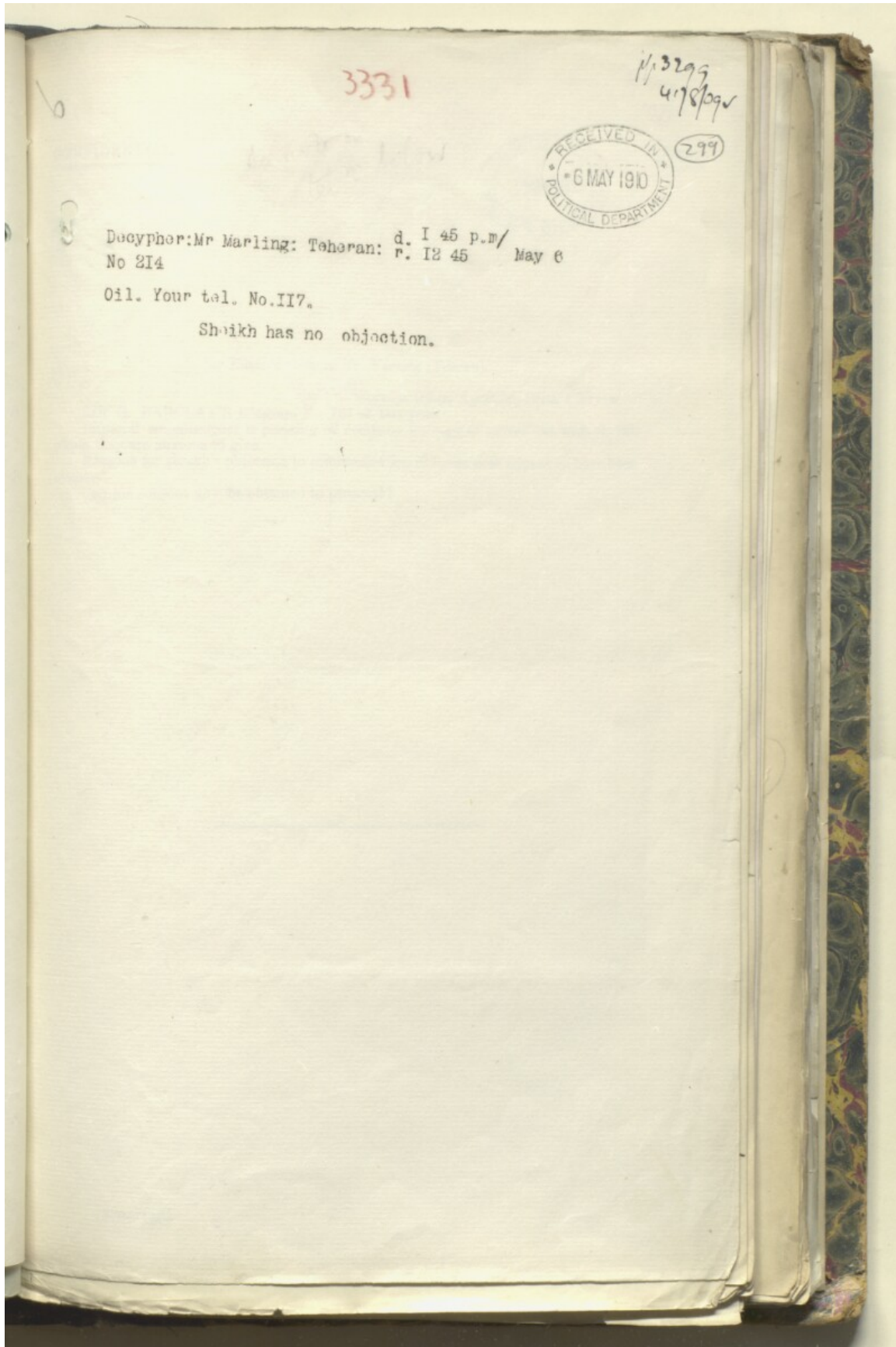


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٨ظ] (٣٣٨/١٦٢)



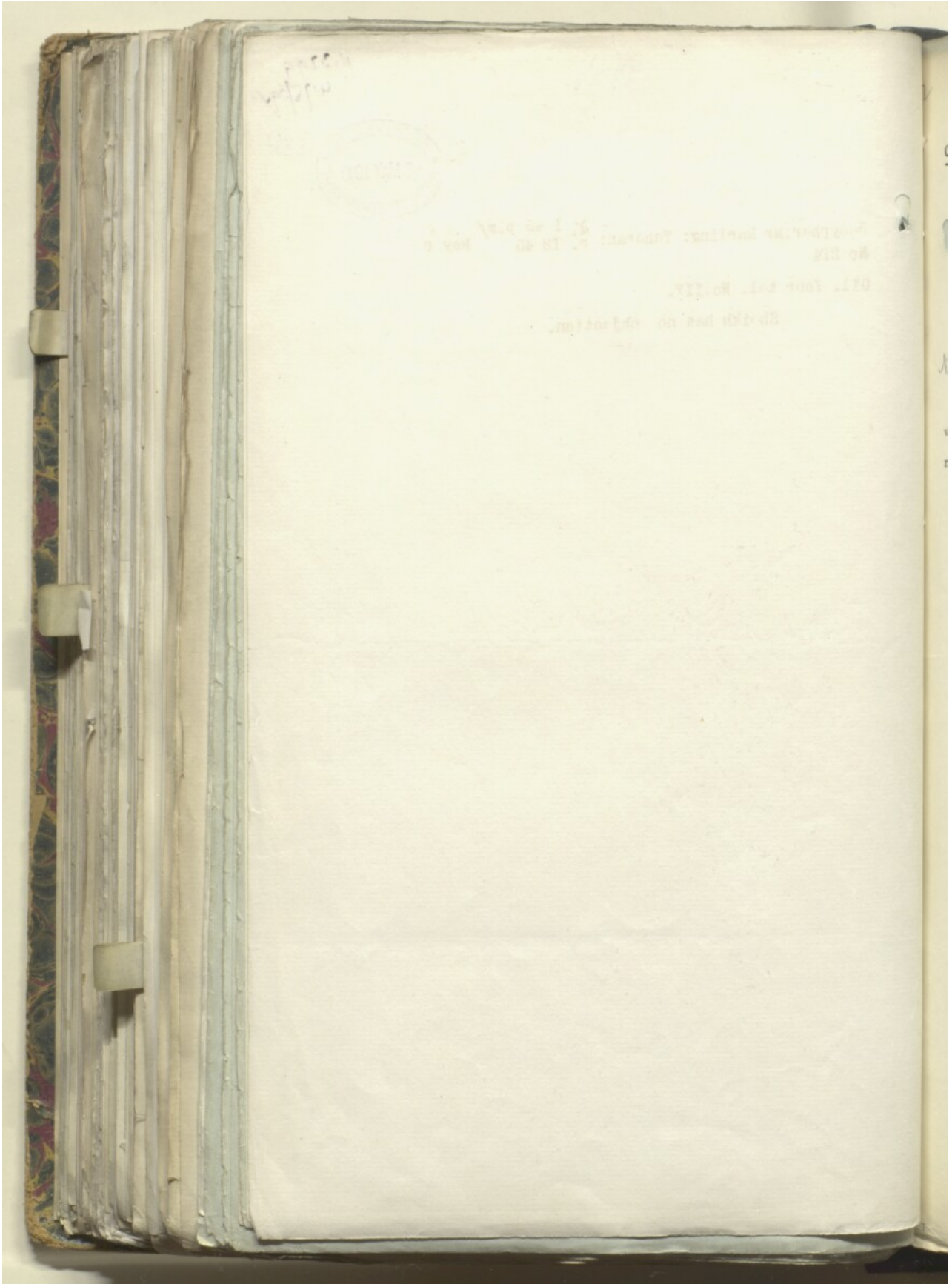


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٩و] (٣٣٨/١٦٣)



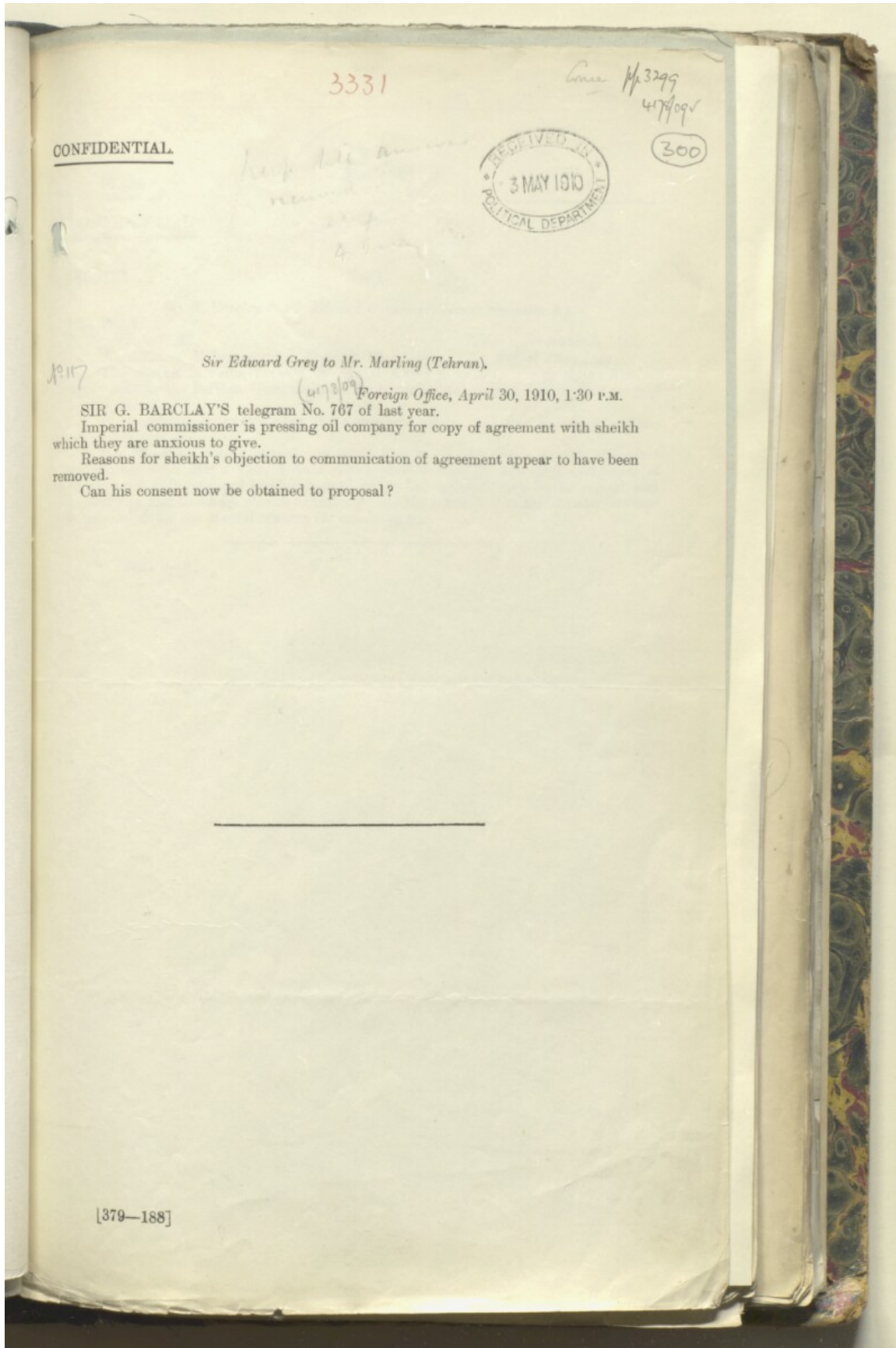


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٢٩٩ظ] (٣٣٨/١٦٤)



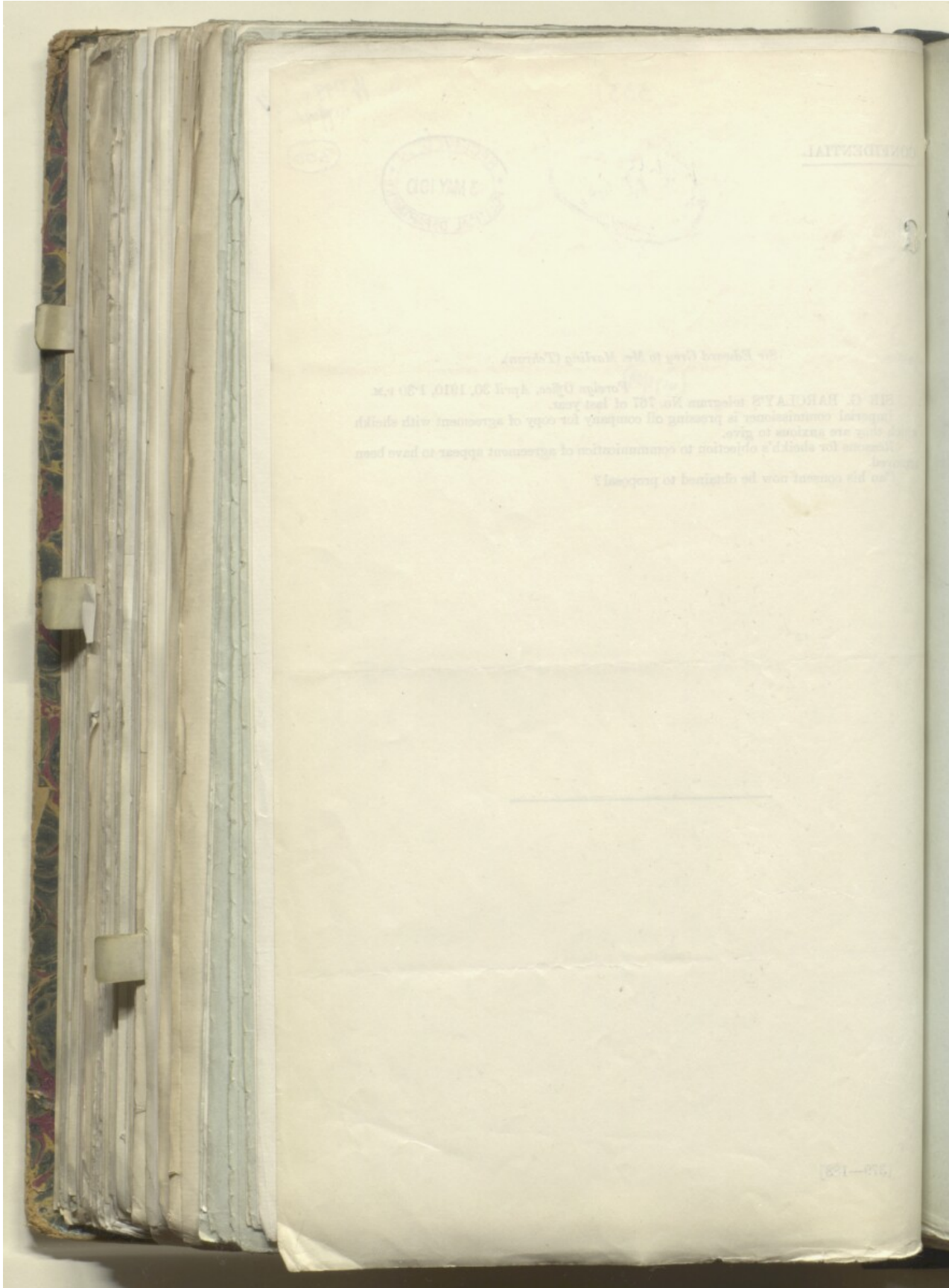


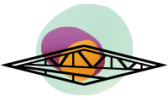
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٠و] (٣٣٨/١٦٥)



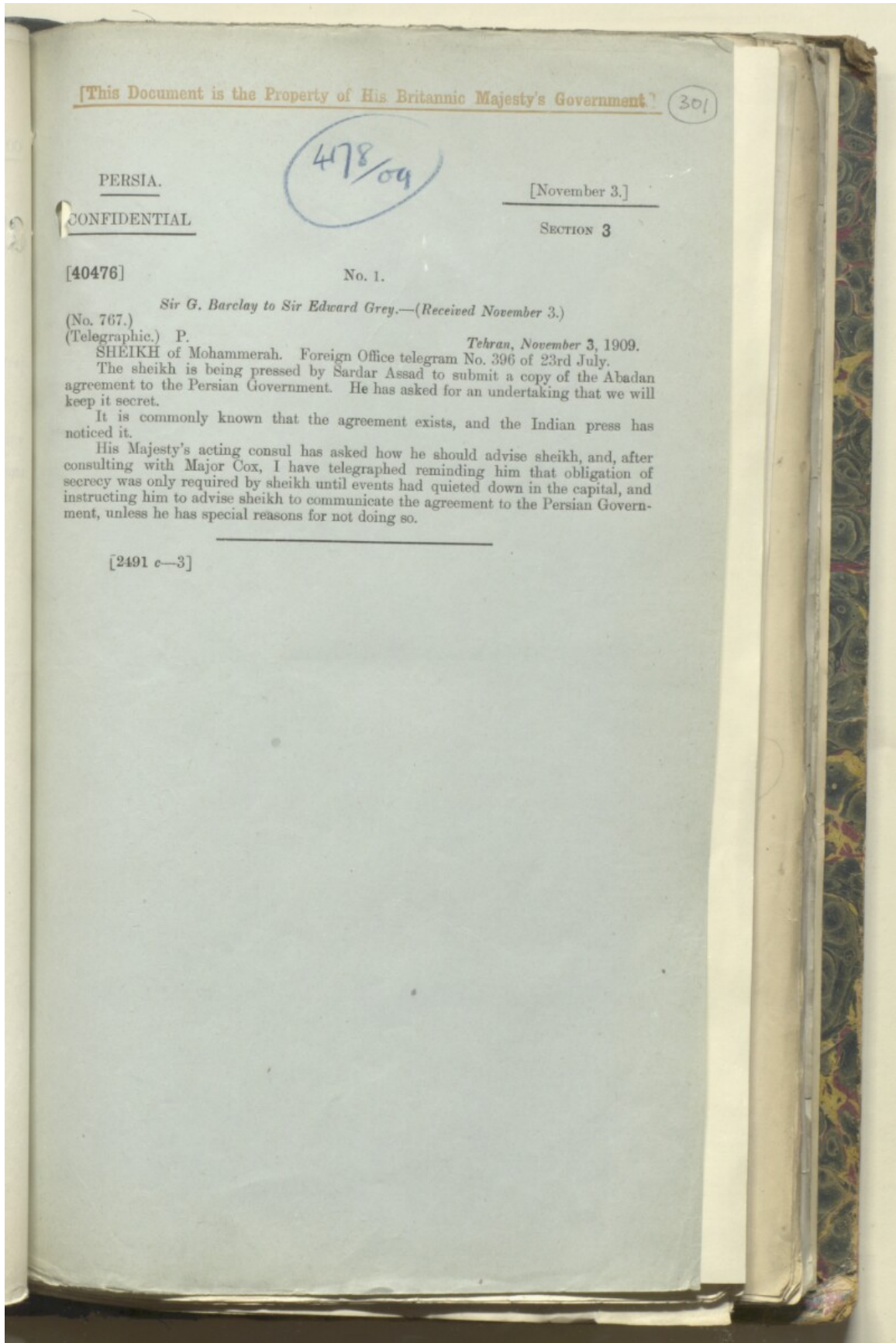


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٠ظ] (٣٣٨/١٦٦)



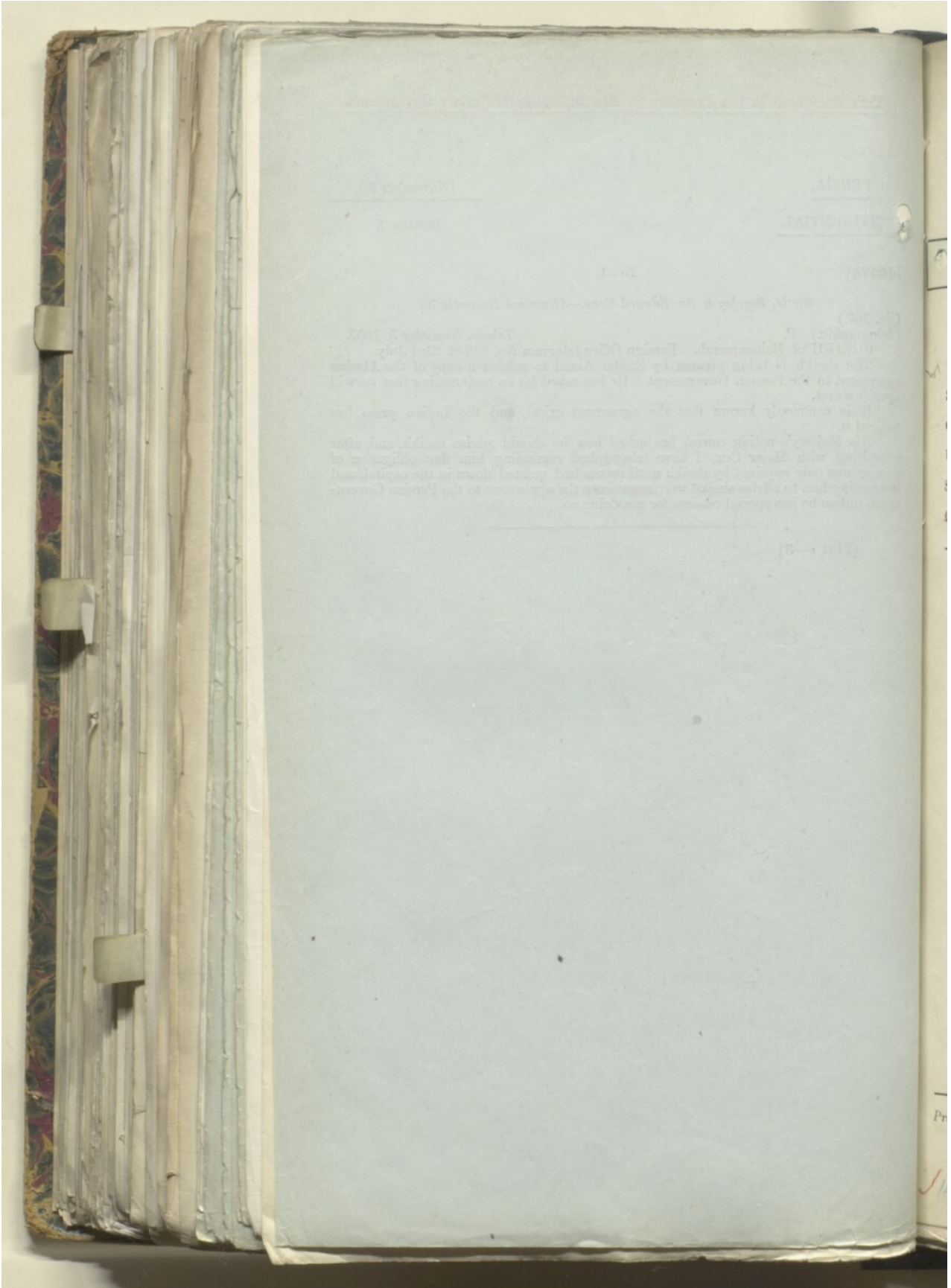


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠١ و] (٣٣٨/١٦٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠١ظ] (٣٣٨/١٦٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٢ و] (٣٣٨/١٦٩)

Register No. **3299** *Secret Political Department.* *302*

Minute Paper.

Letter from *Jo* Dated } *28 April* 1900.
Rec. } *TR*

Formally acknowledged *Mr. Secretary TR*

	Date.	Initials.	SUBJECT.
Under Secretary.....	<i>29 Apr.</i>	<i>last</i>	<i>Persia. last</i>
Secretary of State	<i>20</i>	<i>Ka</i>	
Committee	<i>2.5.</i>	<i>Ka</i>	
Under Secretary.....			
Secretary of State			
<u>Council</u>			

Attempt by Minister of Int. Affairs to raise question of the right of the Sheikh of Mohammarah to lease land on Abadan Island.

Copy to India
See within

For information.

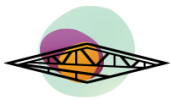
The Sheikh, it will be remembered, has always been apprehensive of this question coming up (see minute on 4178/09 below)

When the agreement with the Anglo-Persian Oil Co. was under consideration, he was anxious for the insertion of a clause that the buildings to be erected by the Co. should revert to himself & his heirs, or words to that effect. This stipulation he was persuaded to drop (Maj. Gen's Despatch of 25 July last).

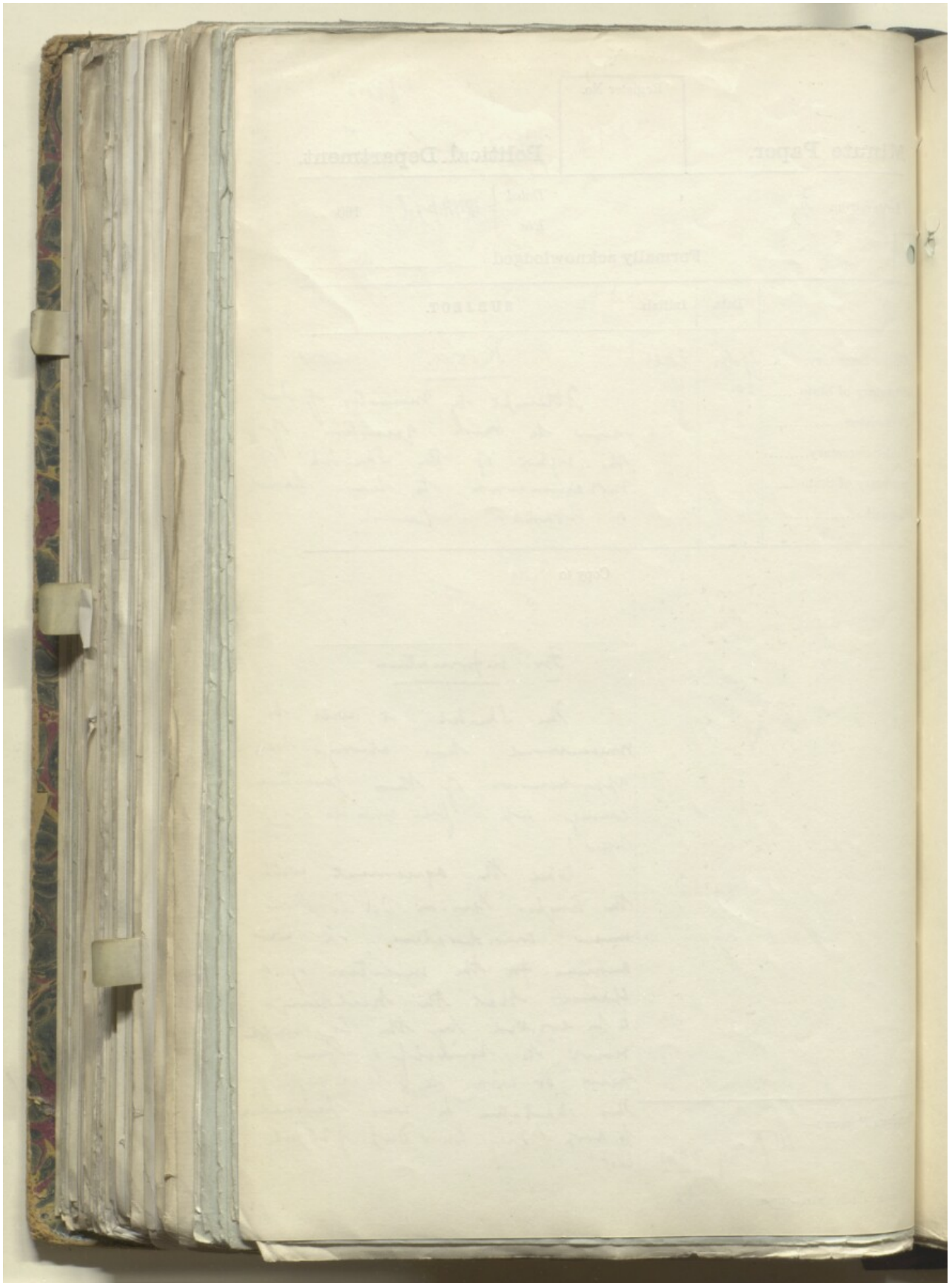
Seen Pol. Com. 22, 7 MAY 1910

Previous Papers:— *4178/09 3957/09*

3712. I. 1854. 2000.—7/1908.

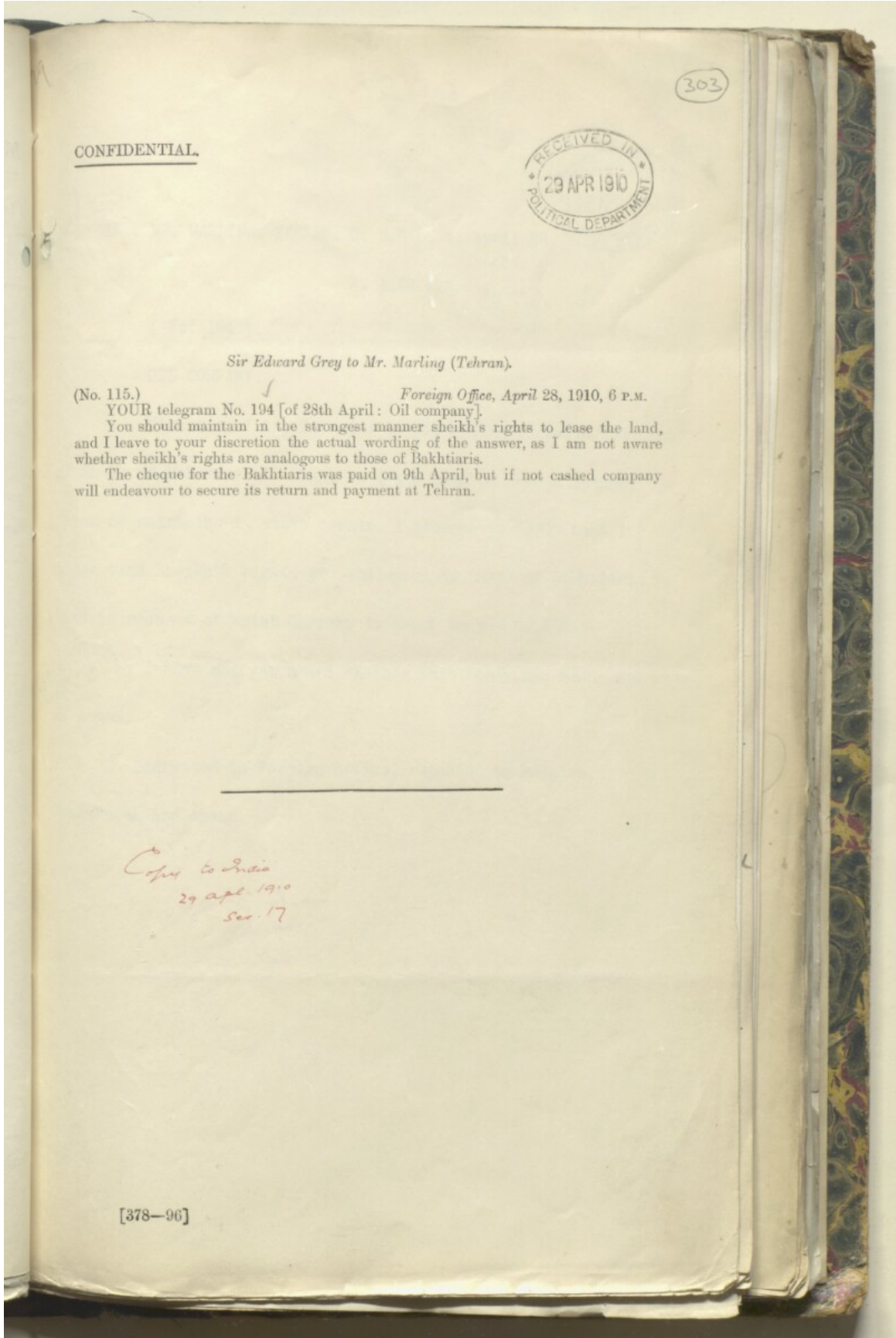


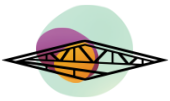
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٢ظ] (٣٣٨/١٧٠)



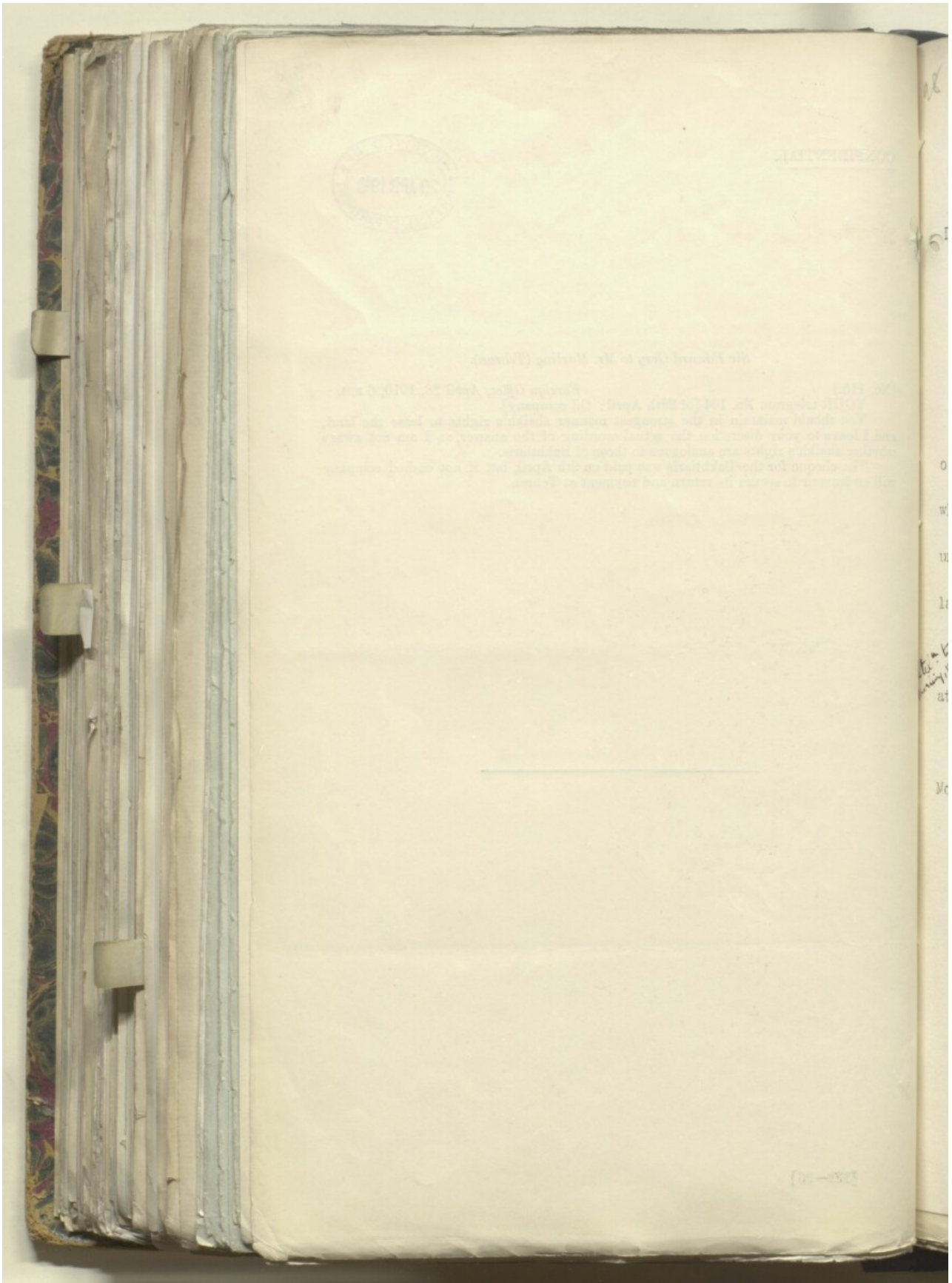


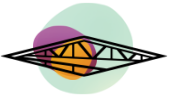
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٣ و] (٣٣٨/١٧١)



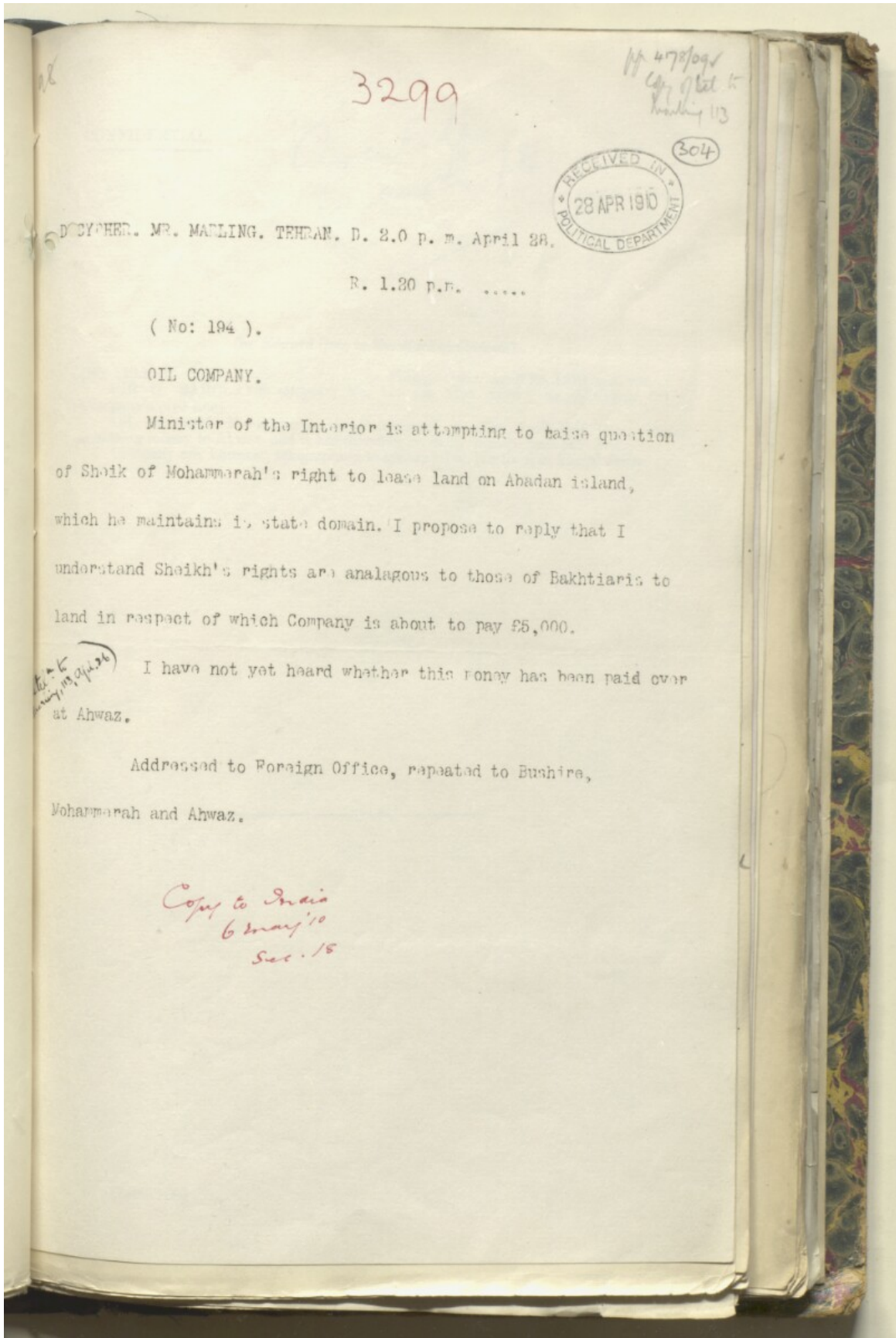


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٣ ظ] (٣٣٨/١٧٢)



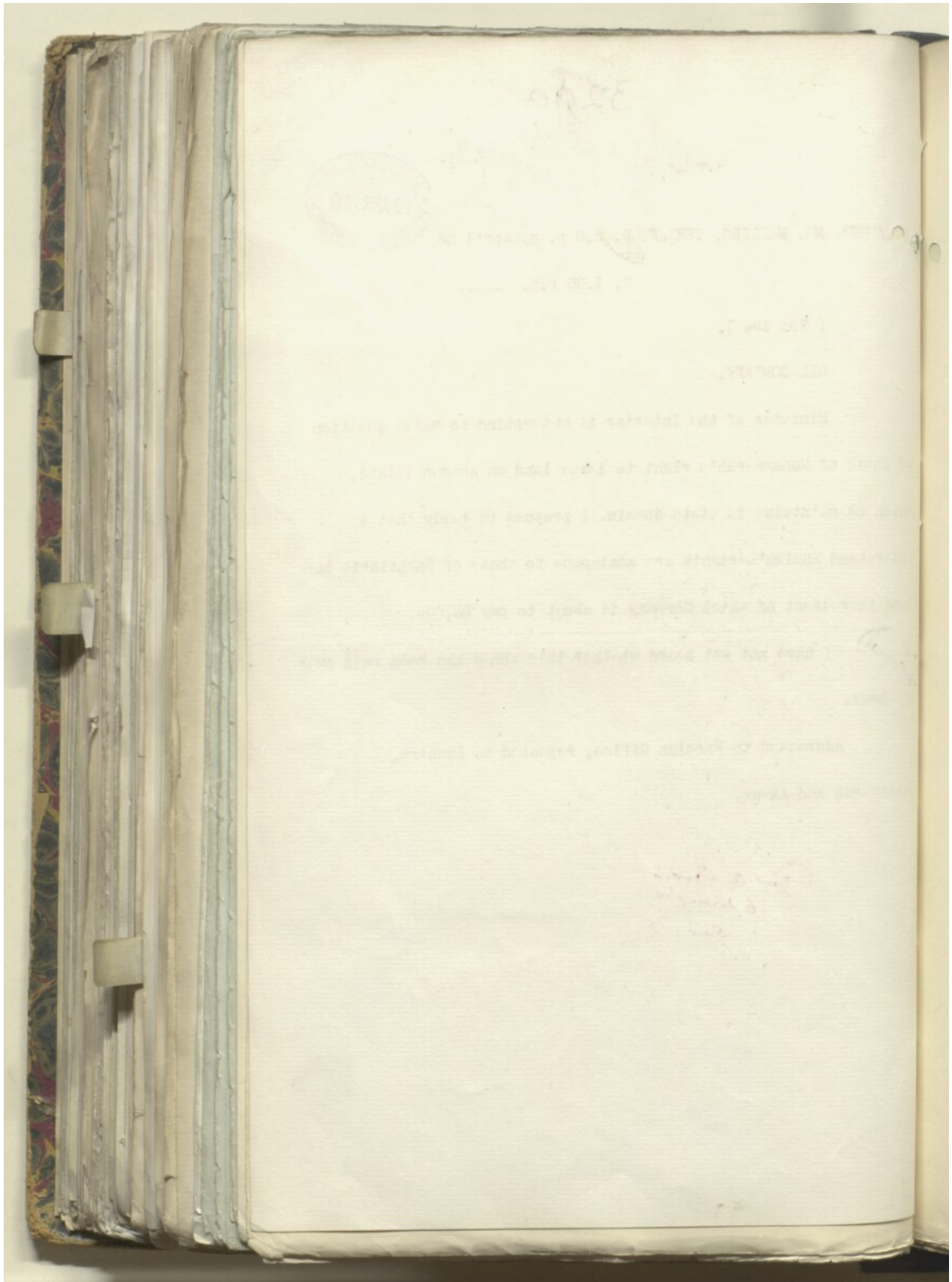


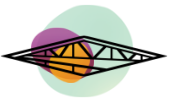
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٤ و] (٣٣٨/١٧٣)



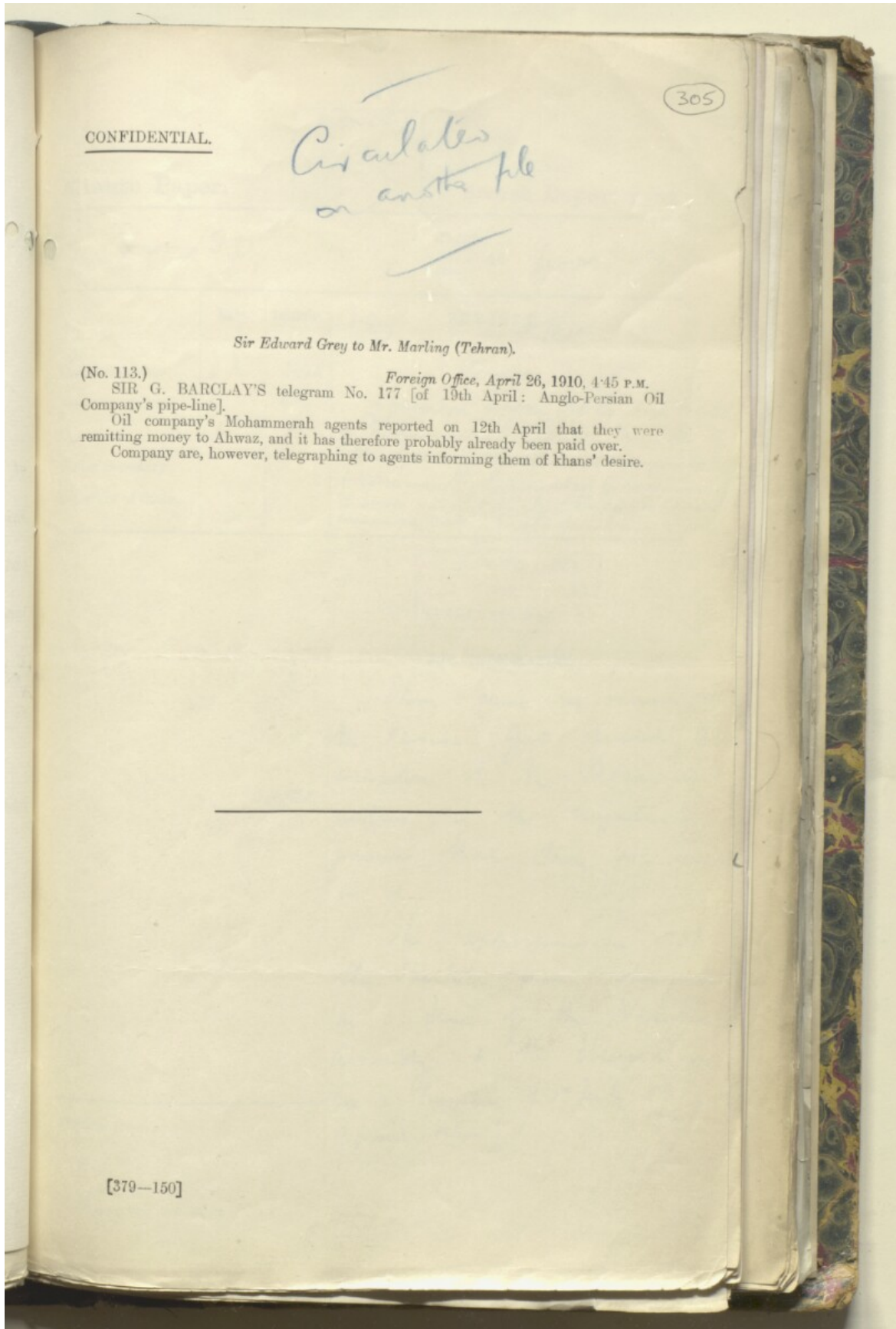


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٤ ظ] (٣٣٨/١٧٤)



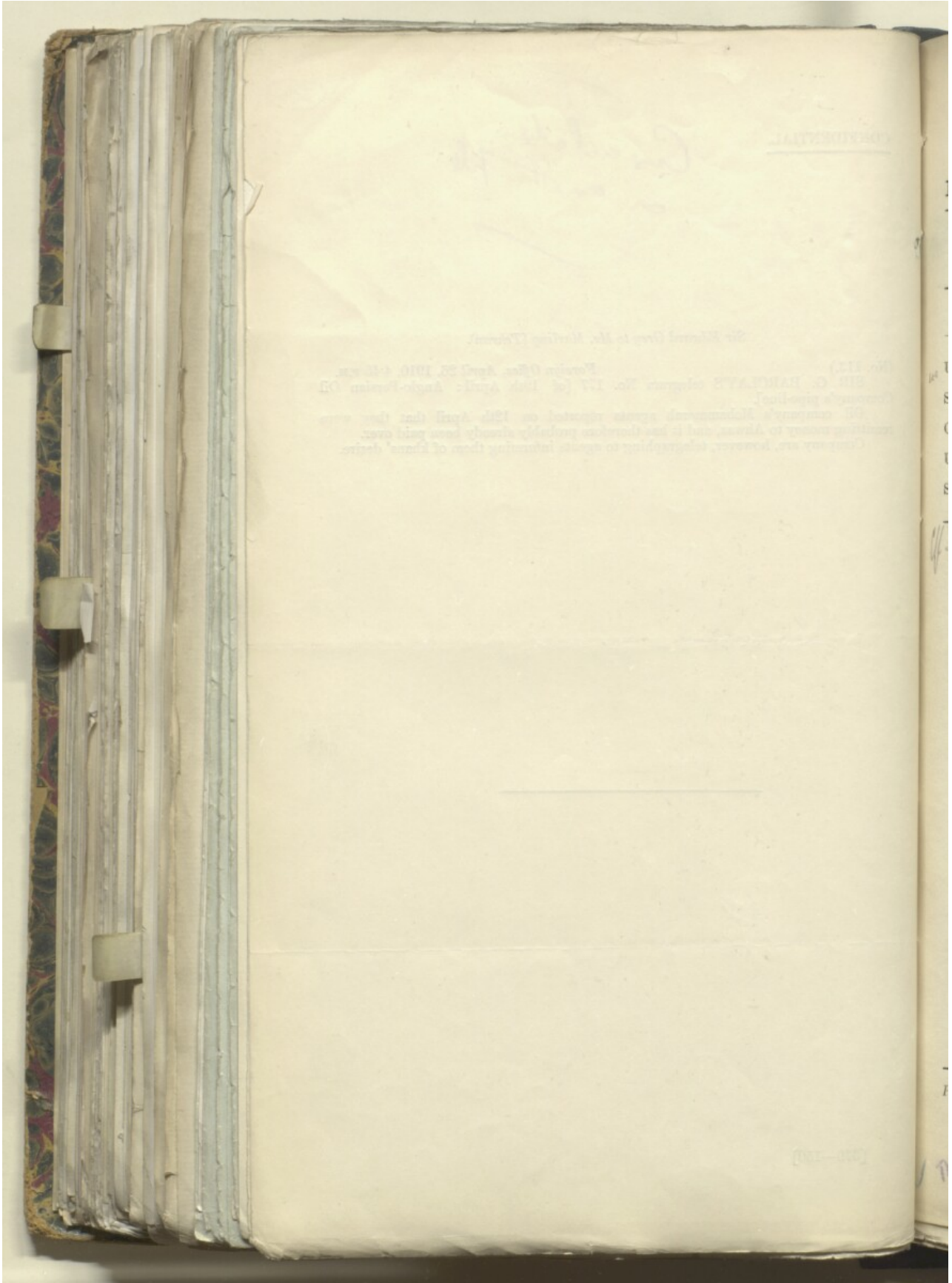


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٥ و] (٣٣٨/١٧٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٥ظ] (٣٣٨/١٧٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٦ و] (٣٣٨/١٧٧)

(306)

Register No. 4178

Minute Paper. Secret Department.

Letter from J.O., Dated Rec. 3 Nov. 1909.

	Date.	Initials.	SUBJECT.
Under Secretary.....	4 Nov.	W.H.	Persia. Agreement between Oil Co. and Sheikh of Mohammerah. Persian Minister of Interior pressing Sheikh to communicate of agreement, who has asked for assurance that we will not divulge it. Sheikh to be advised to communicate it unless he has some special reason to contrary.
Secretary of State.....	6	K.H.	
Committee.....	8	M.	
Under Secretary.....			
Secretary of State.....			

Copy to COPY TO INDIA 5 November 1909 SECRETARY'S N° 45

FOR INFORMATION.

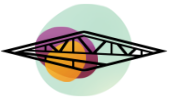
There seems no reason why the Persian Govt. should take exception to the Agreement, unless on the negative ground that they are ignored in it.

The apprehensions of the Sheikh were based on a fear of the National Assembly, & the Ulama: see Cox's Telegram of 17 July '09 (p. 1 of print below).

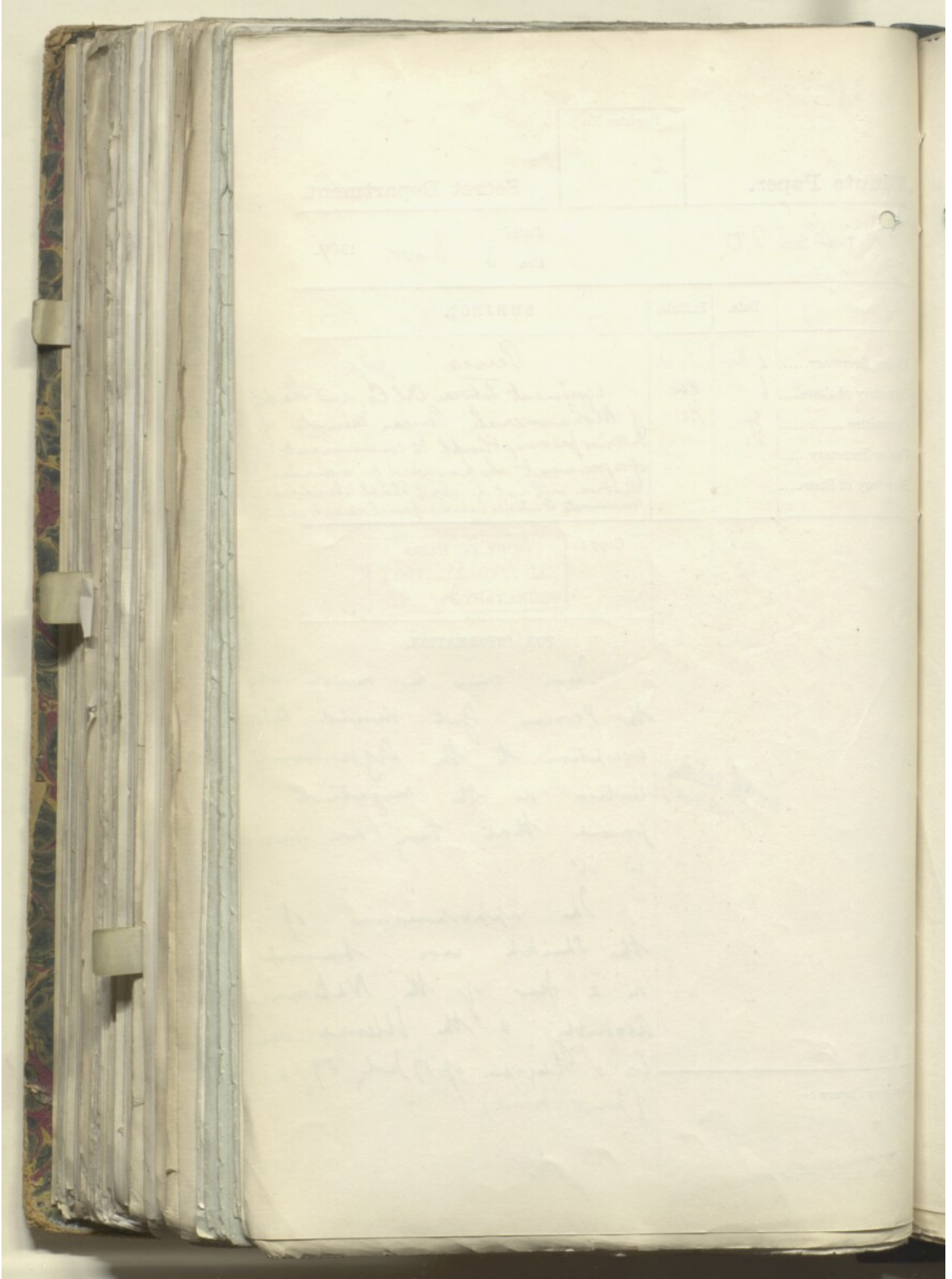
Seen Pol Comra. 9 NOV. 1909

Previous Papers :-
1425
4156

6172. L. 1278. 1000.-7/1909.

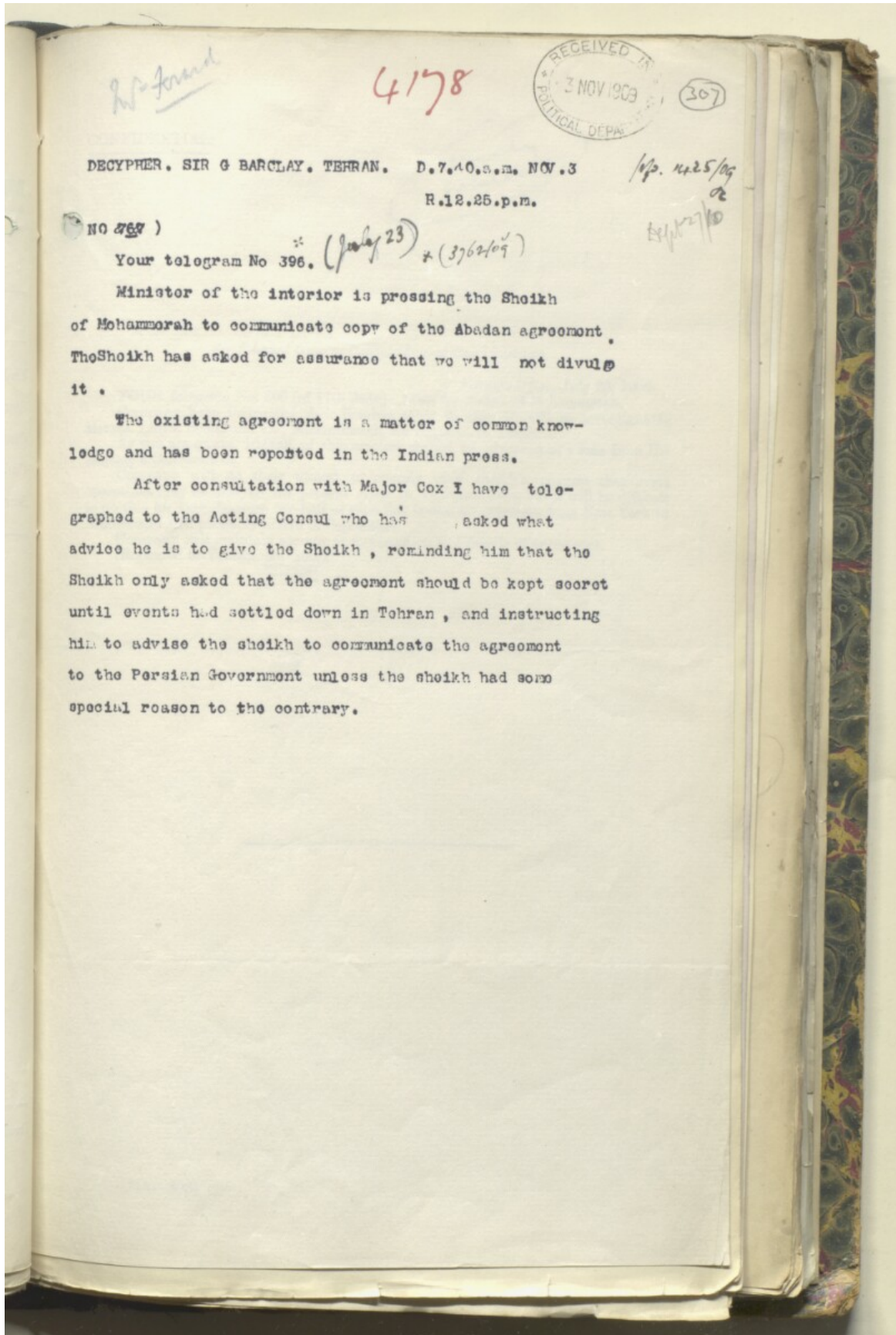


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٦ظ] (٣٣٨/١٧٨)



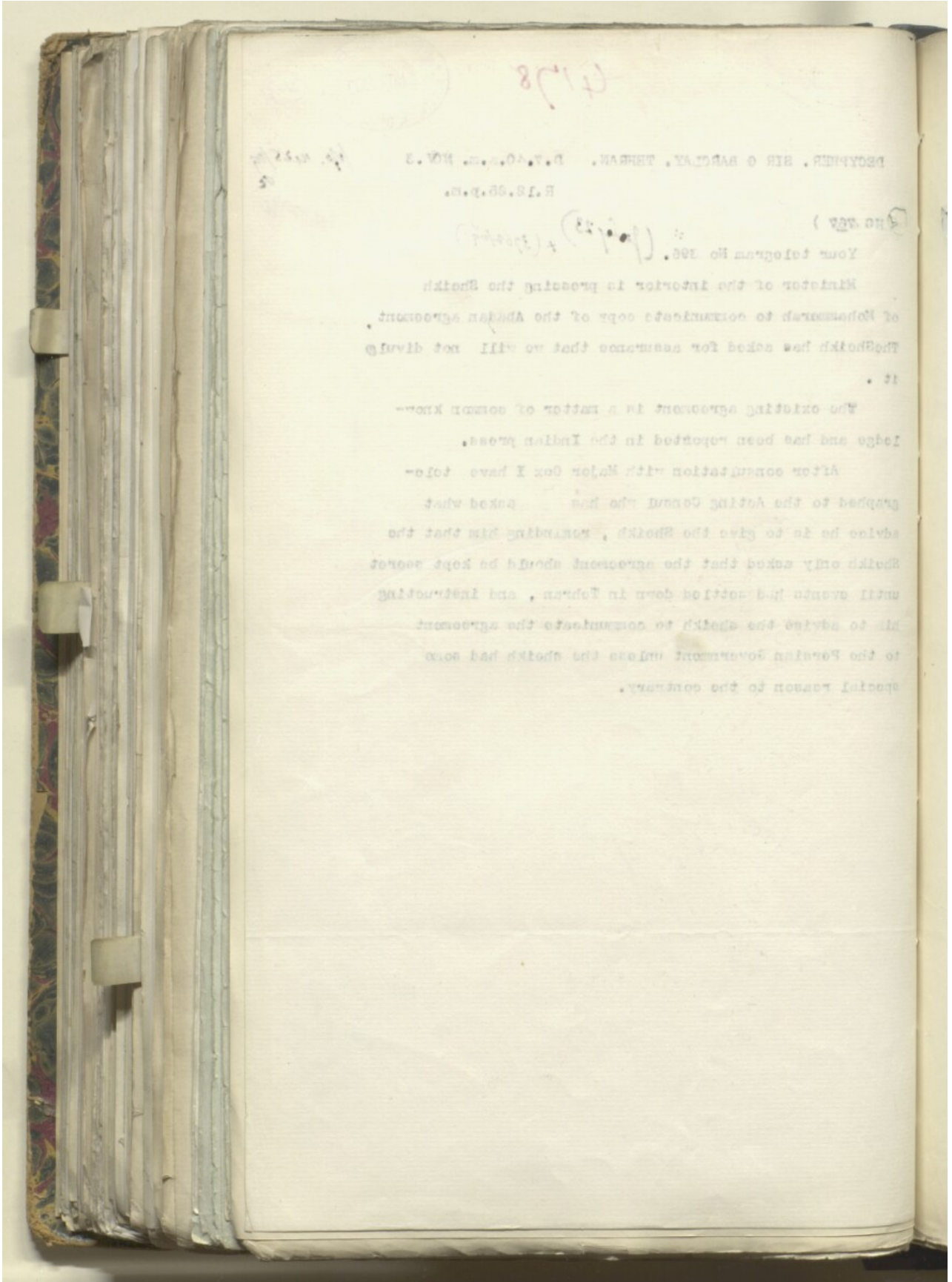


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٧ و] (٣٣٨/١٧٩)



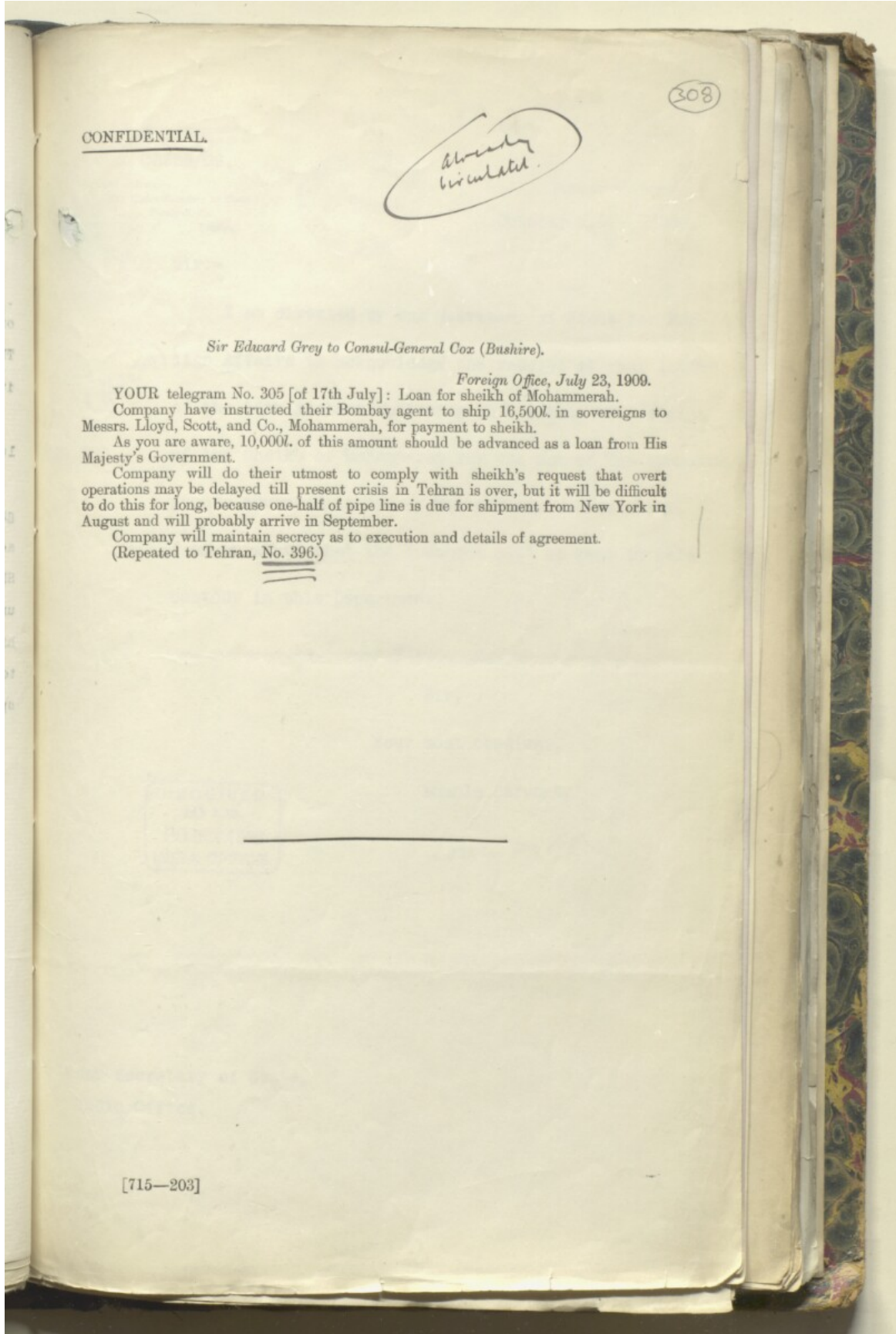


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٧ظ] (٣٣٨/١٨٠)



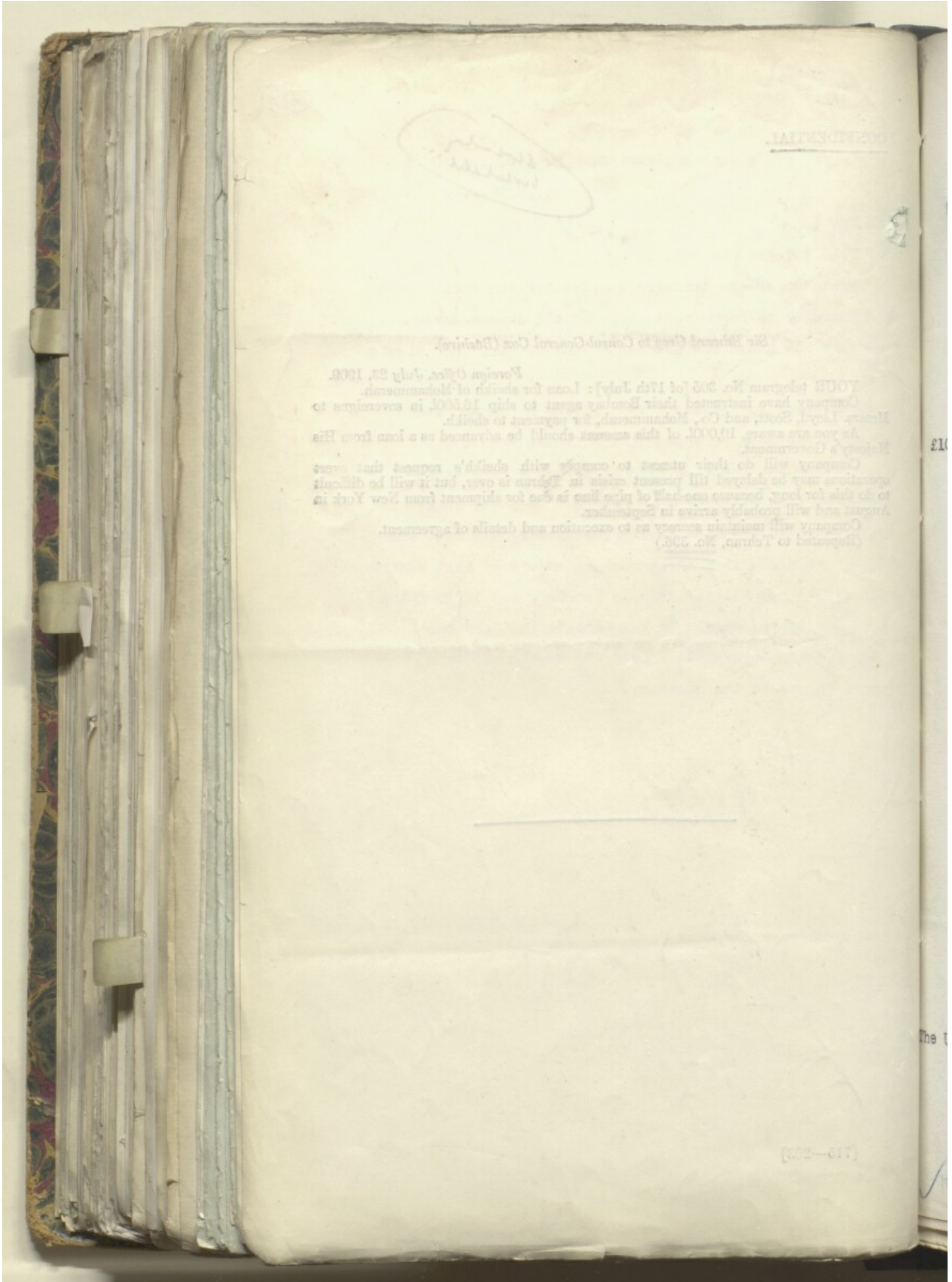


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٨ و] (٣٣٨/١٨١)



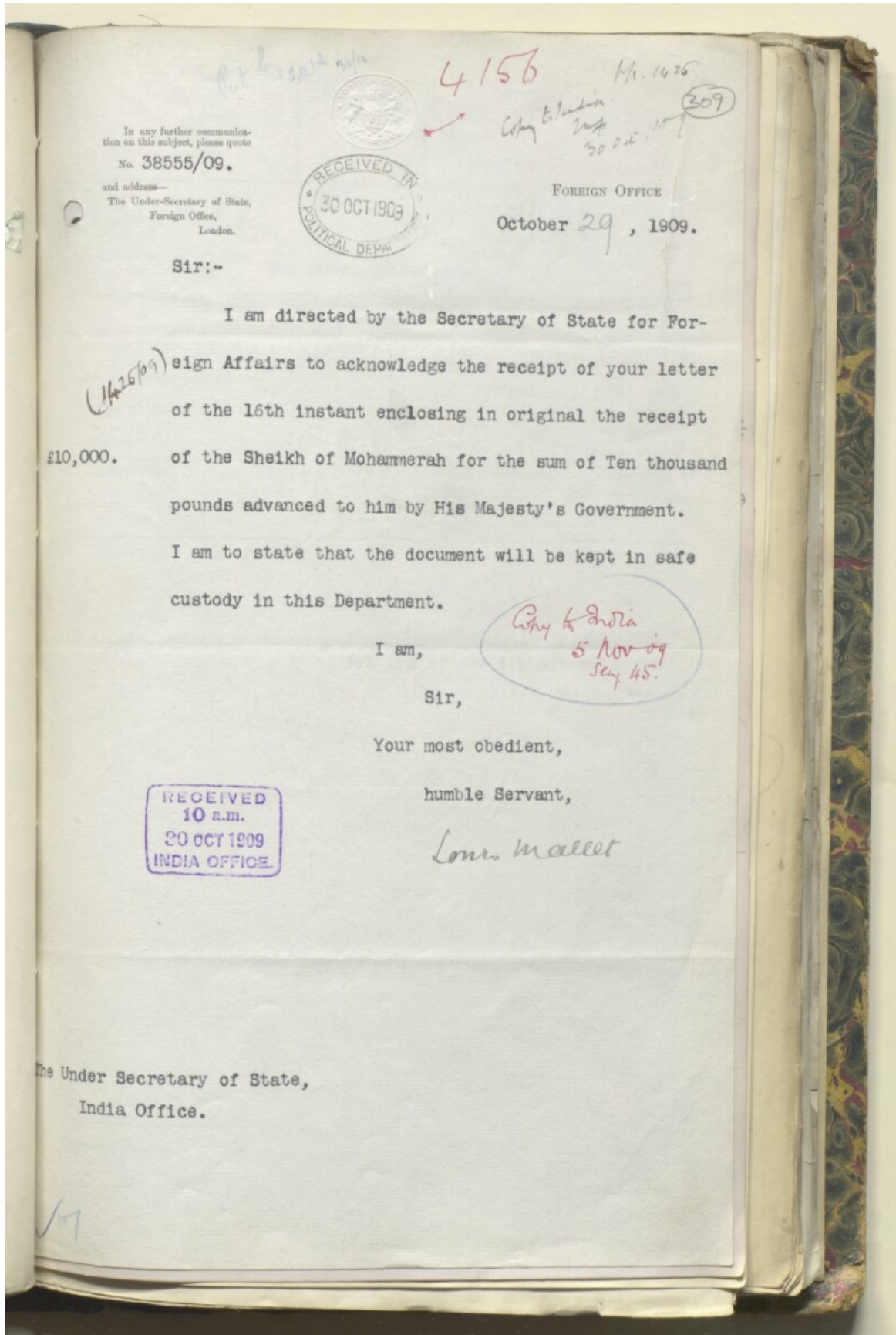


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٨ظ] (٣٣٨/١٨٢)



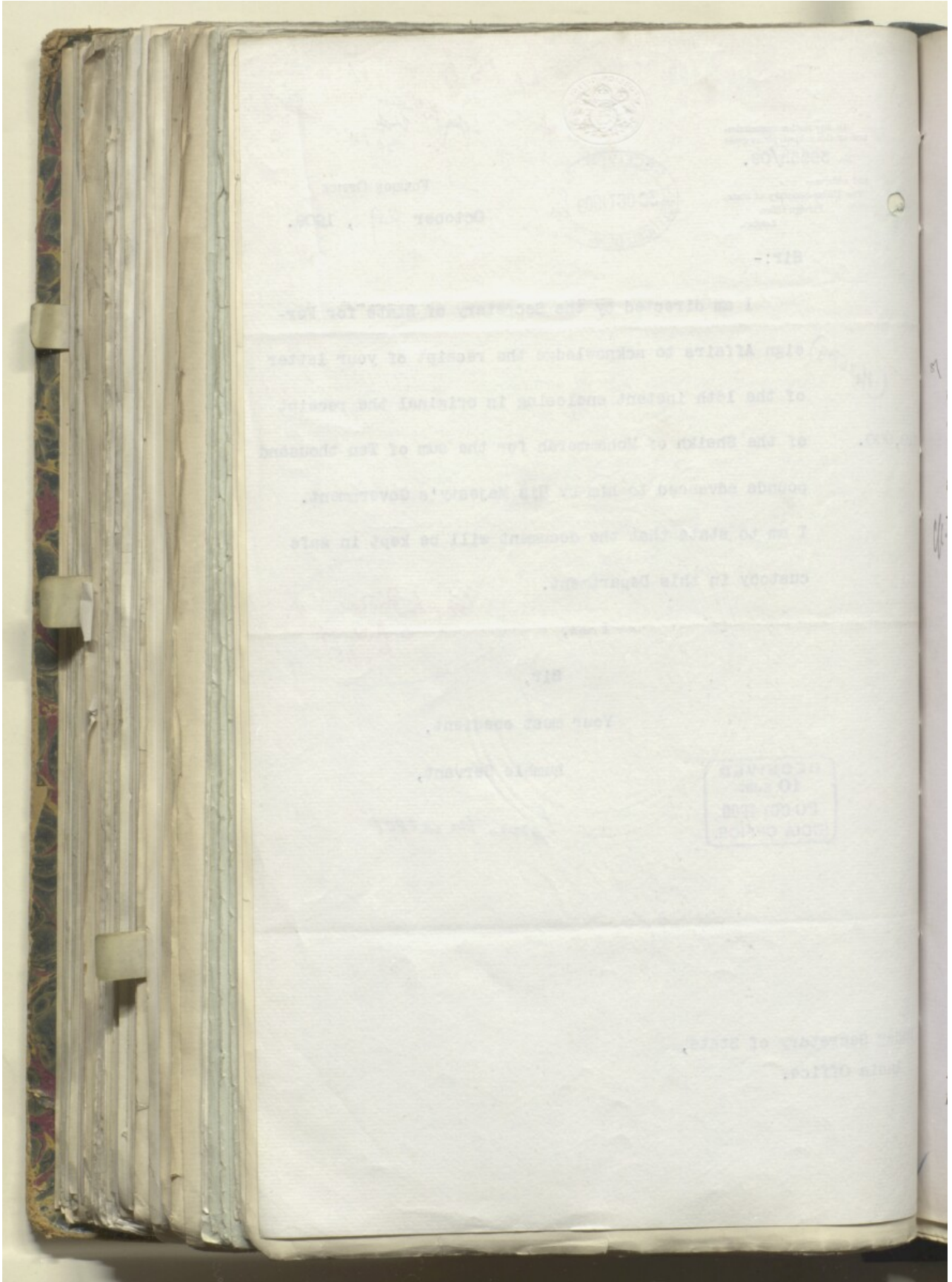


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٩ و] (٣٣٨/١٨٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٠٩ظ] (٣٣٨/١٨٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٠ و] (٣٣٨/١٨٥)

Register No. **1425** (310)

Secret Department.

● Last Letter from India, No. 143, Dated 23rd Sept. 1909.
Rec. 9th Oct. } 1909.

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	13 Oct.	East	Persia. Now Agreement recently concluded between the Sheikh of Mohammerah and the Anglo- Persian Oil Co. Receipt (in original) of the Sheikh for the sum of £10,000 advanced to him through H.M.'s Govt.
Secretary of State.....	15 "	KL	
Committee.....			
Under Secretary.....			
Secretary of State.....			

Copy to
India 29 Oct 09
Seq 44.

FOR USE BY DEPARTMENTS ONLY.

Draft letter to F.O., forwarding
the Government of India letter, with
receipt in response.

Letter to F.O., 16 Oct.

Seen Pol. Comra.,
27 OCT. 1909

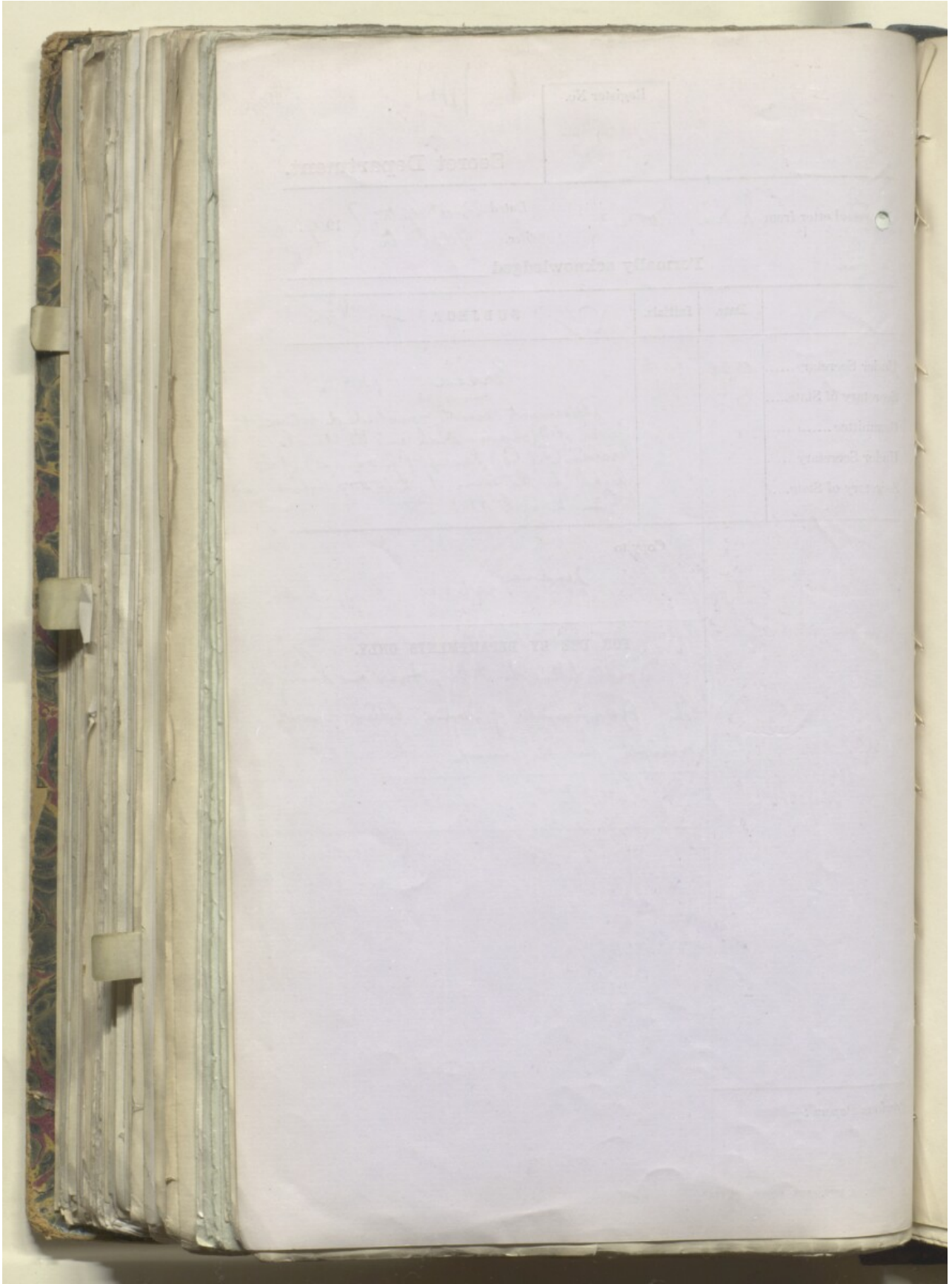
Sign
Mc.
15/10/09.

Previous Papers :-
1303
3937

6540. I. 1636. 500.—9/1909. [I. 725.]

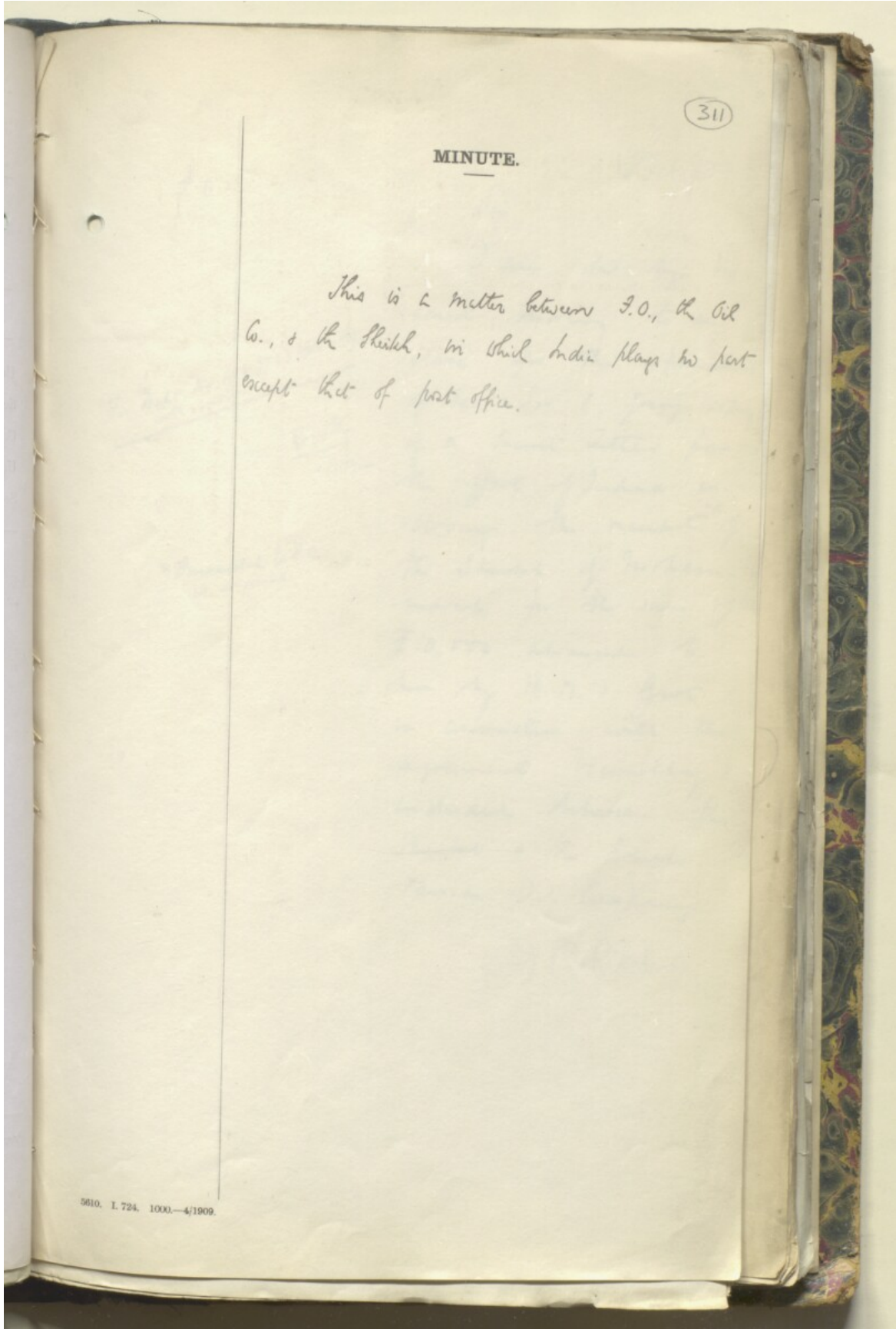


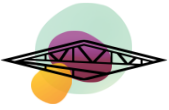
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٠ظ] (٣٣٨/١٨٦)



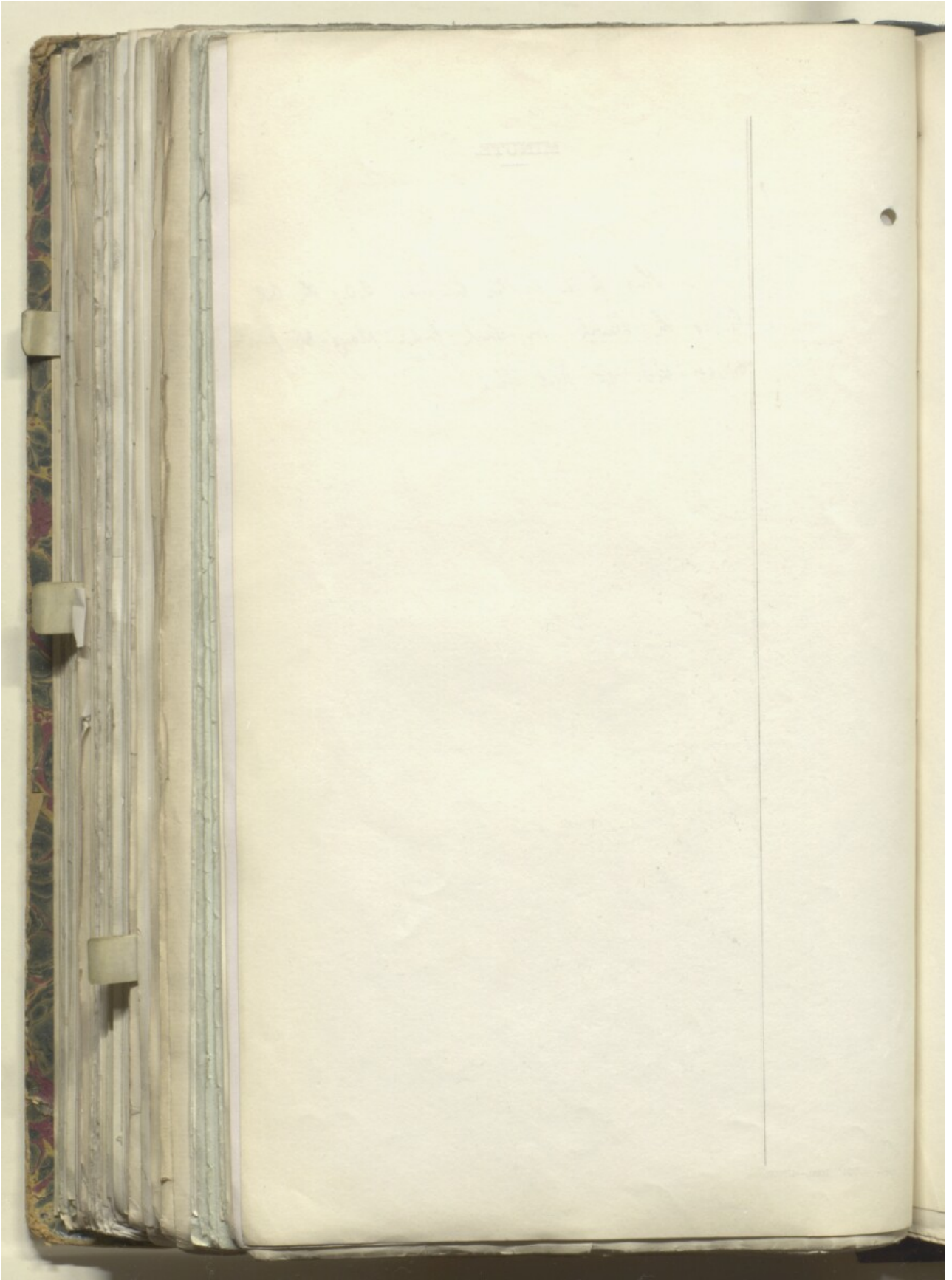


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١١ و] (٣٣٨/١٨٧)



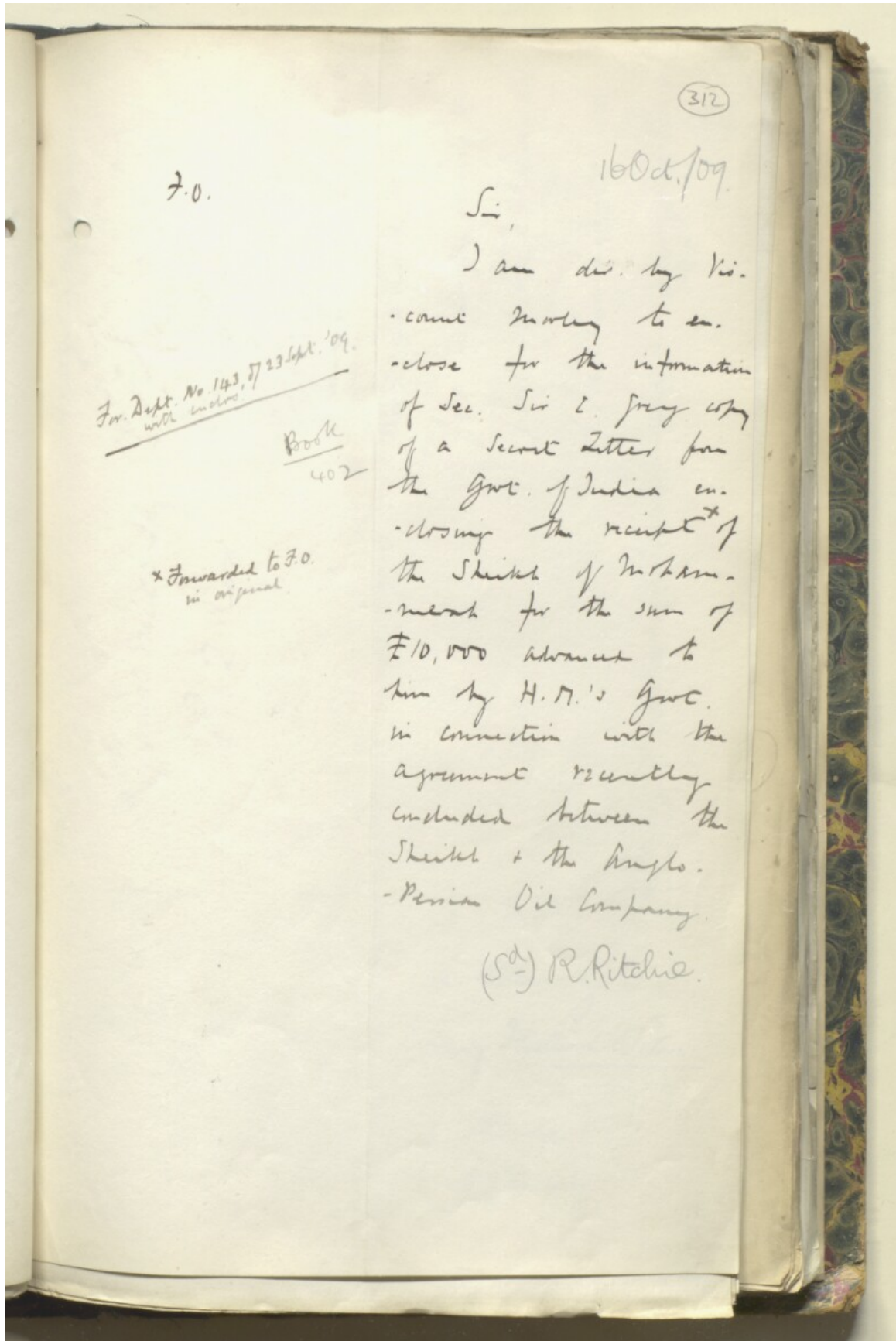


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١١ظ] (٣٣٨/١٨٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٢ و] (٣٣٨/١٨٩)



(312)

16 Oct. 1909

F.O.

Sir,

I am dir. by Vis.

- came Monday to en.
- close for the information of Sec. Sir C. Grey copy of a secret letter from the Govt. of India en.
- closing the receipt of the Sheikh of Muscat -
- check for the sum of £10,000 advanced to him by H.M.'s Govt. in connection with the agreement recently concluded between the Sheikh + the Anglo-Persian Oil Company.

(sd) R. Ritchie.

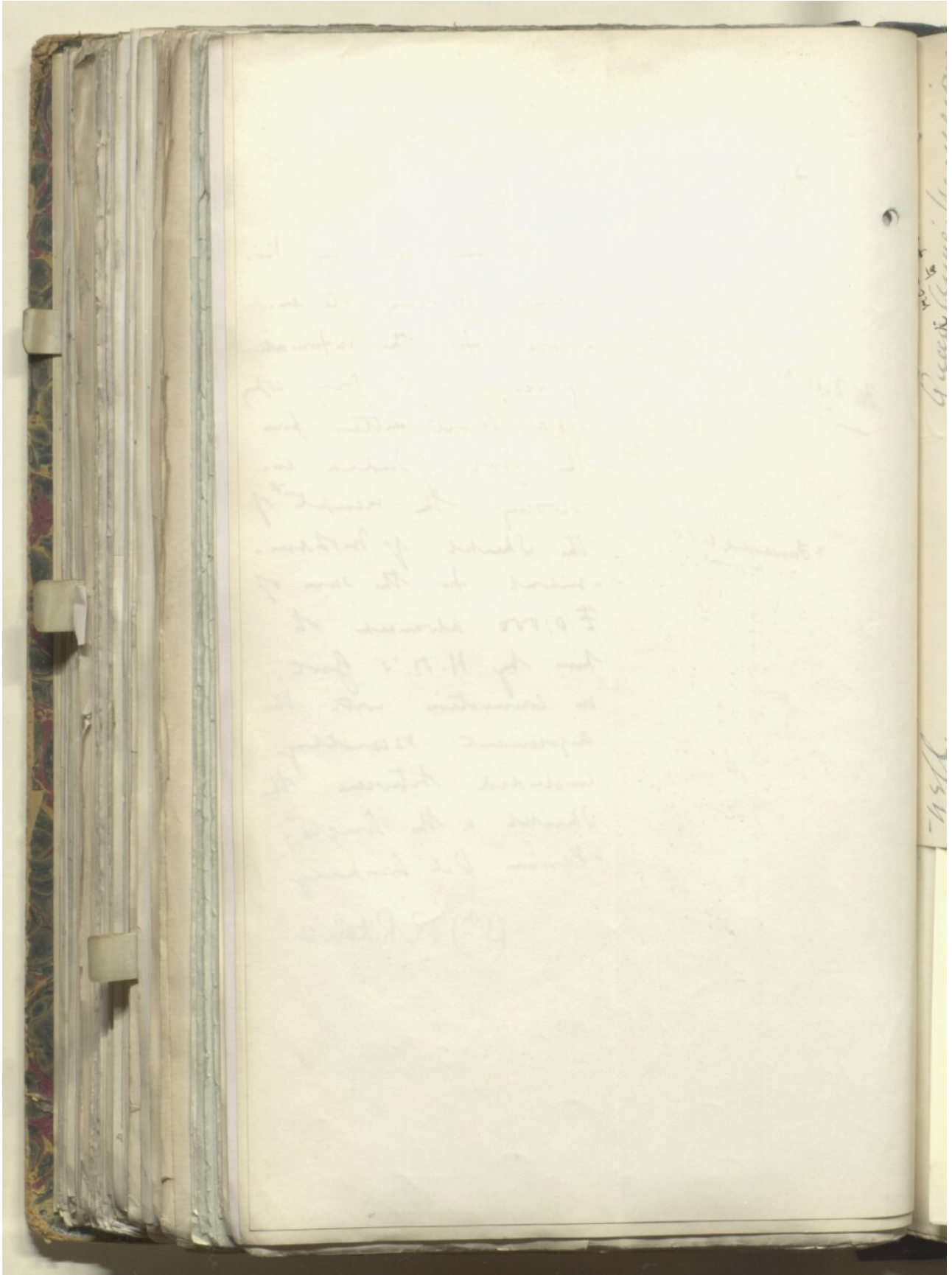
For Dept. No. 143, 7 23 Sept. '09.
with inclos.

Book
402

* Forwarded to F.O.
in original.

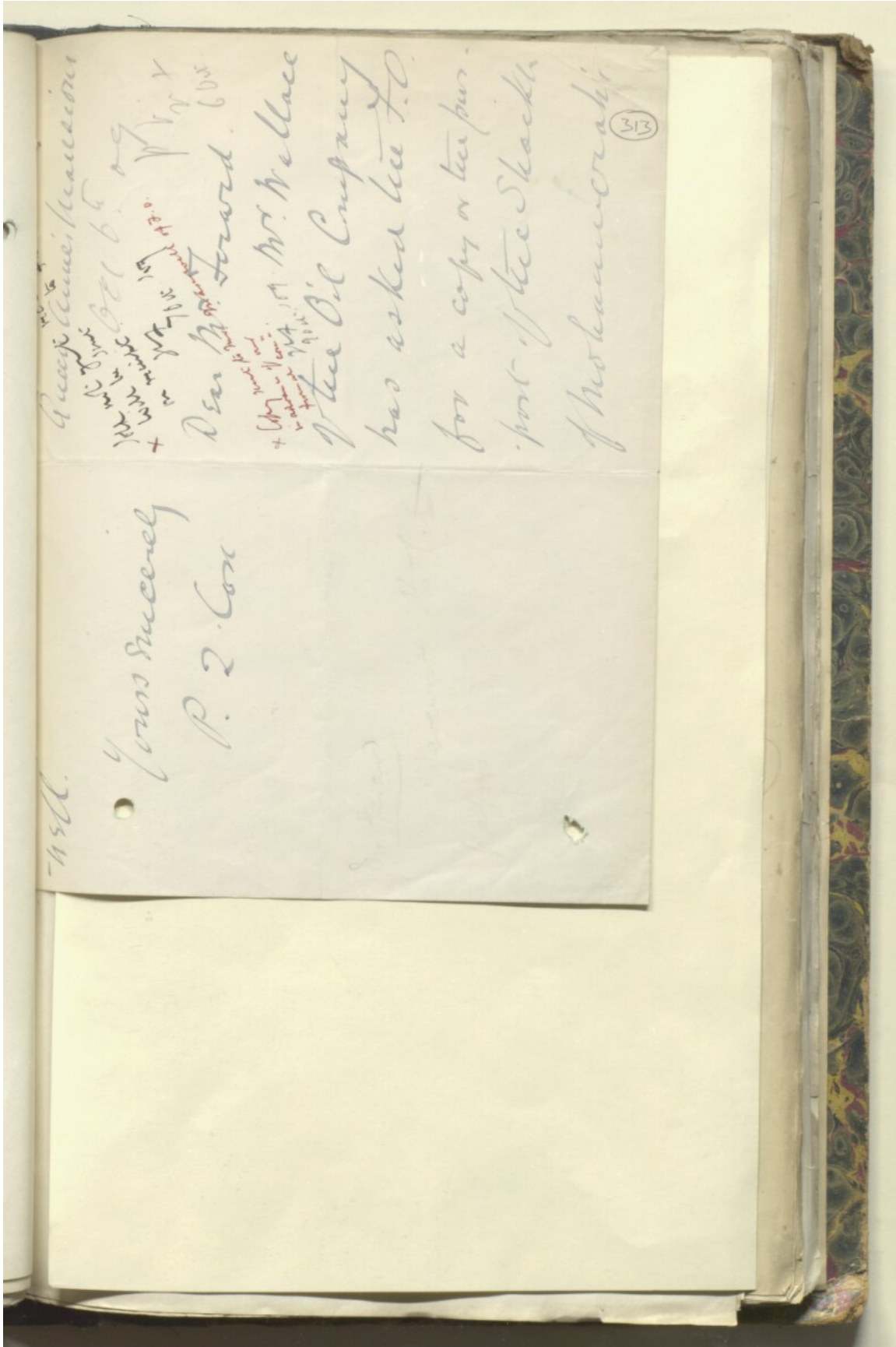


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٢ظ] (٣٣٨/١٩٠)



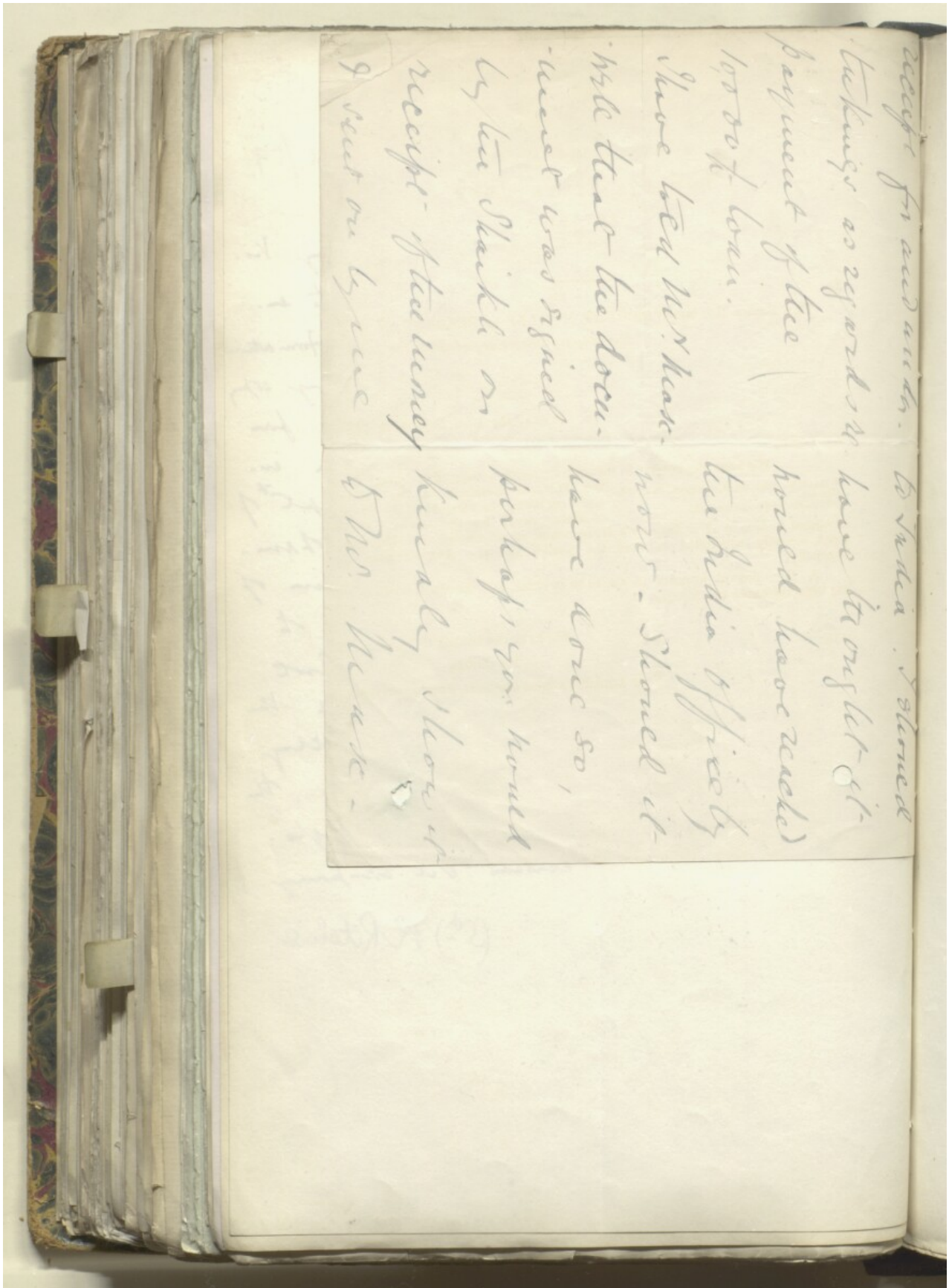


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٣ و] (٣٣٨/١٩١)



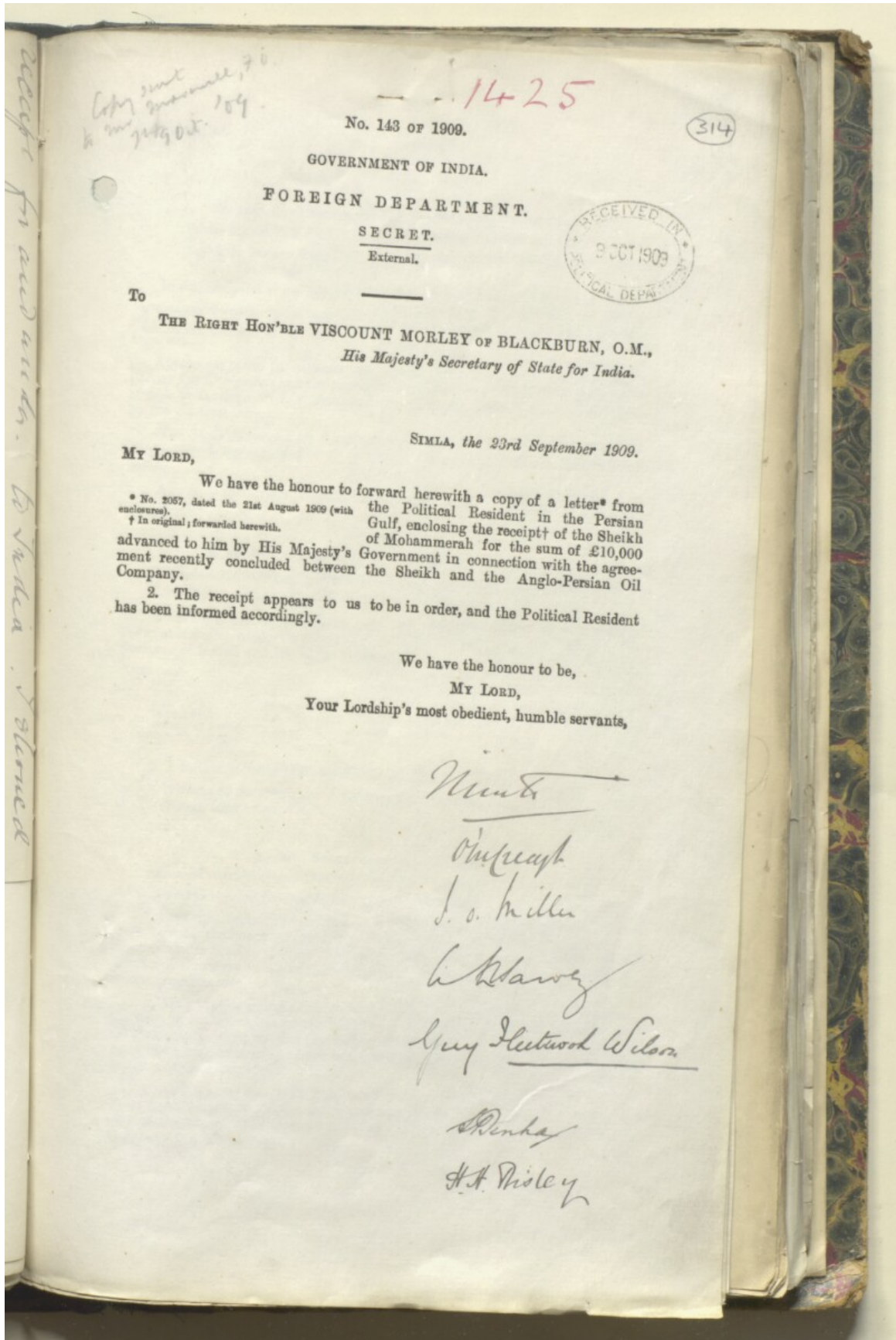


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٣١٣ظ] (٣٣٨/١٩٢)



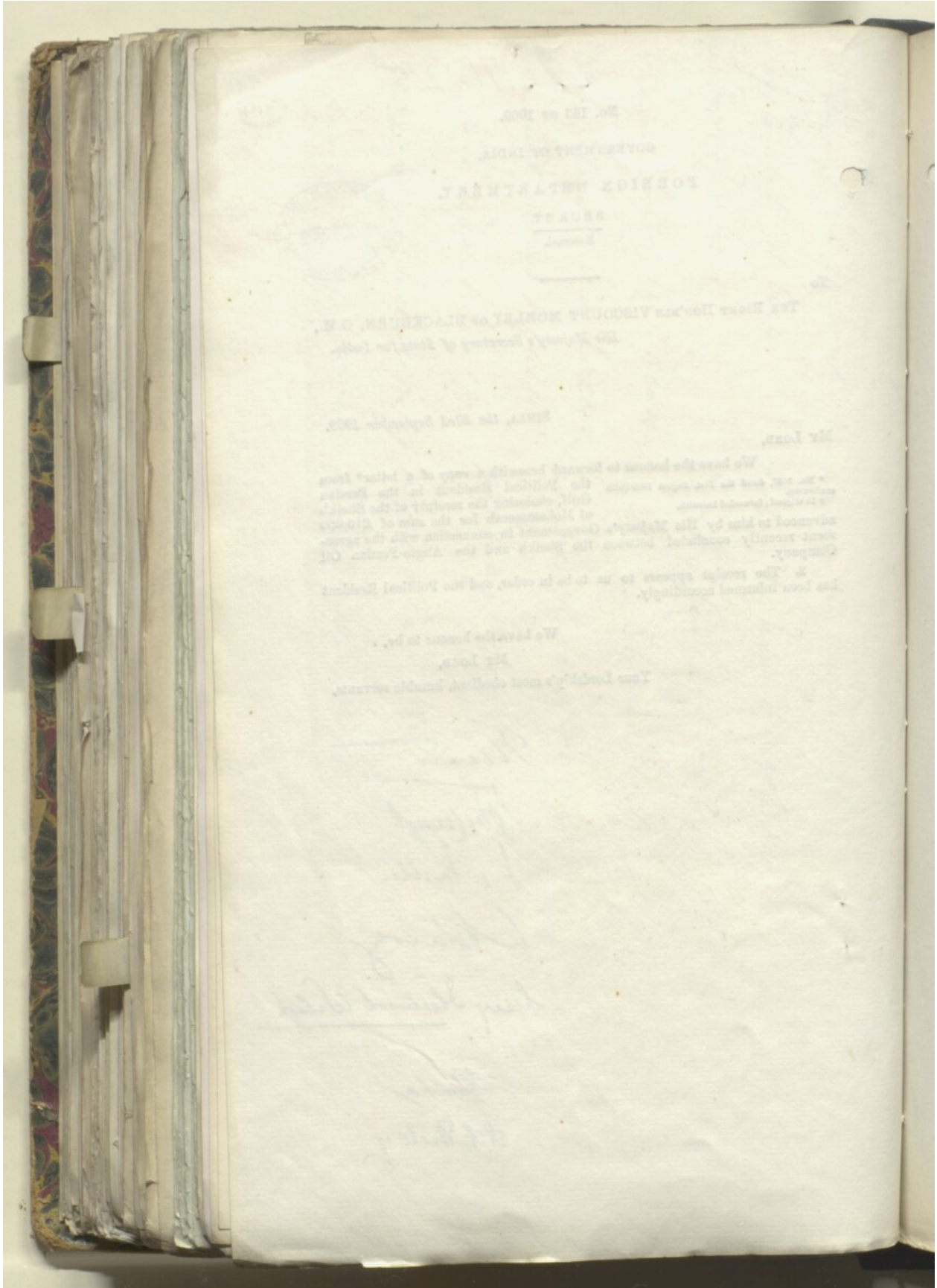


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٤ و] (٣٣٨/١٩٣)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٤ظ] (٣٣٨/١٩٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٥ و] (٣٣٨/١٩٥)

Confidential.

No. 2057, dated Bushire, the 21st (received 30th) August 1909.

From—MAJOR P. Z. COX, C.S.I., C.I.E., Political Resident in the Persian Gulf,
To—S. H. BUTLER, Esq., C.S.I., C.I.E., Secretary to the Government of India in
the Foreign Department.

In amplification of my telegram No. 834 of 17th instant, I have the honour
to attach copies of the communications marginally quoted, in which His Majesty's
Acting Consul, Mohammerah, reports the due endorsement by the tribal elders of
the Agreement come to between the Sheikh of Mohammerah and the Anglo-
Persian Oil Company; and the paying over of the amount of the loan made to the
Sheikh by Government (£10,000) and the ten years' rental in advance (£6,500)
by the Oil Company.

The Sheikh's receipt for the £10,000 is forwarded in original with translation,
a copy being recorded in my archives. I trust that it will be considered in
order.

A copy of this communication is being forwarded to His Majesty's Minister
at London.

No. 70, dated Mohammerah, the 31st July 1909 (Confidential).

From—LIEUTENANT A. T. WILSON, His Majesty's Acting Consul at Mohammerah,
To—The Political Resident in the Persian Gulf, Bushire.

I have the honour to inform you that the Agreement between Sheikh
Khaz'al and the Anglo-Persian Oil Company, Limited, was duly signed in the
presence of myself and Mr. C. A. Walpole of Messrs. Lloyd Scott and Company
on the 30th instant at Failiyeh by the marginally noted headmen, who affixed
their seals to the copy of the Agreement in the possession of Messrs. Lloyd Scott
and Company.

Haji Faizal.
" Arak.
" Athbi.
" Faal.
" Abdus Saiyid.
" Muhammad Chanan.
Abdulla bin albaq.

2. I further attested their signatures by signing below as follows :—

" Witness to the signature of the above seven headmen, 30th July 1909—
A. T. Wilson, Lieutenant, I.A."

No. 95, dated Mohammerah, the 14th August 1909.

From—LIEUTENANT A. T. WILSON, His Majesty's Acting Consul at Mohammerah,
To—The Political Resident in the Persian Gulf, Bushire.

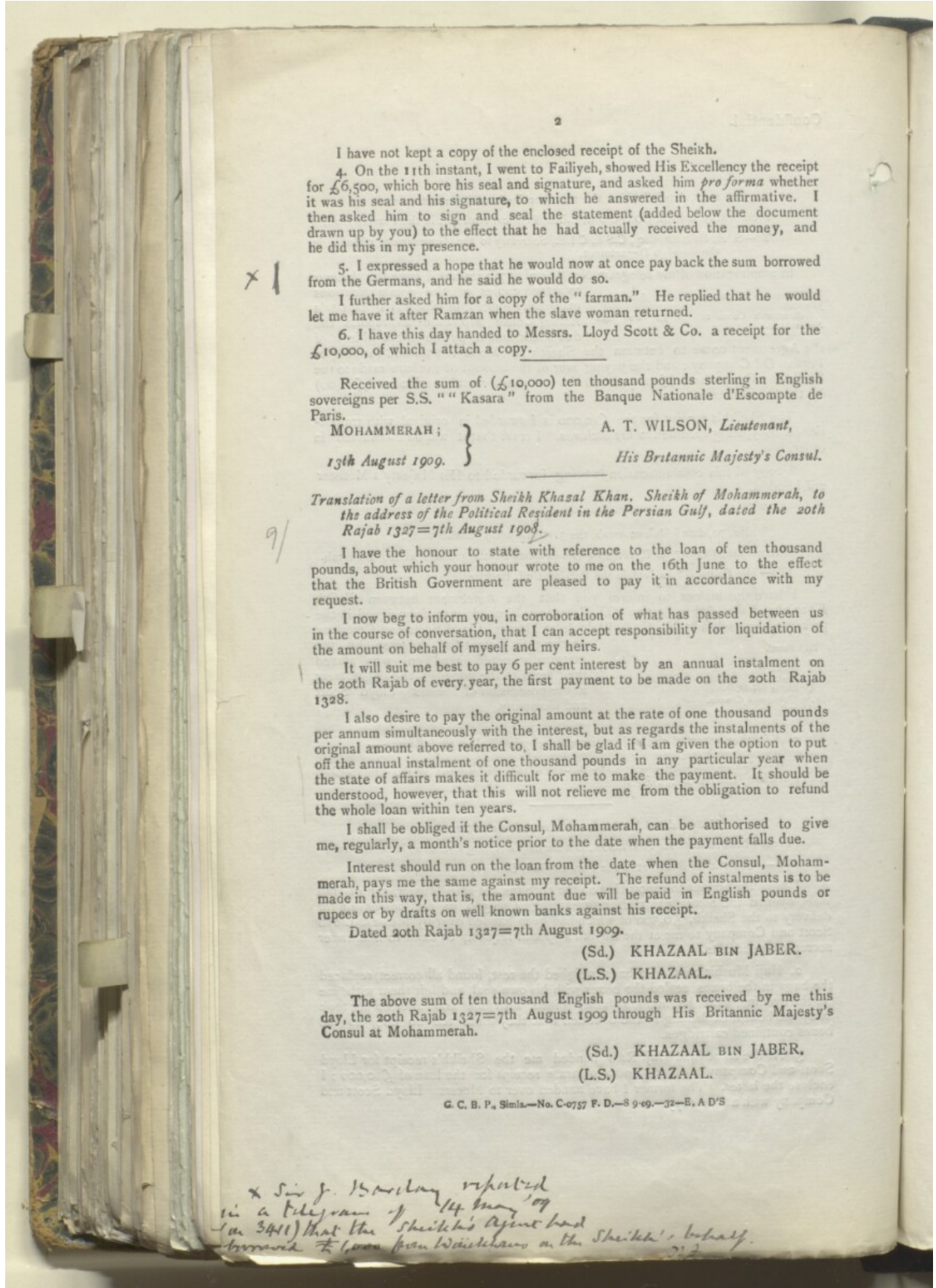
I have the honour to report that on the 10th instant Haji Mushir, son of Haji
Rais, opened the boxes of gold, aggregating £16,500 in my possession for
delivery to the Sheikh, £6,500 of which had been handed over by Messrs. Lloyd
Scott and Company to me at the Sheikh's special request, to hand to him under
secret arrangements.

2. Haji Mushir counted 2 bags, weighed the rest, found all correct, replaced
the bags in the boxes, sealed the boxes with his own seal and left them with me
till the evening, when he and his father dined with me and after dinner took
away the boxes, explaining to the boatmen that they must tell no one, as the
boxes contained cartridges.

3. At the same time Haji Rais handed me the Sheikh's receipt for Lloyd
Scott and Company's £6,500 and a separate receipt for the loan of £10,000; I
enclose the latter. The former I have handed over to Messrs. Lloyd Scott and
Company with a true copy.

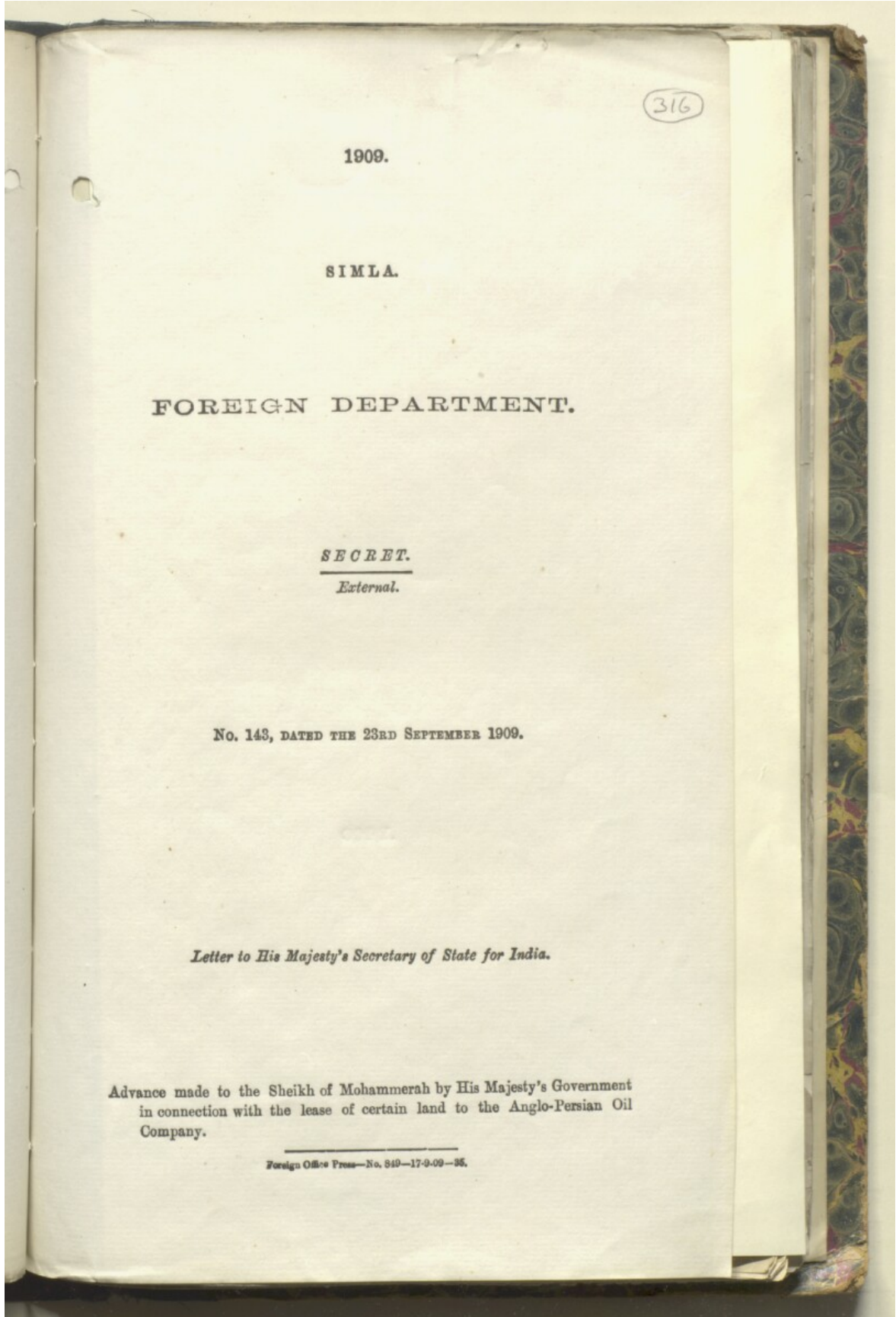


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٥ ظ] (٣٣٨/١٩٦)



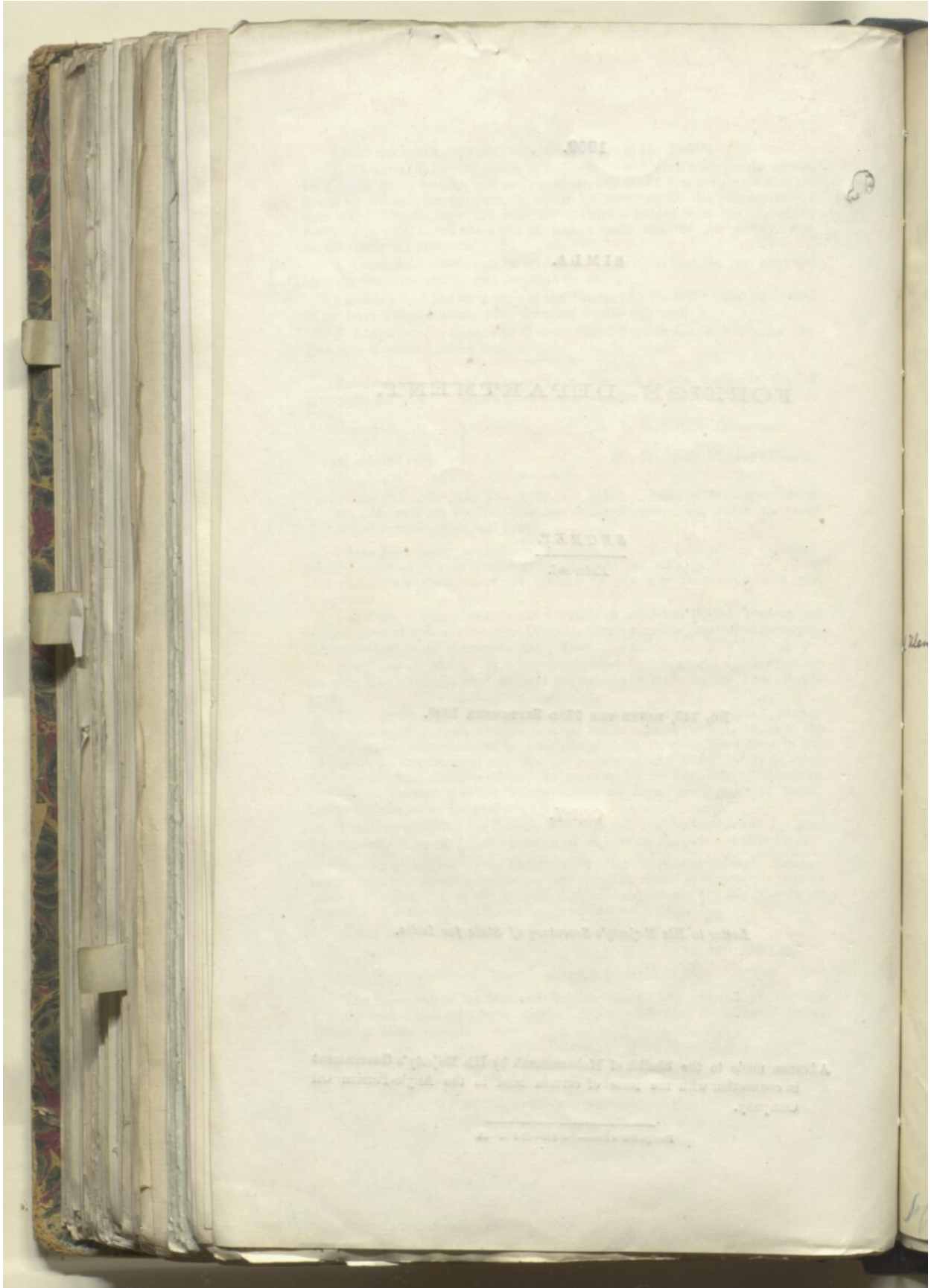


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٦ و] (٣٣٨/١٩٧)



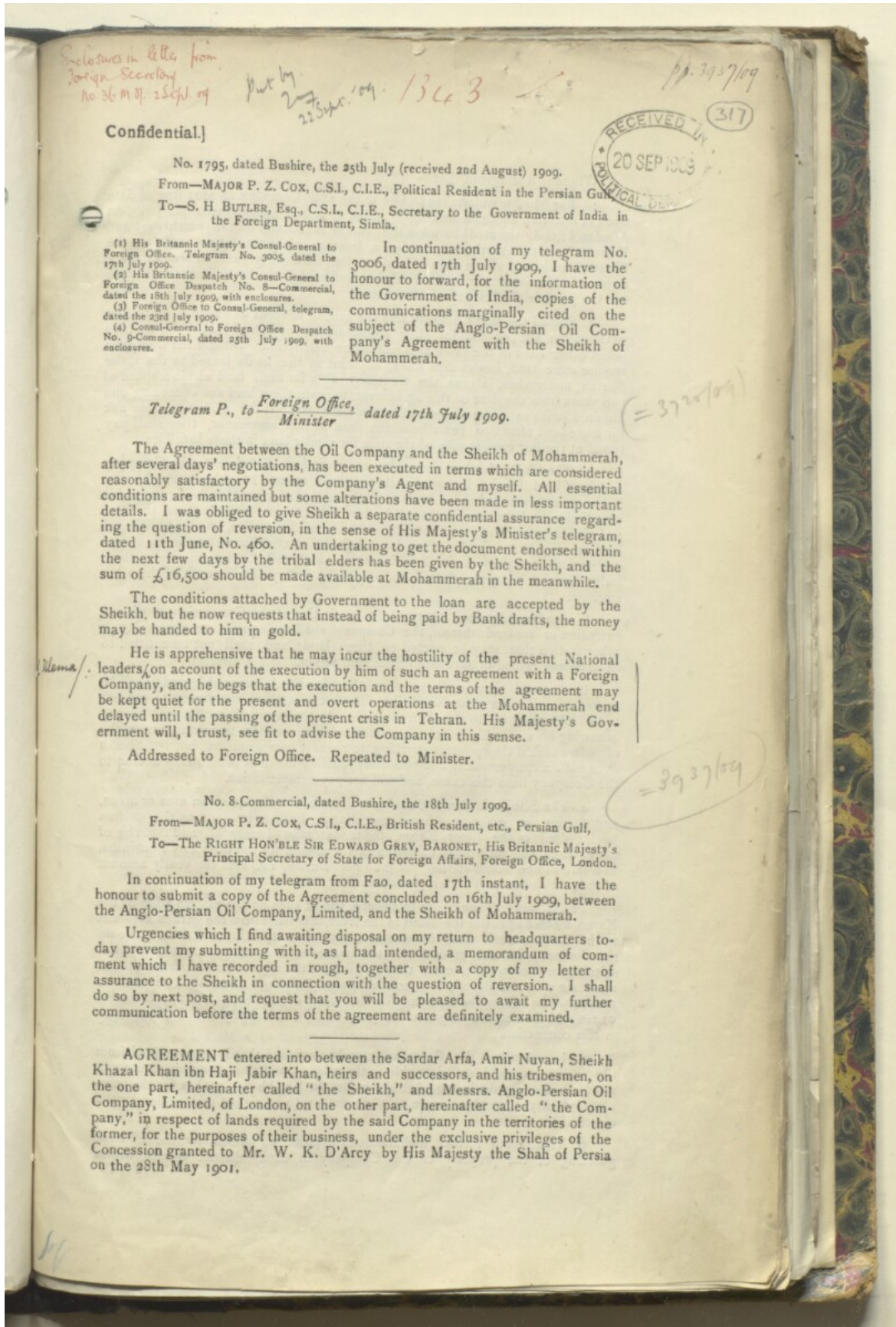


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٦ظ] (٣٣٨/١٩٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٧ و] (٣٣٨/١٩٩)



Confidential.]

No. 1795, dated Bushire, the 25th July (received 2nd August) 1909.

From—MAJOR P. Z. COX, C.S.I., C.I.E., Political Resident in the Persian Gulf.

To—S. H. BUTLER, Esq., C.S.I., C.I.E., Secretary to the Government of India in the Foreign Department, Simla.

(1) His Britannic Majesty's Consul-General to Foreign Office, Telegram No. 3005, dated the 17th July 1909.

(2) His Britannic Majesty's Consul-General to Foreign Office Despatch No. 8—Commercial, dated the 18th July 1909, with enclosures.

(3) Foreign Office to Consul-General, telegram, dated the 23rd July 1909.

(4) Consul-General to Foreign Office Despatch No. 9—Commercial, dated 25th July 1909, with enclosures.

In continuation of my telegram No. 3006, dated 17th July 1909, I have the honour to forward, for the information of the Government of India, copies of the communications marginally cited on the subject of the Anglo-Persian Oil Company's Agreement with the Sheikh of Mohammerah.

Telegram P., to Foreign Office,
Minister dated 17th July 1909.

The Agreement between the Oil Company and the Sheikh of Mohammerah, after several days' negotiations, has been executed in terms which are considered reasonably satisfactory by the Company's Agent and myself. All essential conditions are maintained but some alterations have been made in less important details. I was obliged to give Sheikh a separate confidential assurance regarding the question of reversion, in the sense of His Majesty's Minister's telegram, dated 11th June, No. 460. An undertaking to get the document endorsed within the next few days by the tribal elders has been given by the Sheikh, and the sum of £16,500 should be made available at Mohammerah in the meanwhile.

The conditions attached by Government to the loan are accepted by the Sheikh, but he now requests that instead of being paid by Bank drafts, the money may be handed to him in gold.

He is apprehensive that he may incur the hostility of the present National leaders on account of the execution by him of such an agreement with a Foreign Company, and he begs that the execution and the terms of the agreement may be kept quiet for the present and overt operations at the Mohammerah end delayed until the passing of the present crisis in Tehran. His Majesty's Government will, I trust, see fit to advise the Company in this sense.

Addressed to Foreign Office. Repeated to Minister.

No. 8-Commercial, dated Bushire, the 18th July 1909.

From—MAJOR P. Z. COX, C.S.I., C.I.E., British Resident, etc., Persian Gulf,

To—THE RIGHT HON'BLE SIR EDWARD GREY, BARONET, His Britannic Majesty's Principal Secretary of State for Foreign Affairs, Foreign Office, London.

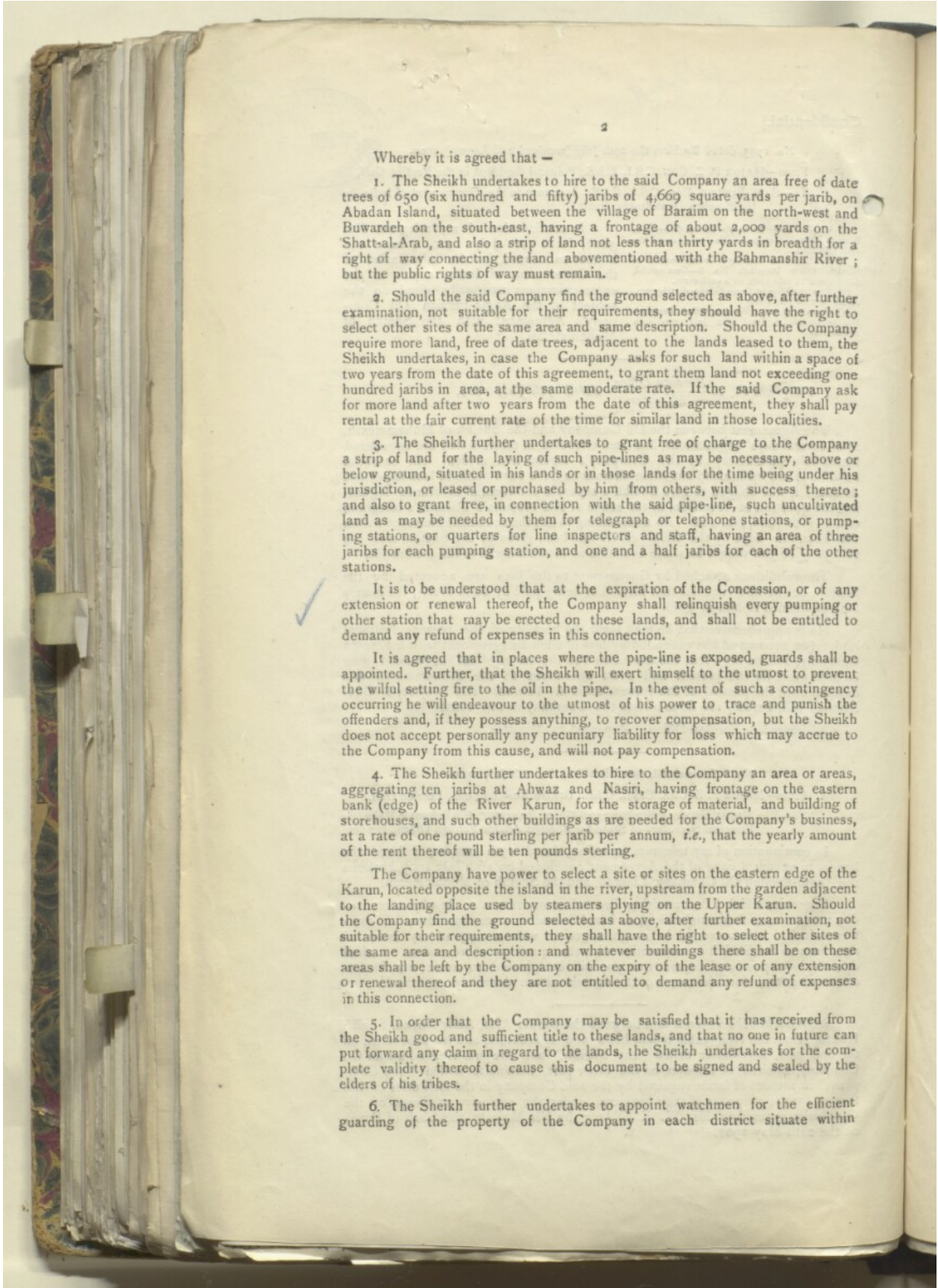
In continuation of my telegram from Fao, dated 17th instant, I have the honour to submit a copy of the Agreement concluded on 16th July 1909, between the Anglo-Persian Oil Company, Limited, and the Sheikh of Mohammerah.

Urgencies which I find awaiting disposal on my return to headquarters today prevent my submitting with it, as I had intended, a memorandum of comment which I have recorded in rough, together with a copy of my letter of assurance to the Sheikh in connection with the question of reversion. I shall do so by next post, and request that you will be pleased to await my further communication before the terms of the agreement are definitely examined.

AGREEMENT entered into between the Sardar Arfa, Amir Nuyan, Sheikh Khazal Khan ibn Haji Jabir Khan, heirs and successors, and his tribesmen, on the one part, hereinafter called "the Sheikh," and Messrs. Anglo-Persian Oil Company, Limited, of London, on the other part, hereinafter called "the Company," in respect of lands required by the said Company in the territories of the former, for the purposes of their business, under the exclusive privileges of the Concession granted to Mr. W. K. D'Arcy by His Majesty the Shah of Persia on the 28th May 1901.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣١٧ظ] (٣٣٨/٢٠٠)



Whereby it is agreed that -

1. The Sheikh undertakes to hire to the said Company an area free of date trees of 650 (six hundred and fifty) jaribs of 4,669 square yards per jarib, on Abadan Island, situated between the village of Baraim on the north-west and Buwardeh on the south-east, having a frontage of about 2,000 yards on the Shatt-al-Arab, and also a strip of land not less than thirty yards in breadth for a right of way connecting the land abovementioned with the Bahmanshir River ; but the public rights of way must remain.

2. Should the said Company find the ground selected as above, after further examination, not suitable for their requirements, they should have the right to select other sites of the same area and same description. Should the Company require more land, free of date trees, adjacent to the lands leased to them, the Sheikh undertakes, in case the Company asks for such land within a space of two years from the date of this agreement, to grant them land not exceeding one hundred jaribs in area, at the same moderate rate. If the said Company ask for more land after two years from the date of this agreement, they shall pay rental at the fair current rate of the time for similar land in those localities.

3. The Sheikh further undertakes to grant free of charge to the Company a strip of land for the laying of such pipe-lines as may be necessary, above or below ground, situated in his lands or in those lands for the time being under his jurisdiction, or leased or purchased by him from others, with success thereto ; and also to grant free, in connection with the said pipe-line, such uncultivated land as may be needed by them for telegraph or telephone stations, or pumping stations, or quarters for line inspectors and staff, having an area of three jaribs for each pumping station, and one and a half jaribs for each of the other stations.

It is to be understood that at the expiration of the Concession, or of any extension or renewal thereof, the Company shall relinquish every pumping or other station that may be erected on these lands, and shall not be entitled to demand any refund of expenses in this connection.

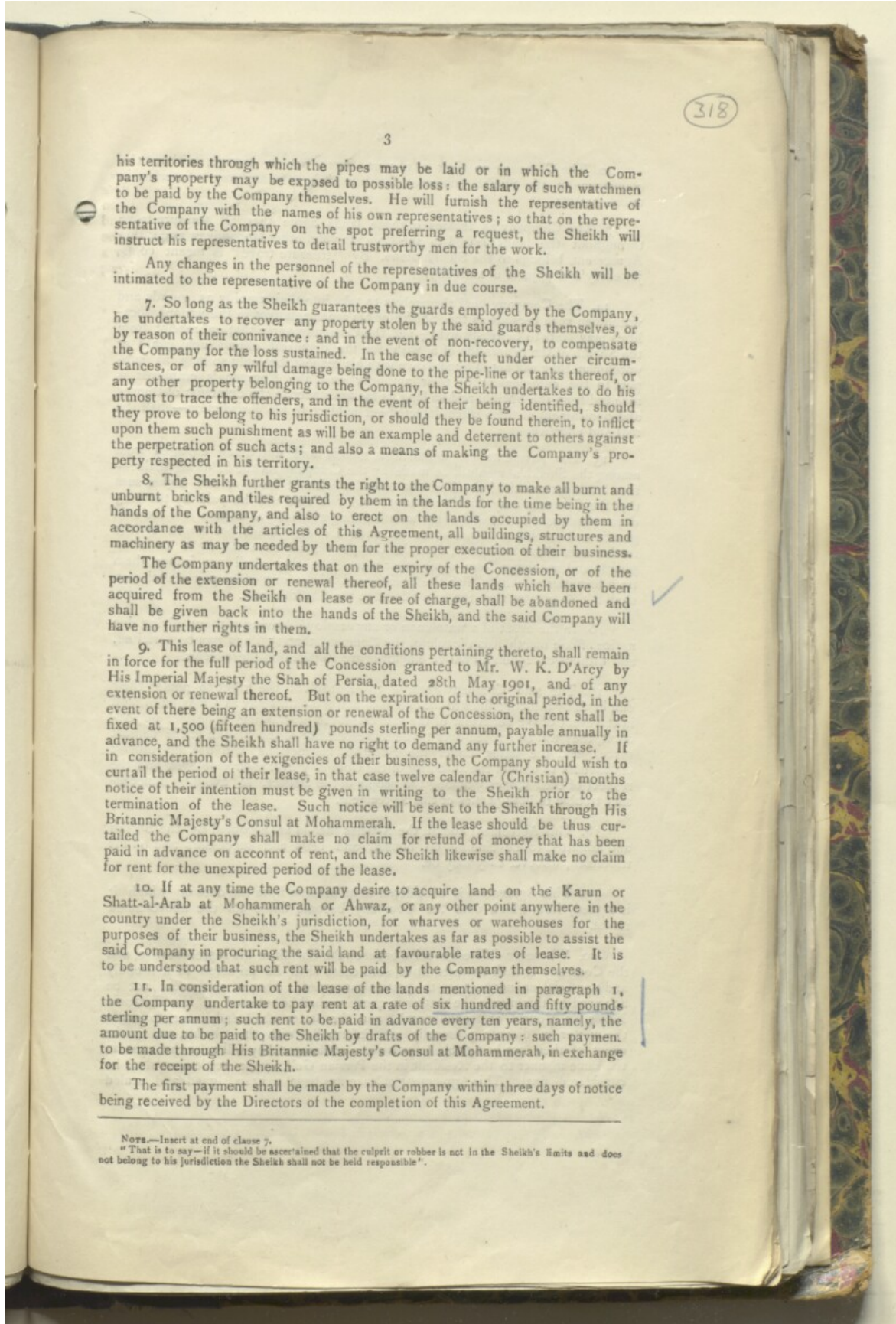
It is agreed that in places where the pipe-line is exposed, guards shall be appointed. Further, that the Sheikh will exert himself to the utmost to prevent the wilful setting fire to the oil in the pipe. In the event of such a contingency occurring he will endeavour to the utmost of his power to trace and punish the offenders and, if they possess anything, to recover compensation, but the Sheikh does not accept personally any pecuniary liability for loss which may accrue to the Company from this cause, and will not pay compensation.

4. The Sheikh further undertakes to hire to the Company an area or areas, aggregating ten jaribs at Ahwaz and Nasiri, having frontage on the eastern bank (edge) of the River Karun, for the storage of material, and building of storehouses, and such other buildings as are needed for the Company's business, at a rate of one pound sterling per jarib per annum, *i.e.*, that the yearly amount of the rent thereof will be ten pounds sterling.

The Company have power to select a site or sites on the eastern edge of the Karun, located opposite the island in the river, upstream from the garden adjacent to the landing place used by steamers plying on the Upper Karun. Should the Company find the ground selected as above, after further examination, not suitable for their requirements, they shall have the right to select other sites of the same area and description ; and whatever buildings there shall be on these areas shall be left by the Company on the expiry of the lease or of any extension or renewal thereof and they are not entitled to demand any refund of expenses in this connection.

5. In order that the Company may be satisfied that it has received from the Sheikh good and sufficient title to these lands, and that no one in future can put forward any claim in regard to the lands, the Sheikh undertakes for the complete validity thereof to cause this document to be signed and sealed by the elders of his tribes.

6. The Sheikh further undertakes to appoint watchmen for the efficient guarding of the property of the Company in each district situate within



his territories through which the pipes may be laid or in which the Company's property may be exposed to possible loss: the salary of such watchmen to be paid by the Company themselves. He will furnish the representative of the Company with the names of his own representatives; so that on the representative of the Company on the spot preferring a request, the Sheikh will instruct his representatives to detail trustworthy men for the work.

Any changes in the personnel of the representatives of the Sheikh will be intimated to the representative of the Company in due course.

7. So long as the Sheikh guarantees the guards employed by the Company, he undertakes to recover any property stolen by the said guards themselves, or by reason of their connivance: and in the event of non-recovery, to compensate the Company for the loss sustained. In the case of theft under other circumstances, or of any wilful damage being done to the pipe-line or tanks thereof, or any other property belonging to the Company, the Sheikh undertakes to do his utmost to trace the offenders, and in the event of their being identified, should they prove to belong to his jurisdiction, or should they be found therein, to inflict upon them such punishment as will be an example and deterrent to others against the perpetration of such acts; and also a means of making the Company's property respected in his territory.

8. The Sheikh further grants the right to the Company to make all burnt and unburnt bricks and tiles required by them in the lands for the time being in the hands of the Company, and also to erect on the lands occupied by them in accordance with the articles of this Agreement, all buildings, structures and machinery as may be needed by them for the proper execution of their business.

The Company undertakes that on the expiry of the Concession, or of the period of the extension or renewal thereof, all these lands which have been acquired from the Sheikh on lease or free of charge, shall be abandoned and shall be given back into the hands of the Sheikh, and the said Company will have no further rights in them.

9. This lease of land, and all the conditions pertaining thereto, shall remain in force for the full period of the Concession granted to Mr. W. K. D'Arcy by His Imperial Majesty the Shah of Persia, dated 28th May 1901, and of any extension or renewal thereof. But on the expiration of the original period, in the event of there being an extension or renewal of the Concession, the rent shall be fixed at 1,500 (fifteen hundred) pounds sterling per annum, payable annually in advance, and the Sheikh shall have no right to demand any further increase. If in consideration of the exigencies of their business, the Company should wish to curtail the period of their lease, in that case twelve calendar (Christian) months notice of their intention must be given in writing to the Sheikh prior to the termination of the lease. Such notice will be sent to the Sheikh through His Britannic Majesty's Consul at Mohammerah. If the lease should be thus curtailed the Company shall make no claim for refund of money that has been paid in advance on account of rent, and the Sheikh likewise shall make no claim for rent for the unexpired period of the lease.

10. If at any time the Company desire to acquire land on the Karun or Shatt-al-Arab at Mohammerah or Ahwaz, or any other point anywhere in the country under the Sheikh's jurisdiction, for wharves or warehouses for the purposes of their business, the Sheikh undertakes as far as possible to assist the said Company in procuring the said land at favourable rates of lease. It is to be understood that such rent will be paid by the Company themselves.

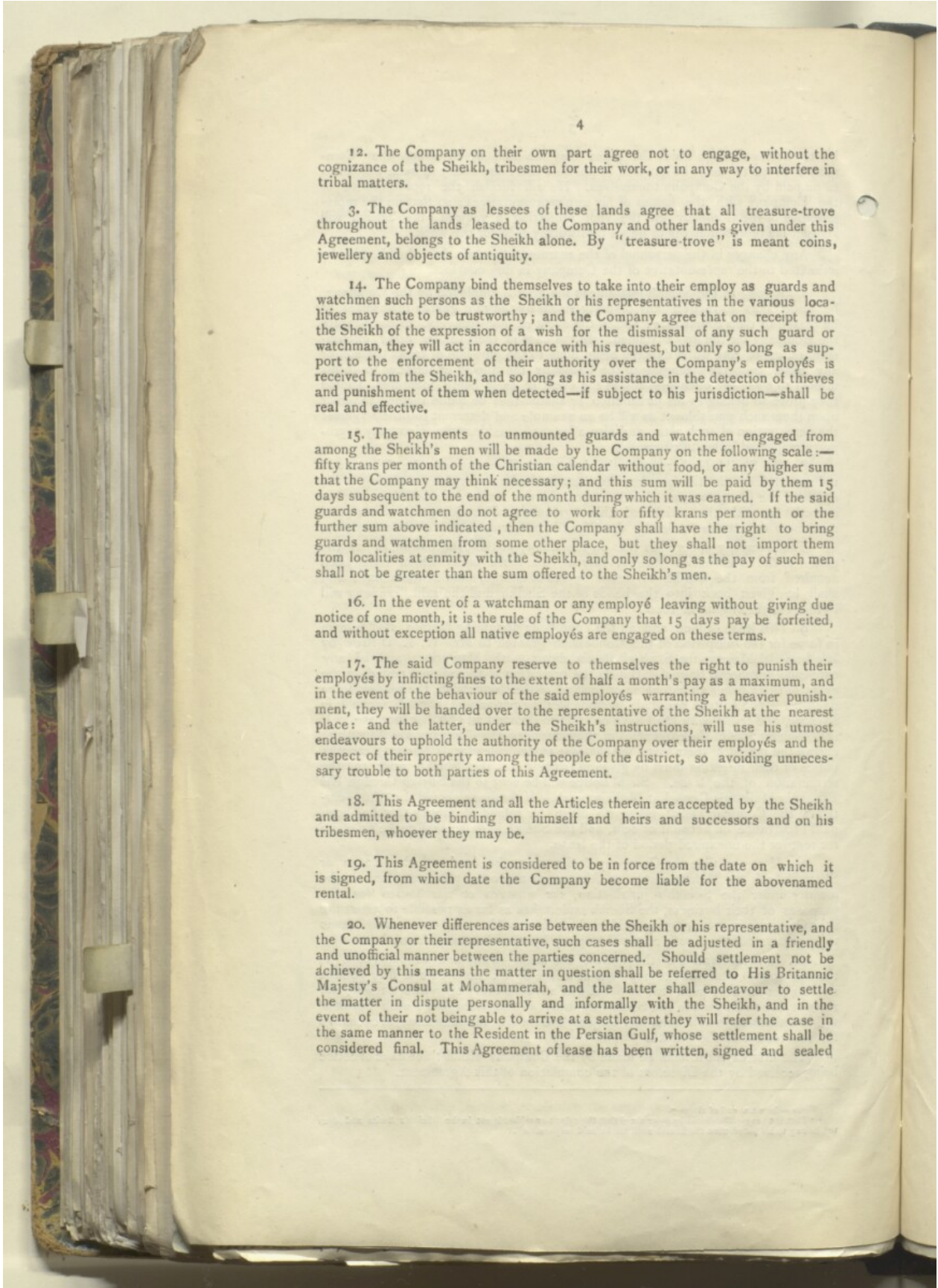
11. In consideration of the lease of the lands mentioned in paragraph 1, the Company undertake to pay rent at a rate of six hundred and fifty pounds sterling per annum; such rent to be paid in advance every ten years, namely, the amount due to be paid to the Sheikh by drafts of the Company: such payments to be made through His Britannic Majesty's Consul at Mohammerah, in exchange for the receipt of the Sheikh.

The first payment shall be made by the Company within three days of notice being received by the Directors of the completion of this Agreement.

Notes.—Insert at end of clause 7.
"That is to say—if it should be ascertained that the culprit or robber is not in the Sheikh's limits and does not belong to his jurisdiction the Sheikh shall not be held responsible".



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12. The Company on their own part agree not to engage, without the cognizance of the Sheikh, tribesmen for their work, or in any way to interfere in tribal matters.

13. The Company as lessees of these lands agree that all treasure-trove throughout the lands leased to the Company and other lands given under this Agreement, belongs to the Sheikh alone. By "treasure-trove" is meant coins, jewellery and objects of antiquity.

14. The Company bind themselves to take into their employ as guards and watchmen such persons as the Sheikh or his representatives in the various localities may state to be trustworthy; and the Company agree that on receipt from the Sheikh of the expression of a wish for the dismissal of any such guard or watchman, they will act in accordance with his request, but only so long as support to the enforcement of their authority over the Company's employes is received from the Sheikh, and so long as his assistance in the detection of thieves and punishment of them when detected—if subject to his jurisdiction—shall be real and effective.

15. The payments to unmounted guards and watchmen engaged from among the Sheikh's men will be made by the Company on the following scale:— fifty krans per month of the Christian calendar without food, or any higher sum that the Company may think necessary; and this sum will be paid by them 15 days subsequent to the end of the month during which it was earned. If the said guards and watchmen do not agree to work for fifty krans per month or the further sum above indicated, then the Company shall have the right to bring guards and watchmen from some other place, but they shall not import them from localities at enmity with the Sheikh, and only so long as the pay of such men shall not be greater than the sum offered to the Sheikh's men.

16. In the event of a watchman or any employe leaving without giving due notice of one month, it is the rule of the Company that 15 days pay be forfeited, and without exception all native employes are engaged on these terms.

17. The said Company reserve to themselves the right to punish their employes by inflicting fines to the extent of half a month's pay as a maximum, and in the event of the behaviour of the said employes warranting a heavier punishment, they will be handed over to the representative of the Sheikh at the nearest place: and the latter, under the Sheikh's instructions, will use his utmost endeavours to uphold the authority of the Company over their employes and the respect of their property among the people of the district, so avoiding unnecessary trouble to both parties of this Agreement.

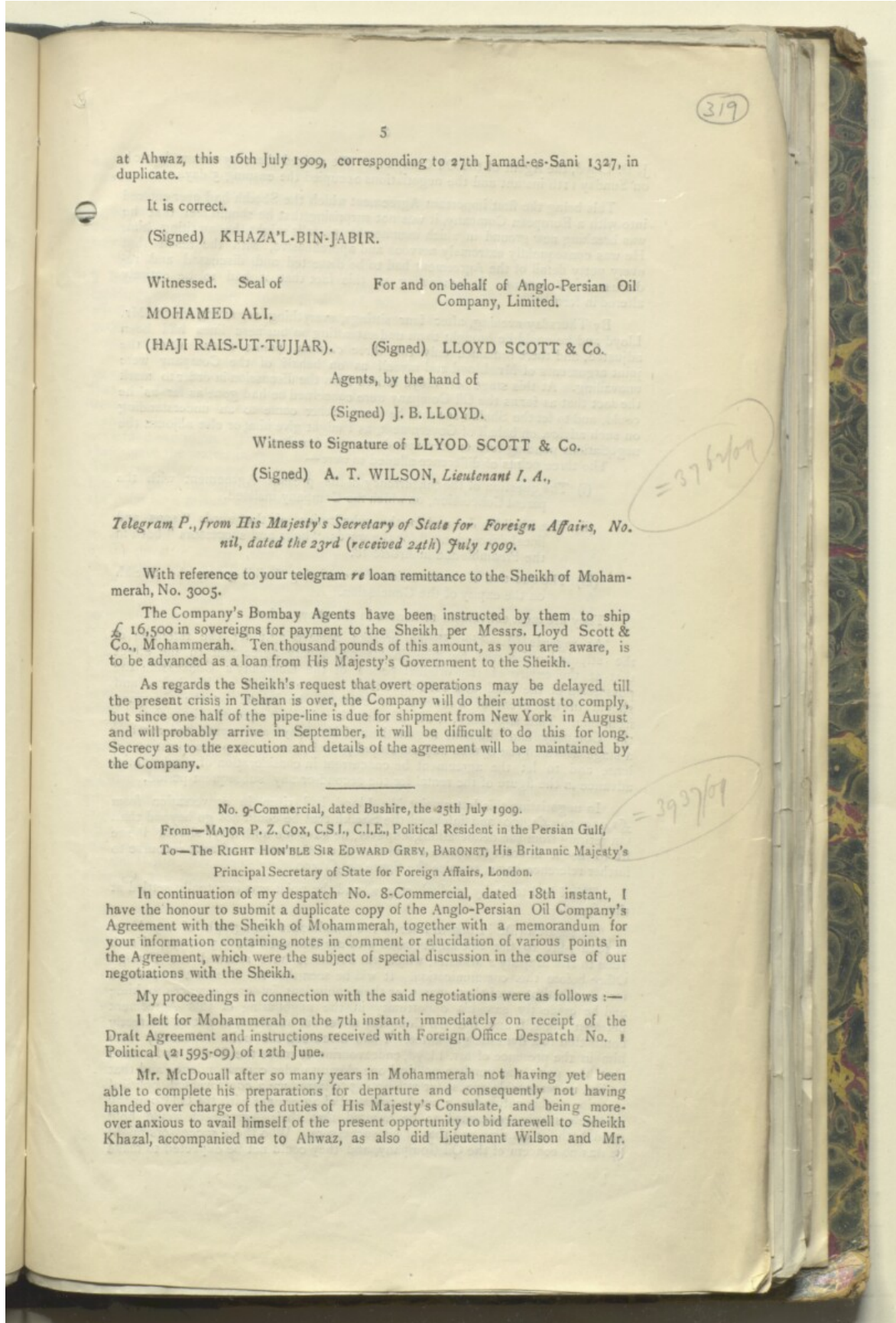
18. This Agreement and all the Articles therein are accepted by the Sheikh and admitted to be binding on himself and heirs and successors and on his tribesmen, whoever they may be.

19. This Agreement is considered to be in force from the date on which it is signed, from which date the Company become liable for the abovenamed rental.

20. Whenever differences arise between the Sheikh or his representative, and the Company or their representative, such cases shall be adjusted in a friendly and unofficial manner between the parties concerned. Should settlement not be achieved by this means the matter in question shall be referred to His Britannic Majesty's Consul at Mohammerah, and the latter shall endeavour to settle the matter in dispute personally and informally with the Sheikh, and in the event of their not being able to arrive at a settlement they will refer the case in the same manner to the Resident in the Persian Gulf, whose settlement shall be considered final. This Agreement of lease has been written, signed and sealed

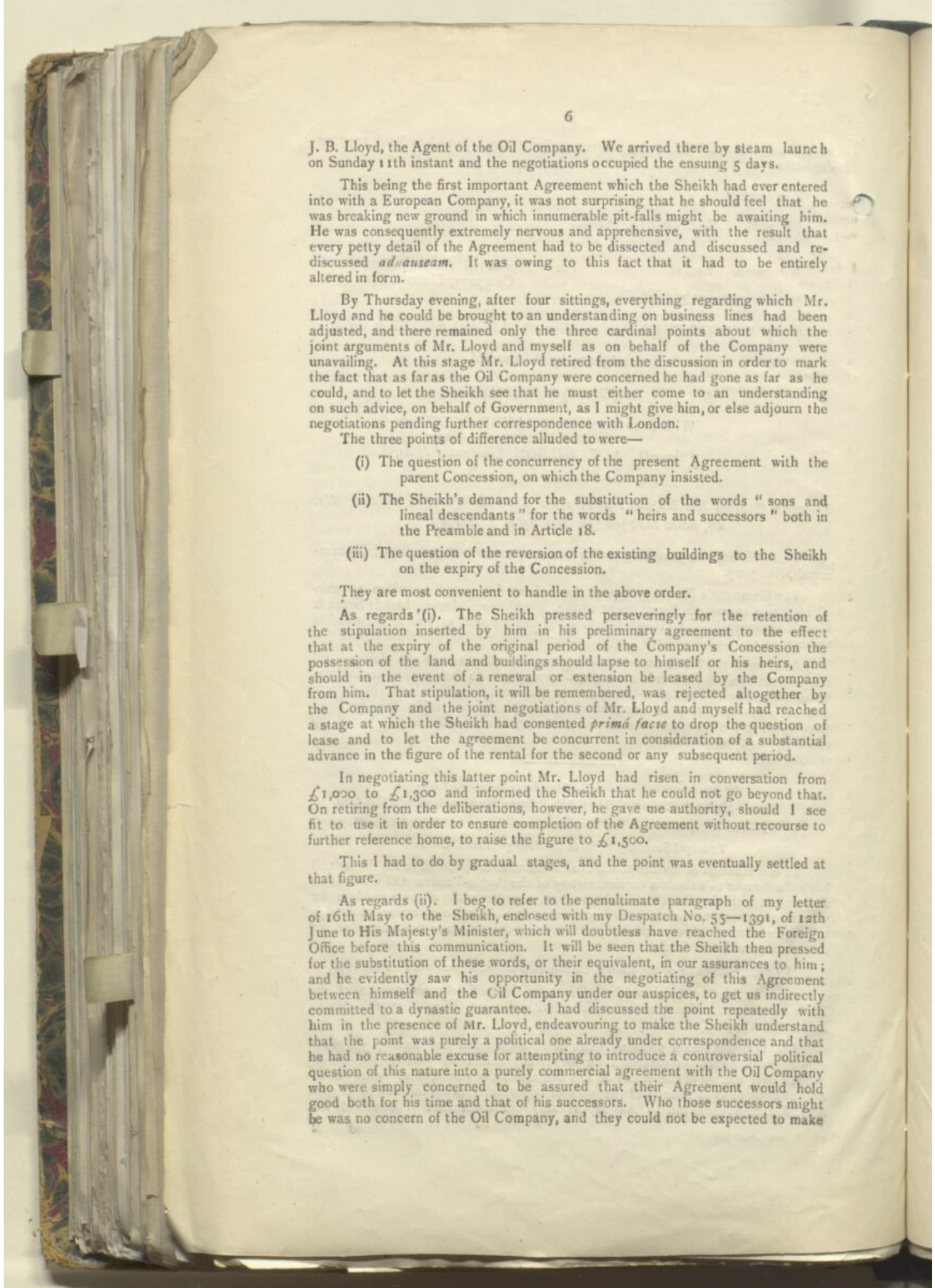


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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J. B. Lloyd, the Agent of the Oil Company. We arrived there by steam launch on Sunday 11th instant and the negotiations occupied the ensuing 5 days.

This being the first important Agreement which the Sheikh had ever entered into with a European Company, it was not surprising that he should feel that he was breaking new ground in which innumerable pit-falls might be awaiting him. He was consequently extremely nervous and apprehensive, with the result that every petty detail of the Agreement had to be dissected and discussed and re-discussed *ad nauseam*. It was owing to this fact that it had to be entirely altered in form.

By Thursday evening, after four sittings, everything regarding which Mr. Lloyd and he could be brought to an understanding on business lines had been adjusted, and there remained only the three cardinal points about which the joint arguments of Mr. Lloyd and myself as on behalf of the Company were unavailing. At this stage Mr. Lloyd retired from the discussion in order to mark the fact that as far as the Oil Company were concerned he had gone as far as he could, and to let the Sheikh see that he must either come to an understanding on such advice, on behalf of Government, as I might give him, or else adjourn the negotiations pending further correspondence with London.

The three points of difference alluded to were—

- (i) The question of the concurrency of the present Agreement with the parent Concession, on which the Company insisted.
- (ii) The Sheikh's demand for the substitution of the words "sons and lineal descendants" for the words "heirs and successors" both in the Preamble and in Article 18.
- (iii) The question of the reversion of the existing buildings to the Sheikh on the expiry of the Concession.

They are most convenient to handle in the above order.

As regards (i). The Sheikh pressed perseveringly for the retention of the stipulation inserted by him in his preliminary agreement to the effect that at the expiry of the original period of the Company's Concession the possession of the land and buildings should lapse to himself or his heirs, and should in the event of a renewal or extension be leased by the Company from him. That stipulation, it will be remembered, was rejected altogether by the Company and the joint negotiations of Mr. Lloyd and myself had reached a stage at which the Sheikh had consented *prima facie* to drop the question of lease and to let the agreement be concurrent in consideration of a substantial advance in the figure of the rental for the second or any subsequent period.

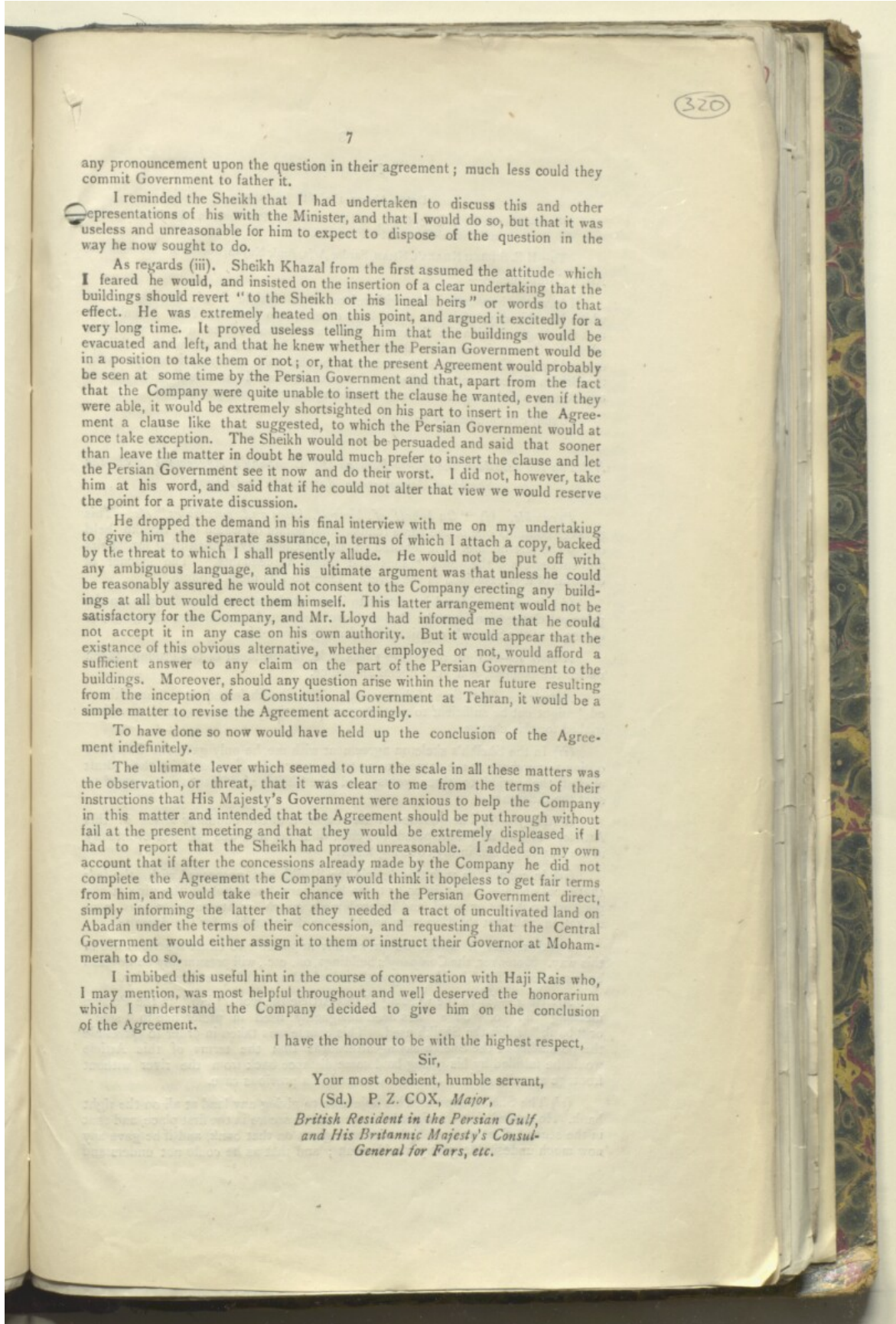
In negotiating this latter point Mr. Lloyd had risen in conversation from £1,000 to £1,300 and informed the Sheikh that he could not go beyond that. On retiring from the deliberations, however, he gave me authority, should I see fit to use it in order to ensure completion of the Agreement without recourse to further reference home, to raise the figure to £1,500.

This I had to do by gradual stages, and the point was eventually settled at that figure.

As regards (ii). I beg to refer to the penultimate paragraph of my letter of 16th May to the Sheikh, enclosed with my Despatch No. 55—1391, of 12th June to His Majesty's Minister, which will doubtless have reached the Foreign Office before this communication. It will be seen that the Sheikh then pressed for the substitution of these words, or their equivalent, in our assurances to him; and he evidently saw his opportunity in the negotiating of this Agreement between himself and the Oil Company under our auspices, to get us indirectly committed to a dynastic guarantee. I had discussed the point repeatedly with him in the presence of Mr. Lloyd, endeavouring to make the Sheikh understand that the point was purely a political one already under correspondence and that he had no reasonable excuse for attempting to introduce a controversial political question of this nature into a purely commercial agreement with the Oil Company who were simply concerned to be assured that their Agreement would hold good both for his time and that of his successors. Who those successors might be was no concern of the Oil Company, and they could not be expected to make



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any pronouncement upon the question in their agreement ; much less could they commit Government to father it.

I reminded the Sheikh that I had undertaken to discuss this and other representations of his with the Minister, and that I would do so, but that it was useless and unreasonable for him to expect to dispose of the question in the way he now sought to do.

As regards (iii). Sheikh Khazal from the first assumed the attitude which I feared he would, and insisted on the insertion of a clear undertaking that the buildings should revert "to the Sheikh or his lineal heirs" or words to that effect. He was extremely heated on this point, and argued it excitedly for a very long time. It proved useless telling him that the buildings would be evacuated and left, and that he knew whether the Persian Government would be in a position to take them or not; or, that the present Agreement would probably be seen at some time by the Persian Government and that, apart from the fact that the Company were quite unable to insert the clause he wanted, even if they were able, it would be extremely shortsighted on his part to insert in the Agreement a clause like that suggested, to which the Persian Government would at once take exception. The Sheikh would not be persuaded and said that sooner than leave the matter in doubt he would much prefer to insert the clause and let the Persian Government see it now and do their worst. I did not, however, take him at his word, and said that if he could not alter that view we would reserve the point for a private discussion.

He dropped the demand in his final interview with me on my undertaking to give him the separate assurance, in terms of which I attach a copy, backed by the threat to which I shall presently allude. He would not be put off with any ambiguous language, and his ultimate argument was that unless he could be reasonably assured he would not consent to the Company erecting any buildings at all but would erect them himself. This latter arrangement would not be satisfactory for the Company, and Mr. Lloyd had informed me that he could not accept it in any case on his own authority. But it would appear that the existence of this obvious alternative, whether employed or not, would afford a sufficient answer to any claim on the part of the Persian Government to the buildings. Moreover, should any question arise within the near future resulting from the inception of a Constitutional Government at Tehran, it would be a simple matter to revise the Agreement accordingly.

To have done so now would have held up the conclusion of the Agreement indefinitely.

The ultimate lever which seemed to turn the scale in all these matters was the observation, or threat, that it was clear to me from the terms of their instructions that His Majesty's Government were anxious to help the Company in this matter and intended that the Agreement should be put through without fail at the present meeting and that they would be extremely displeased if I had to report that the Sheikh had proved unreasonable. I added on my own account that if after the concessions already made by the Company he did not complete the Agreement the Company would think it hopeless to get fair terms from him, and would take their chance with the Persian Government direct, simply informing the latter that they needed a tract of uncultivated land on Abadan under the terms of their concession, and requesting that the Central Government would either assign it to them or instruct their Governor at Mohammerah to do so.

I imbibed this useful hint in the course of conversation with Haji Rais who, I may mention, was most helpful throughout and well deserved the honorarium which I understand the Company decided to give him on the conclusion of the Agreement.

I have the honour to be with the highest respect,

Sir,

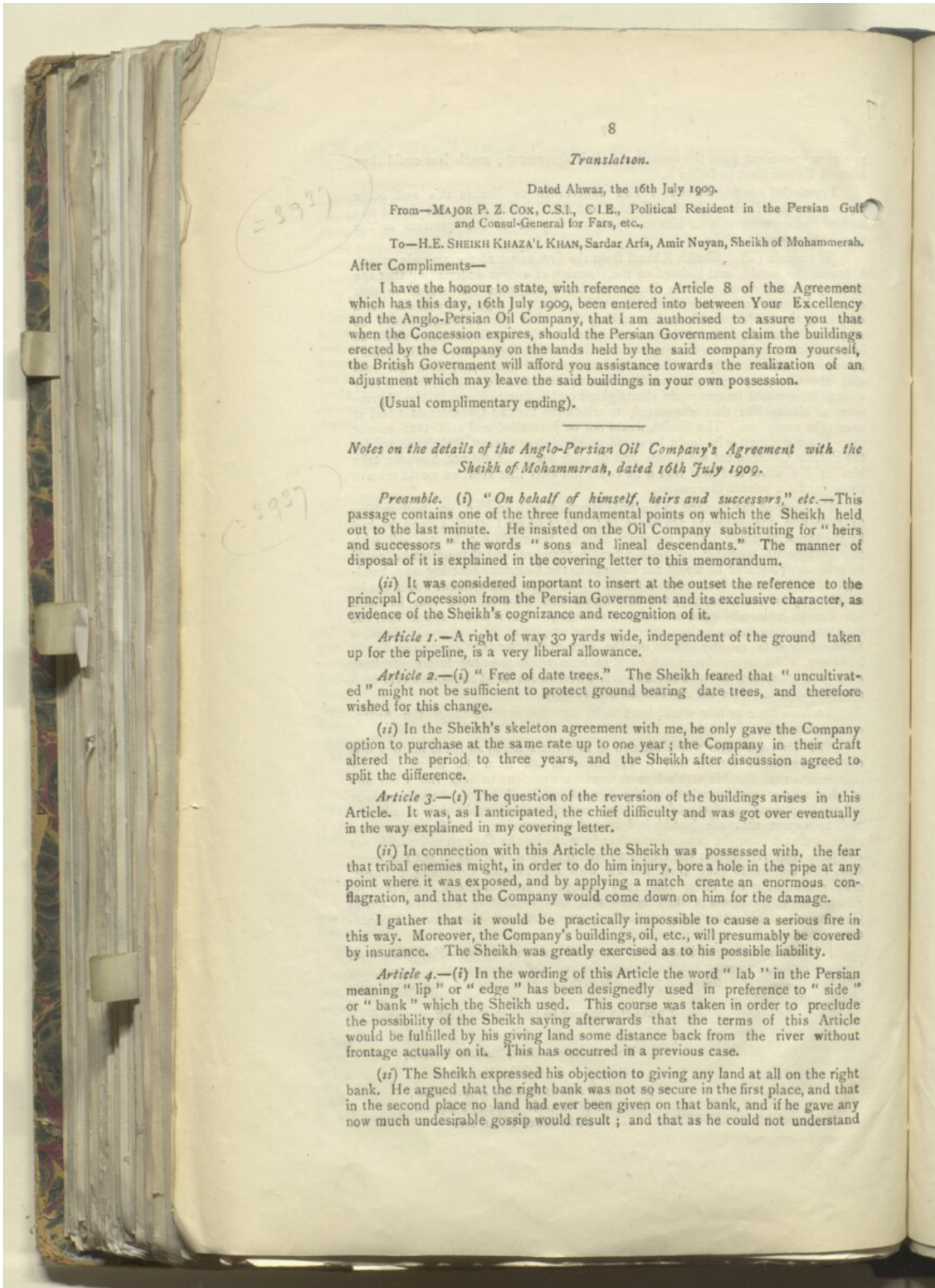
Your most obedient, humble servant,

(Sd.) P. Z. COX, Major,

British Resident in the Persian Gulf,
and His Britannic Majesty's Consul-
General for Fars, etc.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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8

Translation.

Dated Ahwaz, the 16th July 1909.

From—MAJOR P. Z. COX, C.S.I., C.I.E., Political Resident in the Persian Gulf
and Consul-General for Fars, etc.,

To—H.E. SHEIKH KHAZA'L KHAN, Sardar Arfa, Amir Nuyan, Sheikh of Mohammerah.

After Compliments—

I have the honour to state, with reference to Article 8 of the Agreement which has this day, 16th July 1909, been entered into between Your Excellency and the Anglo-Persian Oil Company, that I am authorised to assure you that when the Concession expires, should the Persian Government claim the buildings erected by the Company on the lands held by the said company from yourself, the British Government will afford you assistance towards the realization of an adjustment which may leave the said buildings in your own possession.

(Usual complimentary ending).

*Notes on the details of the Anglo-Persian Oil Company's Agreement with the
Sheikh of Mohammerah, dated 16th July 1909.*

Preamble. (i) "On behalf of himself, heirs and successors," etc.—This passage contains one of the three fundamental points on which the Sheikh held out to the last minute. He insisted on the Oil Company substituting for "heirs and successors" the words "sons and lineal descendants." The manner of disposal of it is explained in the covering letter to this memorandum.

(ii) It was considered important to insert at the outset the reference to the principal Concession from the Persian Government and its exclusive character, as evidence of the Sheikh's cognizance and recognition of it.

Article 1.—A right of way 30 yards wide, independent of the ground taken up for the pipeline, is a very liberal allowance.

Article 2.—(i) "Free of date trees." The Sheikh feared that "uncultivated" might not be sufficient to protect ground bearing date trees, and therefore wished for this change.

(ii) In the Sheikh's skeleton agreement with me, he only gave the Company option to purchase at the same rate up to one year; the Company in their draft altered the period to three years, and the Sheikh after discussion agreed to split the difference.

Article 3.—(i) The question of the reversion of the buildings arises in this Article. It was, as I anticipated, the chief difficulty and was got over eventually in the way explained in my covering letter.

(ii) In connection with this Article the Sheikh was possessed with, the fear that tribal enemies might, in order to do him injury, bore a hole in the pipe at any point where it was exposed, and by applying a match create an enormous conflagration, and that the Company would come down on him for the damage.

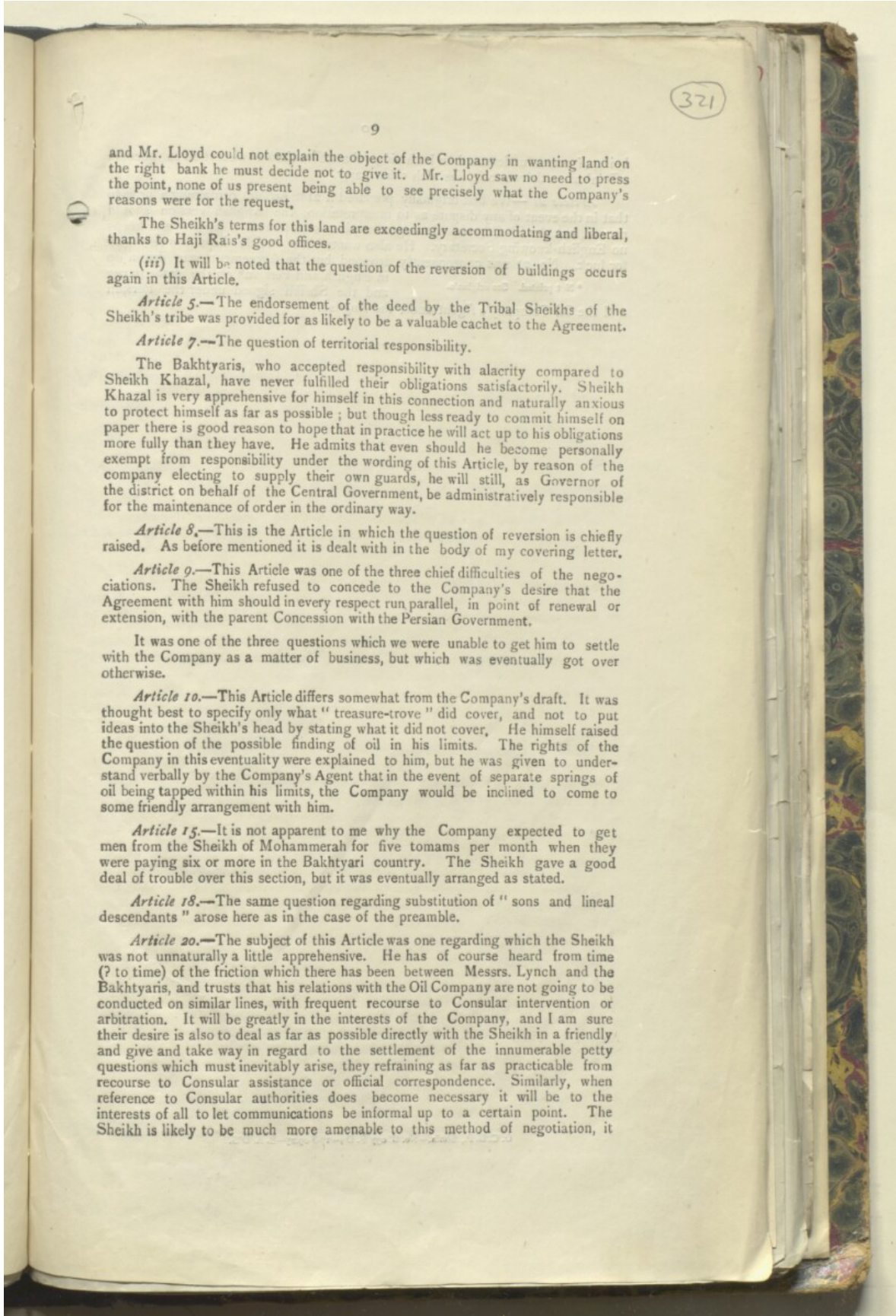
I gather that it would be practically impossible to cause a serious fire in this way. Moreover, the Company's buildings, oil, etc., will presumably be covered by insurance. The Sheikh was greatly exercised as to his possible liability.

Article 4.—(i) In the wording of this Article the word "lab" in the Persian meaning "lip" or "edge" has been designedly used in preference to "side" or "bank" which the Sheikh used. This course was taken in order to preclude the possibility of the Sheikh saying afterwards that the terms of this Article would be fulfilled by his giving land some distance back from the river without frontage actually on it. This has occurred in a previous case.

(ii) The Sheikh expressed his objection to giving any land at all on the right bank. He argued that the right bank was not so secure in the first place, and that in the second place no land had ever been given on that bank, and if he gave any now much undesirable gossip would result; and that as he could not understand



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and Mr. Lloyd could not explain the object of the Company in wanting land on the right bank he must decide not to give it. Mr. Lloyd saw no need to press the point, none of us present being able to see precisely what the Company's reasons were for the request.

The Sheikh's terms for this land are exceedingly accommodating and liberal, thanks to Haji Rais's good offices.

(iii) It will be noted that the question of the reversion of buildings occurs again in this Article.

Article 5.—The endorsement of the deed by the Tribal Sheikhs of the Sheikh's tribe was provided for as likely to be a valuable cachet to the Agreement.

Article 7.—The question of territorial responsibility.

The Bakhtyaris, who accepted responsibility with alacrity compared to Sheikh Khazal, have never fulfilled their obligations satisfactorily. Sheikh Khazal is very apprehensive for himself in this connection and naturally anxious to protect himself as far as possible; but though less ready to commit himself on paper there is good reason to hope that in practice he will act up to his obligations more fully than they have. He admits that even should he become personally exempt from responsibility under the wording of this Article, by reason of the company electing to supply their own guards, he will still, as Governor of the district on behalf of the Central Government, be administratively responsible for the maintenance of order in the ordinary way.

Article 8.—This is the Article in which the question of reversion is chiefly raised. As before mentioned it is dealt with in the body of my covering letter.

Article 9.—This Article was one of the three chief difficulties of the negotiations. The Sheikh refused to concede to the Company's desire that the Agreement with him should in every respect run parallel, in point of renewal or extension, with the parent Concession with the Persian Government.

It was one of the three questions which we were unable to get him to settle with the Company as a matter of business, but which was eventually got over otherwise.

Article 10.—This Article differs somewhat from the Company's draft. It was thought best to specify only what "treasure-trove" did cover, and not to put ideas into the Sheikh's head by stating what it did not cover. He himself raised the question of the possible finding of oil in his limits. The rights of the Company in this eventuality were explained to him, but he was given to understand verbally by the Company's Agent that in the event of separate springs of oil being tapped within his limits, the Company would be inclined to come to some friendly arrangement with him.

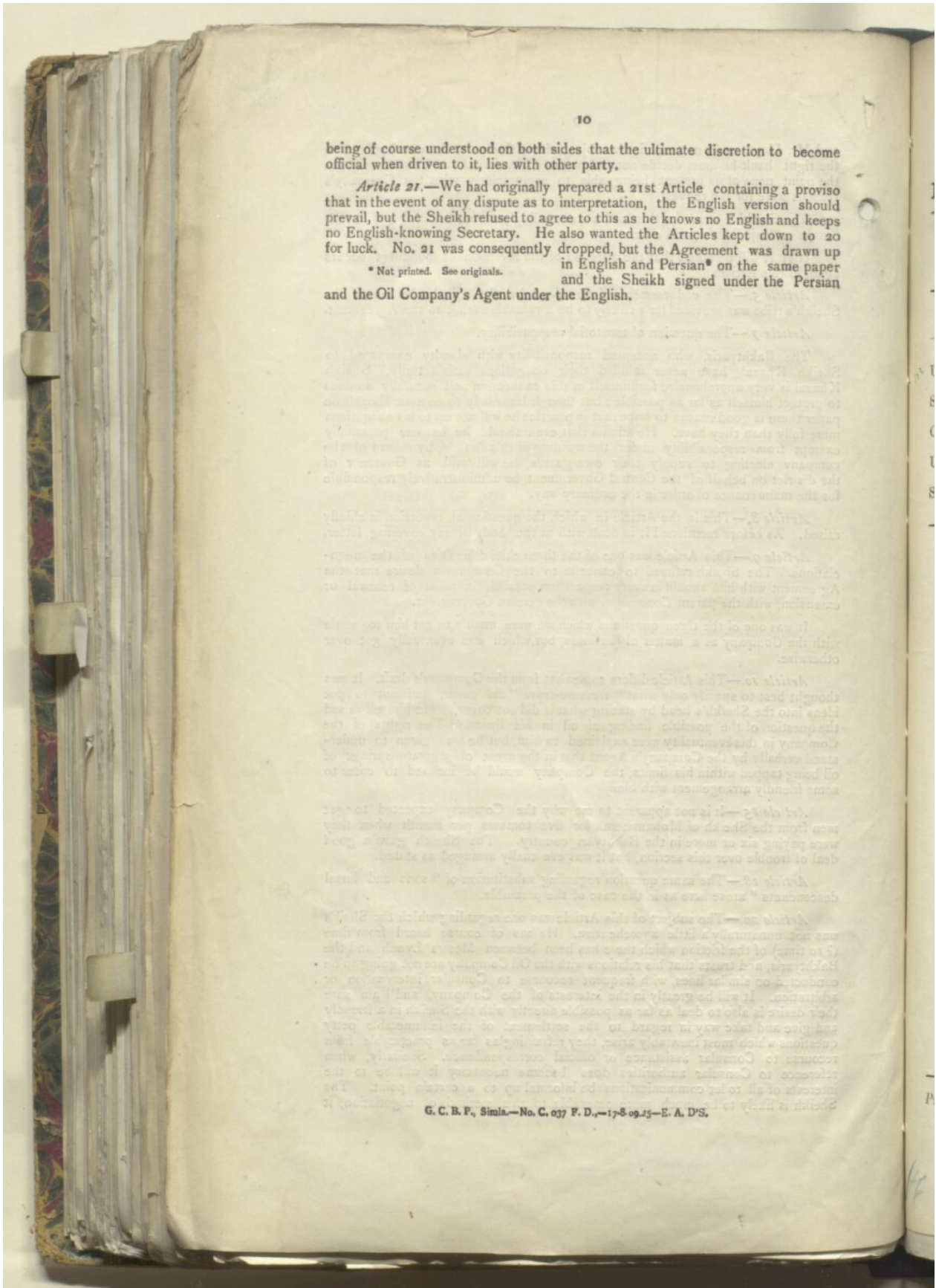
Article 15.—It is not apparent to me why the Company expected to get men from the Sheikh of Mohammerah for five tomams per month when they were paying six or more in the Bakhtyari country. The Sheikh gave a good deal of trouble over this section, but it was eventually arranged as stated.

Article 18.—The same question regarding substitution of "sons and lineal descendants" arose here as in the case of the preamble.

Article 20.—The subject of this Article was one regarding which the Sheikh was not unnaturally a little apprehensive. He has of course heard from time (? to time) of the friction which there has been between Messrs. Lynch and the Bakhtyaris, and trusts that his relations with the Oil Company are not going to be conducted on similar lines, with frequent recourse to Consular intervention or arbitration. It will be greatly in the interests of the Company, and I am sure their desire is also to deal as far as possible directly with the Sheikh in a friendly and give and take way in regard to the settlement of the innumerable petty questions which must inevitably arise, they refraining as far as practicable from recourse to Consular assistance or official correspondence. Similarly, when reference to Consular authorities does become necessary it will be to the interests of all to let communications be informal up to a certain point. The Sheikh is likely to be much more amenable to this method of negotiation, it



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being of course understood on both sides that the ultimate discretion to become official when driven to it, lies with other party.

Article 21.—We had originally prepared a 21st Article containing a proviso that in the event of any dispute as to interpretation, the English version should prevail, but the Sheikh refused to agree to this as he knows no English and keeps no English-knowing Secretary. He also wanted the Articles kept down to 20 for luck. No. 21 was consequently dropped, but the Agreement was drawn up

** Not printed. See originals.* in English and Persian* on the same paper and the Sheikh signed under the Persian and the Oil Company's Agent under the English.

G. C. B. F., Simla.—No. C. 037 F. D.,—17-8-09.5—E. A. D'S.



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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322

Register No. 3937

Minute Paper. Secret Department.

Letter from F.O., Dated } 38 Sept. 1909
Rec. }

	Date.	Initials.	SUBJECT.
Under Secretary.....	13 Sept	WJ	<u>Persia.</u> Affairs of the Anglo-Persian Oil Co. The Agreement with the Sheikh of Mohammerah: Report by Major Cox on his negotiations with the Sheikh.
Secretary of State.....	14	WJ	
Committee.....	15	WJ	
Under Secretary.....			
Secretary of State.....			

Copy to India 3 Sept. 36
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FOR INFORMATION.

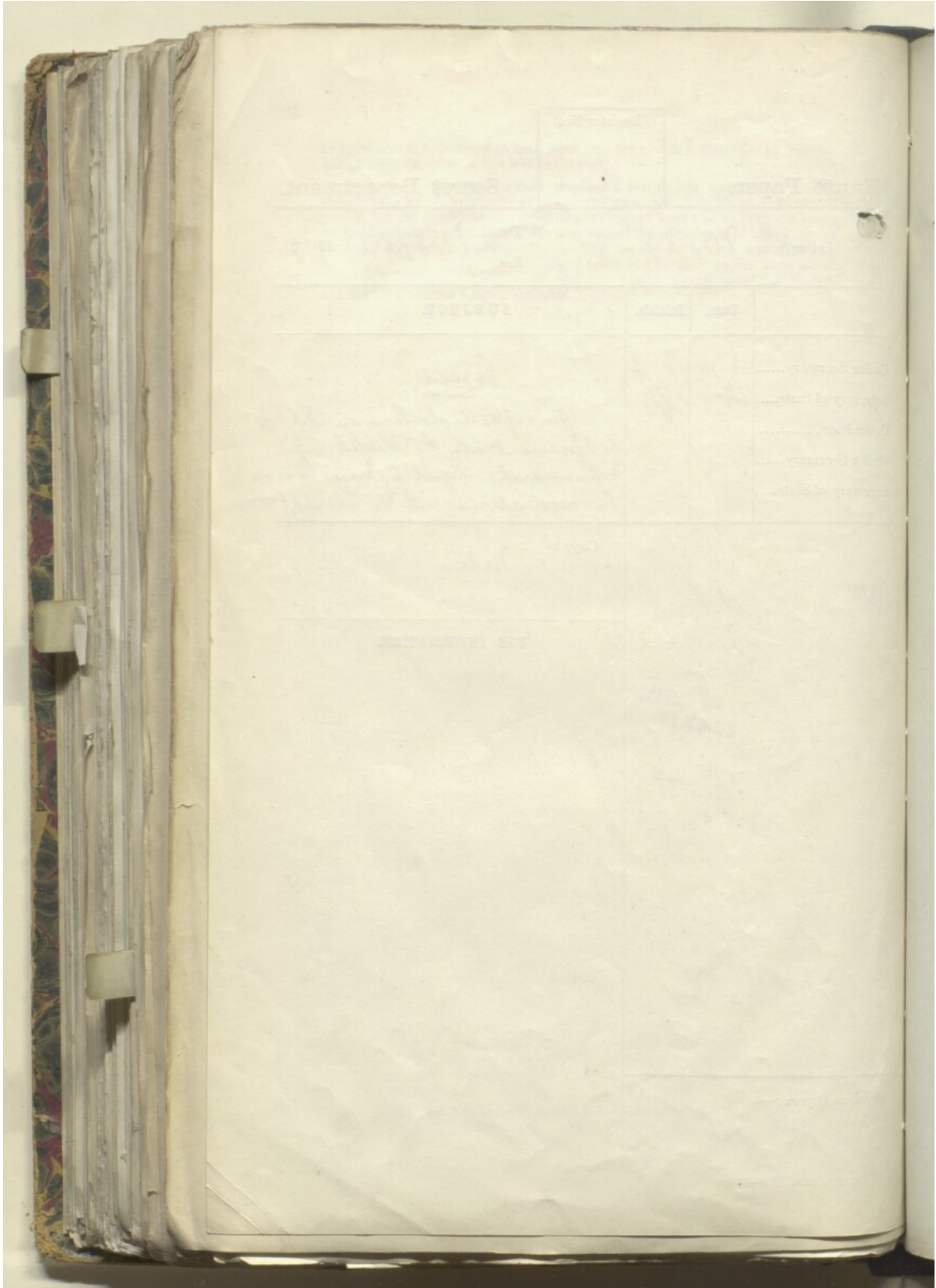
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22 SEP. 1909

Previous Papers :-
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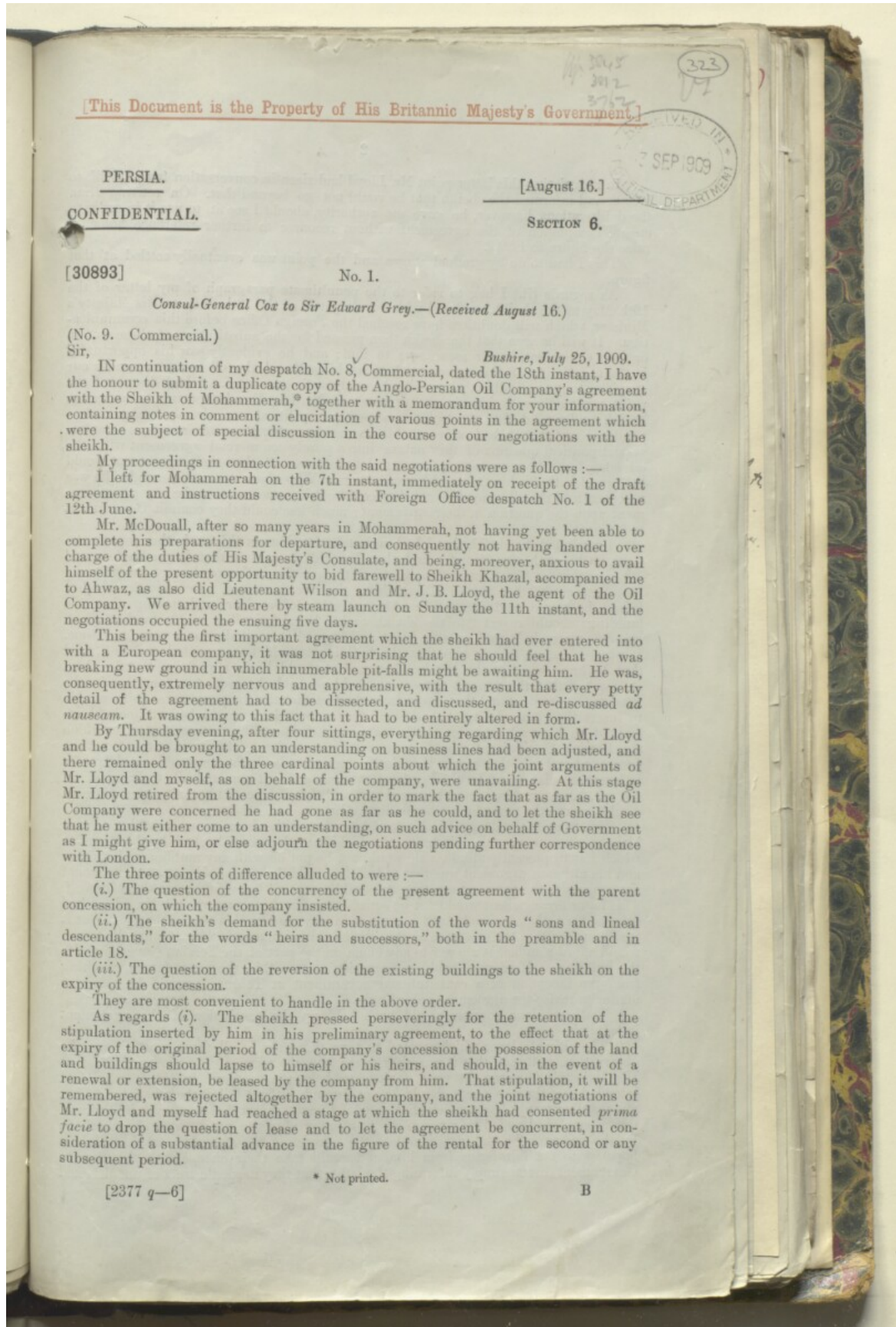


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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PERSIA.

[August 16.]

CONFIDENTIAL.

SECTION 6.

[30893]

No. 1.

Consul-General Cox to Sir Edward Grey.—(Received August 16.)

(No. 9. Commercial.)

Sir,

Bushire, July 25, 1909.

IN continuation of my despatch No. 8, Commercial, dated the 18th instant, I have the honour to submit a duplicate copy of the Anglo-Persian Oil Company's agreement with the Sheikh of Mohammerah,* together with a memorandum for your information, containing notes in comment or elucidation of various points in the agreement which were the subject of special discussion in the course of our negotiations with the sheikh.

My proceedings in connection with the said negotiations were as follows:—
I left for Mohammerah on the 7th instant, immediately on receipt of the draft agreement and instructions received with Foreign Office despatch No. 1 of the 12th June.

Mr. McDouall, after so many years in Mohammerah, not having yet been able to complete his preparations for departure, and consequently not having handed over charge of the duties of His Majesty's Consulate, and being, moreover, anxious to avail himself of the present opportunity to bid farewell to Sheikh Khazal, accompanied me to Ahwaz, as also did Lieutenant Wilson and Mr. J. B. Lloyd, the agent of the Oil Company. We arrived there by steam launch on Sunday the 11th instant, and the negotiations occupied the ensuing five days.

This being the first important agreement which the sheikh had ever entered into with a European company, it was not surprising that he should feel that he was breaking new ground in which innumerable pit-falls might be awaiting him. He was, consequently, extremely nervous and apprehensive, with the result that every petty detail of the agreement had to be dissected, and discussed, and re-discussed *ad nauseam*. It was owing to this fact that it had to be entirely altered in form.

By Thursday evening, after four sittings, everything regarding which Mr. Lloyd and he could be brought to an understanding on business lines had been adjusted, and there remained only the three cardinal points about which the joint arguments of Mr. Lloyd and myself, as on behalf of the company, were unavailing. At this stage Mr. Lloyd retired from the discussion, in order to mark the fact that as far as the Oil Company were concerned he had gone as far as he could, and to let the sheikh see that he must either come to an understanding, on such advice on behalf of Government as I might give him, or else adjourn the negotiations pending further correspondence with London.

The three points of difference alluded to were:—

(i.) The question of the concurrency of the present agreement with the parent concession, on which the company insisted.

(ii.) The sheikh's demand for the substitution of the words "sons and lineal descendants," for the words "heirs and successors," both in the preamble and in article 18.

(iii.) The question of the reversion of the existing buildings to the sheikh on the expiry of the concession.

They are most convenient to handle in the above order.

As regards (i.) The sheikh pressed perseveringly for the retention of the stipulation inserted by him in his preliminary agreement, to the effect that at the expiry of the original period of the company's concession the possession of the land and buildings should lapse to himself or his heirs, and should, in the event of a renewal or extension, be leased by the company from him. That stipulation, it will be remembered, was rejected altogether by the company, and the joint negotiations of Mr. Lloyd and myself had reached a stage at which the sheikh had consented *prima facie* to drop the question of lease and to let the agreement be concurrent, in consideration of a substantial advance in the figure of the rental for the second or any subsequent period.

[2377 q-6]

* Not printed.

B



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٢٣ظ] (٣٣٨/٢١٢)

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In negotiating this latter point Mr. Lloyd had risen in conversation from 1,000l. to 1,300l. and informed the sheikh that he could not go beyond that. On retiring from the deliberations, however, he gave me authority, should I see fit, to use it in order to ensure completion of the agreement without recourse to further reference home, raise the figure to 1,500l.

This I had to do by gradual stages and the point was eventually settled at that figure.

As regards (ii.) I beg to refer to the penultimate paragraph of my letter of the 16th May to the sheikh, enclosed with my despatch of the 12th June to His Majesty's Minister, which will doubtless have reached the Foreign Office before this communication. It will be seen that the sheikh then pressed for the substitution of these words, or their equivalent, in our assurances to him; and he evidently saw his opportunity in the negotiating of this agreement between himself and the oil company, under our auspices, to get us indirectly committed to a dynastic guarantee. I had discussed the point repeatedly with him in the presence of Mr. Lloyd, endeavouring to make the sheikh understand that the point was purely a political one already under correspondence and that he had no reasonable excuse for attempting to introduce a controversial political question of this nature into a purely commercial agreement with the oil company, who were simply concerned to be assured that their agreement would hold good both for his time and his successors. Who those successors might be was no concern of the oil company, and they could not be expected to make any pronouncement upon the question in their agreement; much less could they commit Government to father it.

I reminded the sheikh that I had undertaken to discuss this and other representations of his with the Minister and that I would do so, but that it was useless and unreasonable for him to expect to dispose of the question in the way he now sought to do.

As regards (iii.) Sheikh Khazal from the first assumed the attitude which I feared he would, and insisted on the assertion of a clear undertaking that the buildings should revert "to the sheikh or his lineal heirs" or words to that effect. He was extremely heated on this point and argued it excitedly for a very long time. It proved useless telling him that the buildings would be evacuated and left, and that he knew whether the Persian Government would be in a position to take them or not; or, that the present agreement would probably be seen at some time by the Persian Government and that, apart from the fact that the company were quite unable to insert the clause he wanted, even if they were able, it would be extremely short-sighted on his part to insert in the agreement a clause like that suggested, to which the Persian Government would at once take exception. The sheikh would not be persuaded and said that sooner than leave the matter in doubt he would much prefer to insert the clause and let the Persian Government see it now and do their worst. I did not, however, take him at his word and said that if he could not alter that view we would reserve the point for a private discussion.

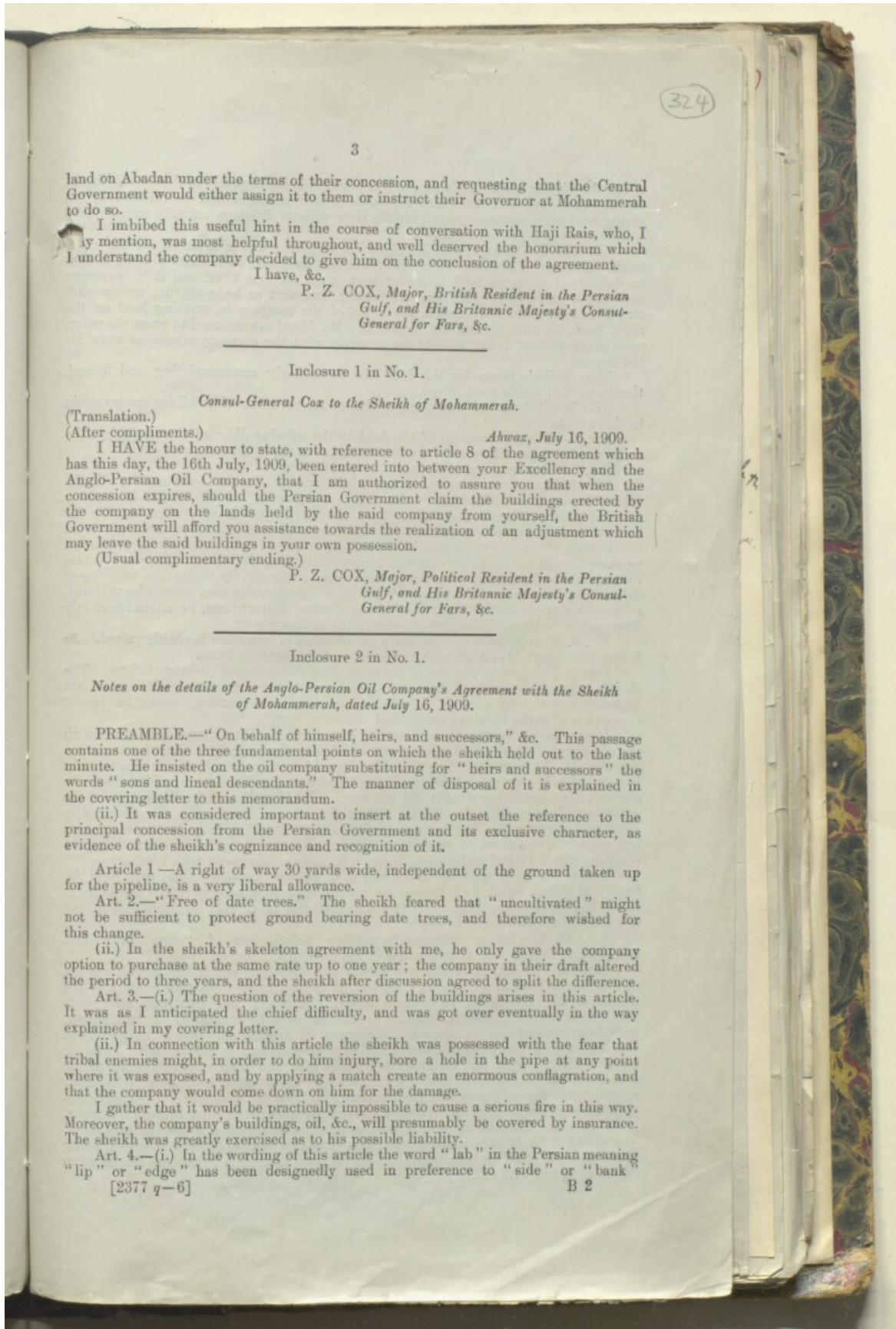
He dropped the demand in his final interview with me on my undertaking to give him the separate assurance, in terms of which I attach a copy, backed by the threat to which I shall presently allude. He would not be put off with any ambiguous language and his ultimate argument was that unless he could be reasonably assured he would not consent to the company erecting any buildings at all but would erect them himself. This latter arrangement would not be satisfactory for the company and Mr. Lloyd had informed me that he could not accept it in any case on his own authority. But it would appear that the existence of this obvious alternative, whether employed or not, would afford a sufficient answer to any claim on the part of the Persian Government to the buildings. Moreover, should any question arise within the near future, resulting from the inception of a constitutional government at Tehran, it would be a simple matter to revise the agreement accordingly.

To have done so now would have held up the conclusion of the agreement indefinitely.

The ultimate lever which seemed to turn the scale in all these matters was the observation, or threat, that it was clear to me from the terms of their instructions that His Majesty's Government were anxious to help the company in this matter, and intended that the agreement should be put through without fail at the present meeting, and that they would be extremely displeased if I had to report that the sheikh had proved unreasonable. I added on my own account that if after the concessions already made by the company he did not complete the agreement the company would think it hopeless to get fair terms from him, and would take their chance with the Persian Government direct, simply informing the latter that they needed a tract of uncultivated



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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land on Abadan under the terms of their concession, and requesting that the Central Government would either assign it to them or instruct their Governor at Mohammerah to do so.

I imbibed this useful hint in the course of conversation with Haji Rais, who, I may mention, was most helpful throughout, and well deserved the honorarium which I understand the company decided to give him on the conclusion of the agreement.

I have, &c.

P. Z. COX, Major, British Resident in the Persian Gulf, and His Britannic Majesty's Consul-General for Fars, &c.

Inclosure 1 in No. 1.

Consul-General Cox to the Sheikh of Mohammerah.

(Translation.)

(After compliments.)

Ahwas, July 16, 1909.

I HAVE the honour to state, with reference to article 8 of the agreement which has this day, the 16th July, 1909, been entered into between your Excellency and the Anglo-Persian Oil Company, that I am authorized to assure you that when the concession expires, should the Persian Government claim the buildings erected by the company on the lands held by the said company from yourself, the British Government will afford you assistance towards the realization of an adjustment which may leave the said buildings in your own possession.

(Usual complimentary ending.)

P. Z. COX, Major, Political Resident in the Persian Gulf, and His Britannic Majesty's Consul-General for Fars, &c.

Inclosure 2 in No. 1.

Notes on the details of the Anglo-Persian Oil Company's Agreement with the Sheikh of Mohammerah, dated July 16, 1909.

PREAMBLE.—“ On behalf of himself, heirs, and successors,” &c. This passage contains one of the three fundamental points on which the sheikh held out to the last minute. He insisted on the oil company substituting for “ heirs and successors ” the words “ sons and lineal descendants. ” The manner of disposal of it is explained in the covering letter to this memorandum.

(ii.) It was considered important to insert at the outset the reference to the principal concession from the Persian Government and its exclusive character, as evidence of the sheikh's cognizance and recognition of it.

Article 1—A right of way 30 yards wide, independent of the ground taken up for the pipeline, is a very liberal allowance.

Art. 2.—“ Free of date trees. ” The sheikh feared that “ uncultivated ” might not be sufficient to protect ground bearing date trees, and therefore wished for this change.

(ii.) In the sheikh's skeleton agreement with me, he only gave the company option to purchase at the same rate up to one year ; the company in their draft altered the period to three years, and the sheikh after discussion agreed to split the difference.

Art. 3.—(i.) The question of the reversion of the buildings arises in this article. It was as I anticipated the chief difficulty, and was got over eventually in the way explained in my covering letter.

(ii.) In connection with this article the sheikh was possessed with the fear that tribal enemies might, in order to do him injury, bore a hole in the pipe at any point where it was exposed, and by applying a match create an enormous conflagration, and that the company would come down on him for the damage.

I gather that it would be practically impossible to cause a serious fire in this way. Moreover, the company's buildings, oil, &c., will presumably be covered by insurance. The sheikh was greatly exercised as to his possible liability.

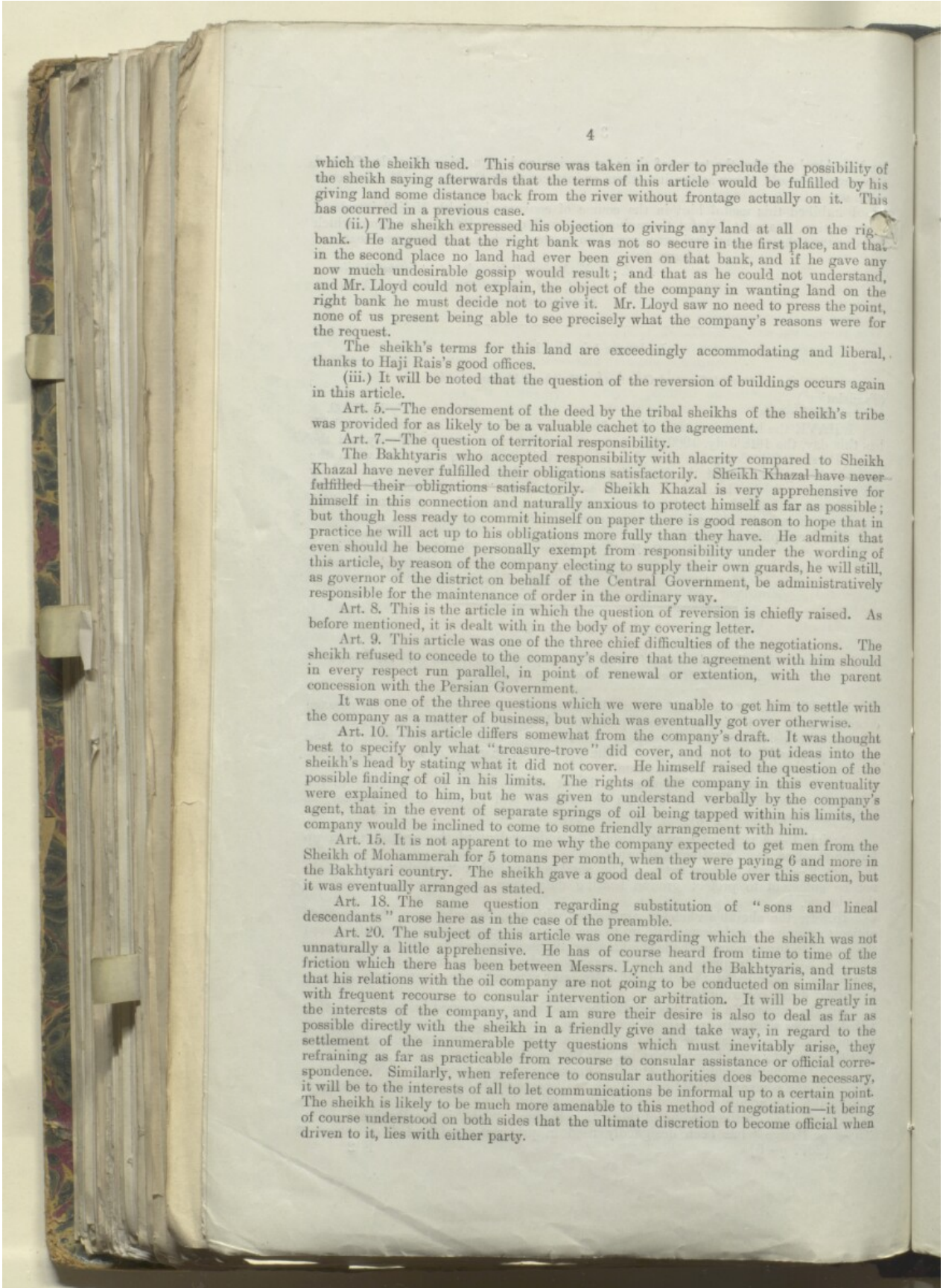
Art. 4.—(i.) In the wording of this article the word “ lab ” in the Persian meaning “ lip ” or “ edge ” has been designedly used in preference to “ side ” or “ bank ”

[2377 q-6]

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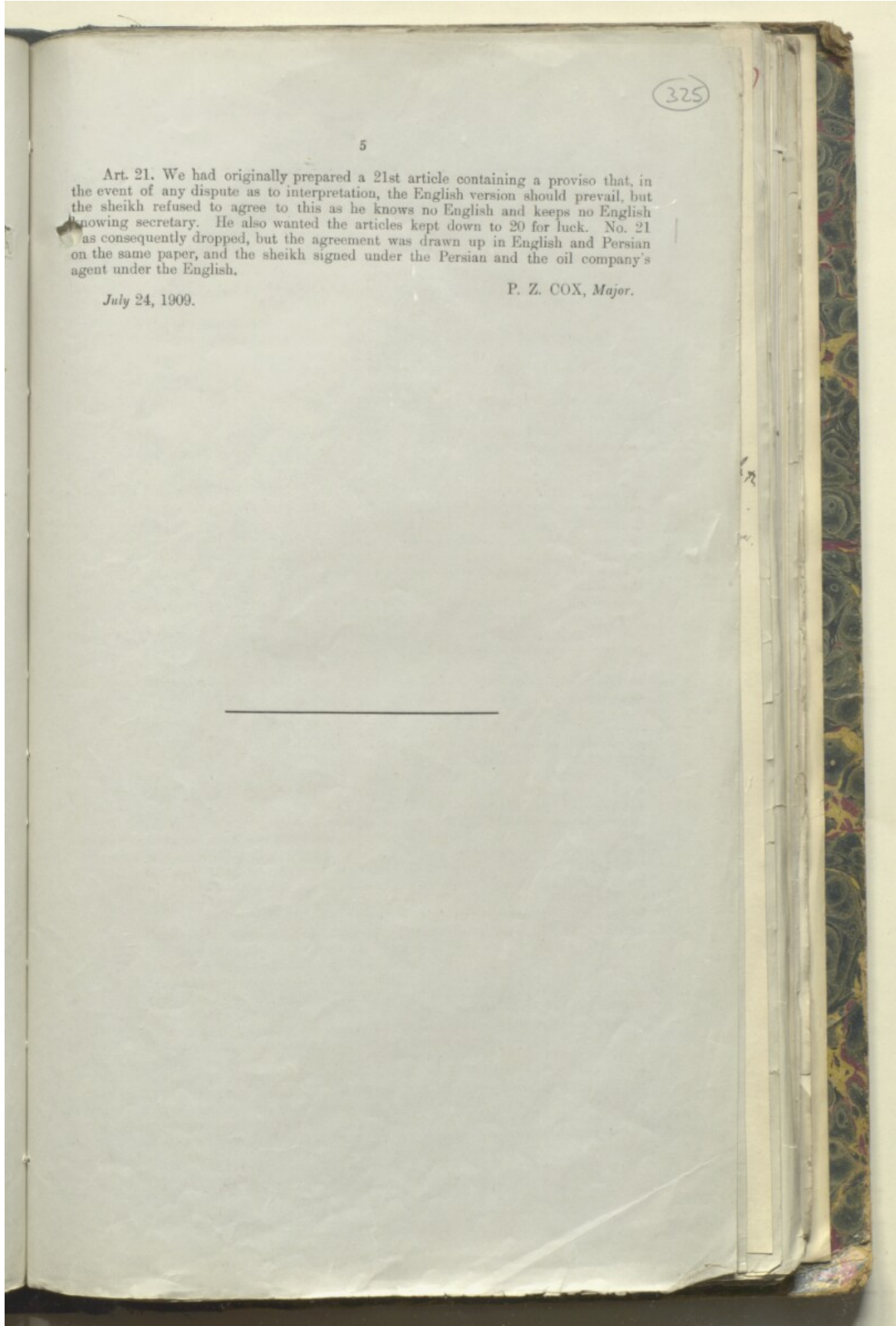


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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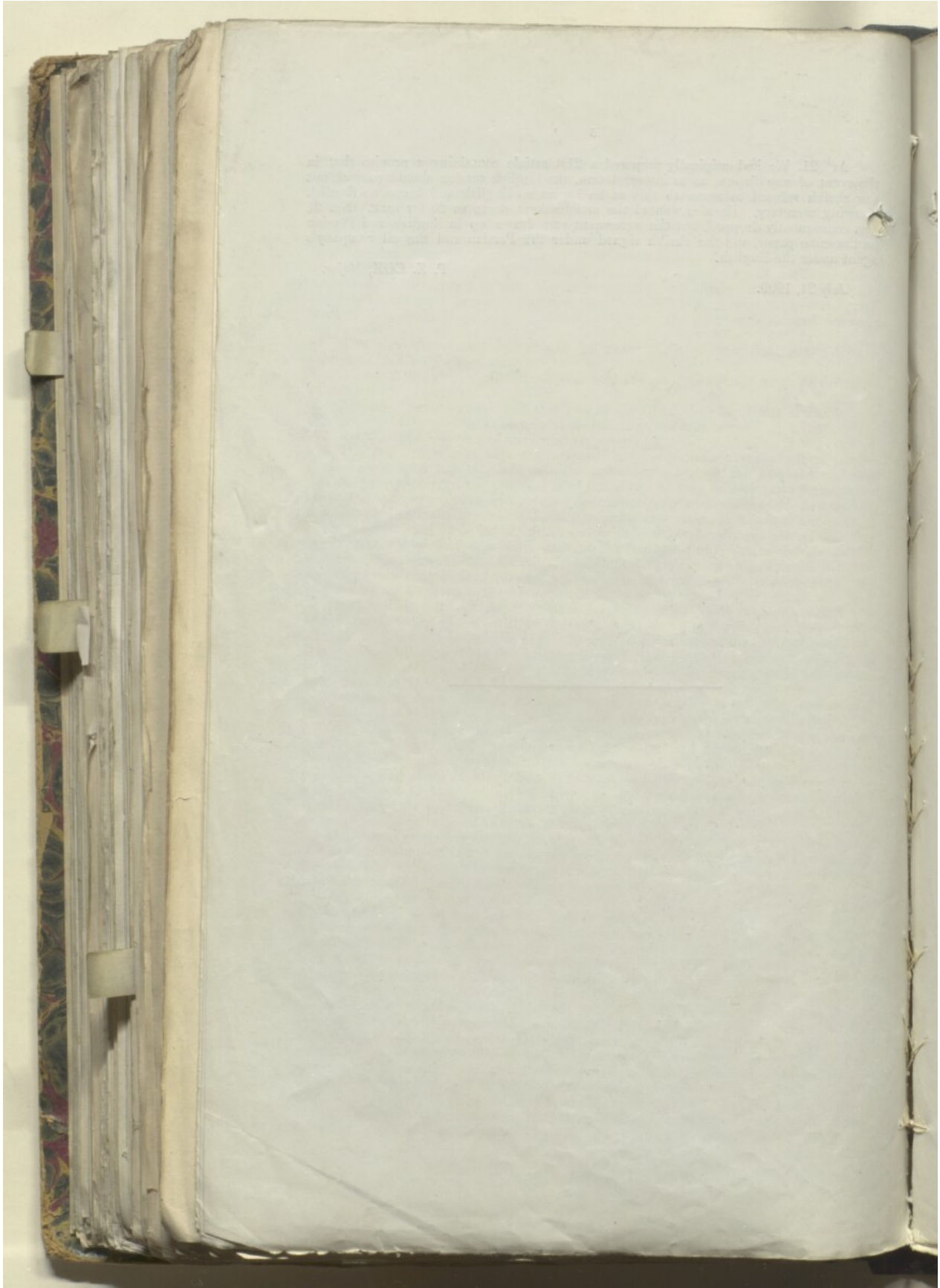


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٢٥ و] (٣٣٨/٢١٥)



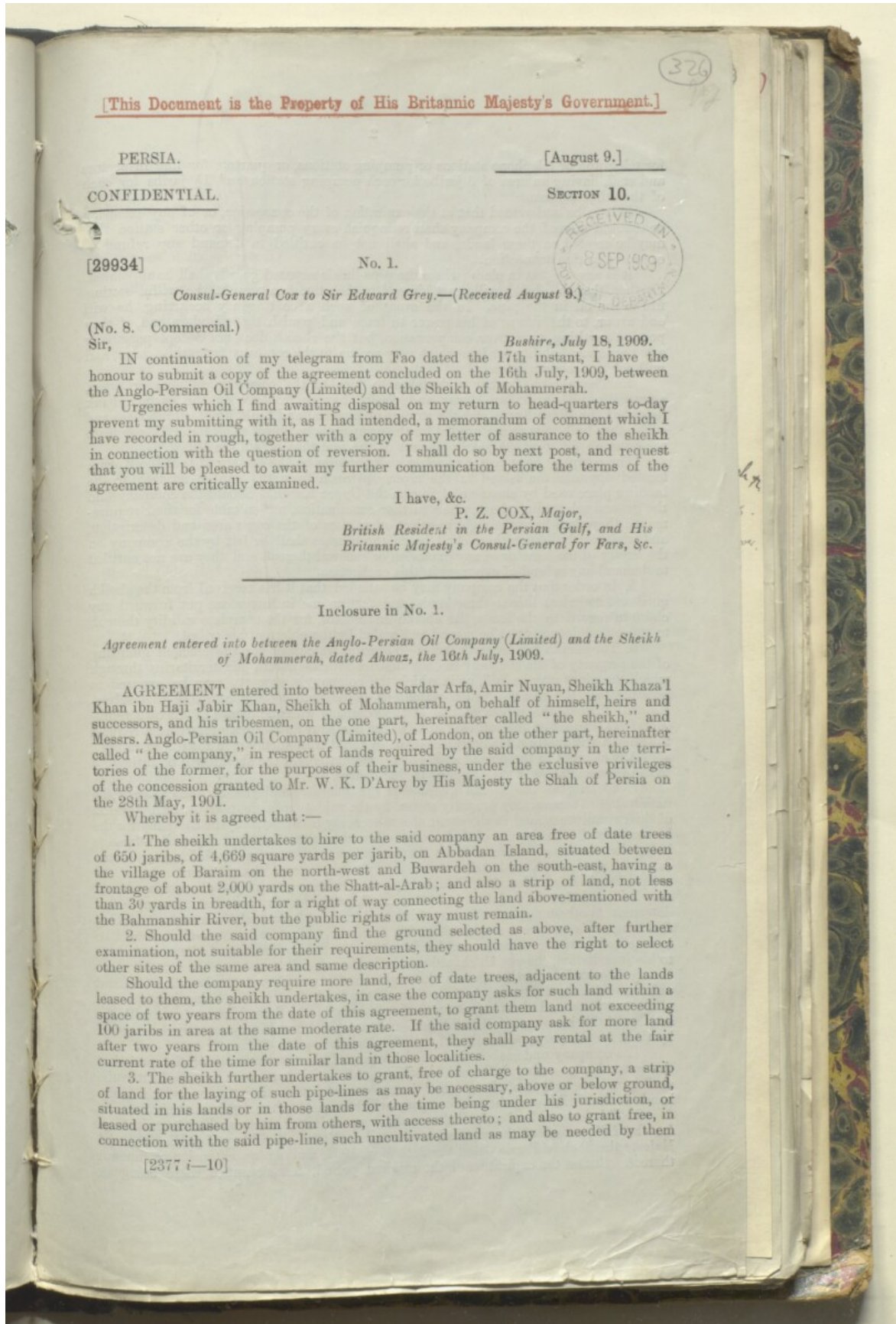


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٢٦ و] (٣٣٨/٢١٧)



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PERSIA.

[August 9.]

CONFIDENTIAL.

SECTION 10.

[29934]

No. 1.

Consul-General Cox to Sir Edward Grey.—(Received August 9.)

(No. 8. Commercial.)

Bushire, July 18, 1909.

Sir,
IN continuation of my telegram from Fao dated the 17th instant, I have the honour to submit a copy of the agreement concluded on the 16th July, 1909, between the Anglo-Persian Oil Company (Limited) and the Sheikh of Mohammerah.

Urgencies which I find awaiting disposal on my return to head-quarters to-day prevent my submitting with it, as I had intended, a memorandum of comment which I have recorded in rough, together with a copy of my letter of assurance to the sheikh in connection with the question of reversion. I shall do so by next post, and request that you will be pleased to await my further communication before the terms of the agreement are critically examined.

I have, &c.

P. Z. COX, Major,
British Resident in the Persian Gulf, and His
Britannic Majesty's Consul-General for Fars, &c.

Inclosure in No. 1.

Agreement entered into between the Anglo-Persian Oil Company (Limited) and the Sheikh of Mohammerah, dated Ahwaz, the 16th July, 1909.

AGREEMENT entered into between the Sardar Arfa, Amir Nuyan, Sheikh Khaza'l Khan ibn Haji Jabir Khan, Sheikh of Mohammerah, on behalf of himself, heirs and successors, and his tribesmen, on the one part, hereinafter called "the sheikh," and Messrs. Anglo-Persian Oil Company (Limited), of London, on the other part, hereinafter called "the company," in respect of lands required by the said company in the territories of the former, for the purposes of their business, under the exclusive privileges of the concession granted to Mr. W. K. D'Arcy by His Majesty the Shah of Persia on the 28th May, 1901.

Whereby it is agreed that:—

1. The sheikh undertakes to hire to the said company an area free of date trees of 650 jaribs, of 4,669 square yards per jarib, on Abbadan Island, situated between the village of Baraim on the north-west and Buwardeh on the south-east, having a frontage of about 2,000 yards on the Shatt-al-Arab; and also a strip of land, not less than 30 yards in breadth, for a right of way connecting the land above-mentioned with the Bahmanshir River, but the public rights of way must remain.

2. Should the said company find the ground selected as above, after further examination, not suitable for their requirements, they should have the right to select other sites of the same area and same description.

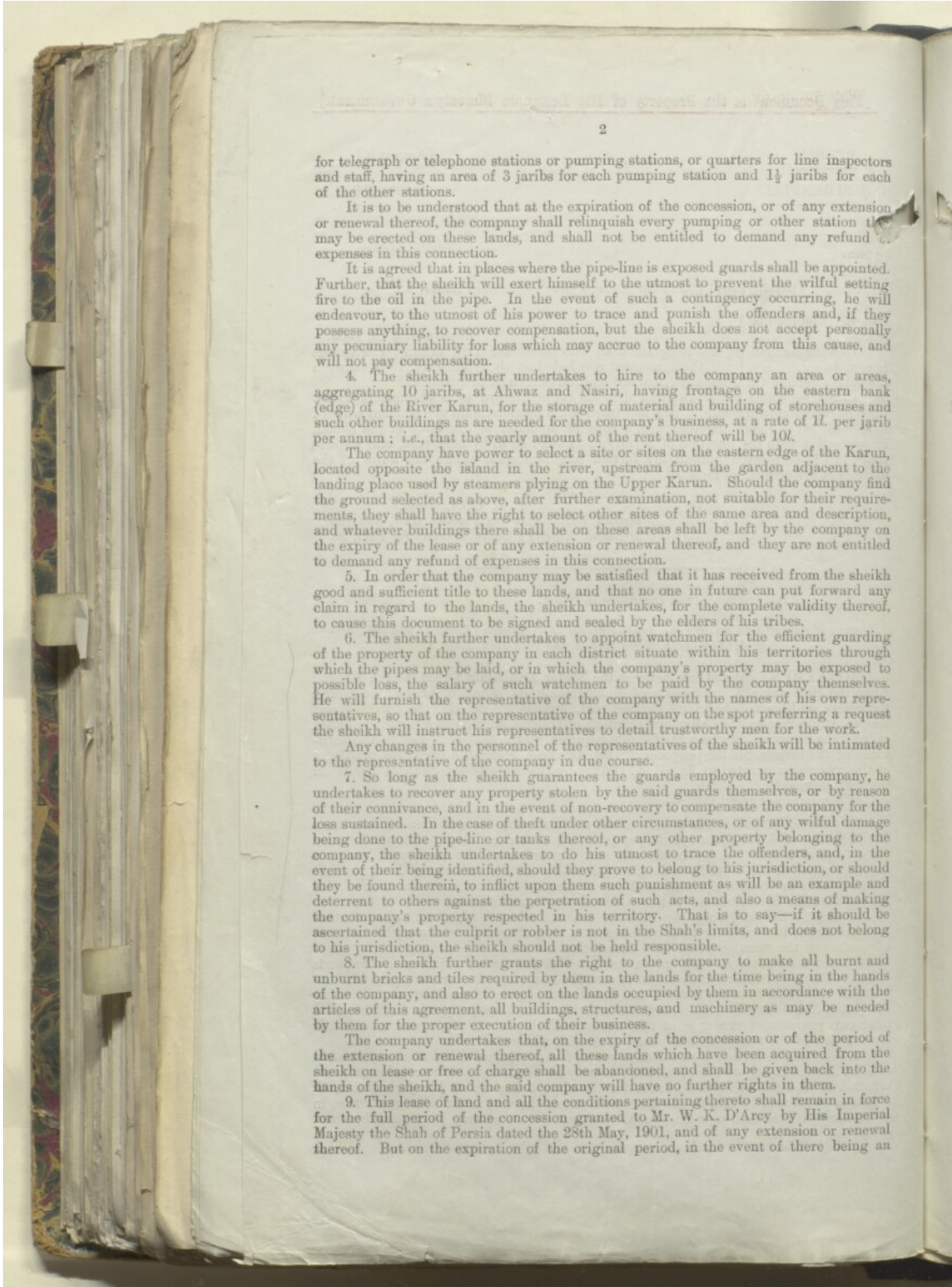
Should the company require more land, free of date trees, adjacent to the lands leased to them, the sheikh undertakes, in case the company asks for such land within a space of two years from the date of this agreement, to grant them land not exceeding 100 jaribs in area at the same moderate rate. If the said company ask for more land after two years from the date of this agreement, they shall pay rental at the fair current rate of the time for similar land in those localities.

3. The sheikh further undertakes to grant, free of charge to the company, a strip of land for the laying of such pipe-lines as may be necessary, above or below ground, situated in his lands or in those lands for the time being under his jurisdiction, or leased or purchased by him from others, with access thereto; and also to grant free, in connection with the said pipe-line, such uncultivated land as may be needed by them

[2377 i-10]



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for telegraph or telephone stations or pumping stations, or quarters for line inspectors and staff, having an area of 3 jaribs for each pumping station and $1\frac{1}{2}$ jaribs for each of the other stations.

It is to be understood that at the expiration of the concession, or of any extension or renewal thereof, the company shall relinquish every pumping or other station that may be erected on these lands, and shall not be entitled to demand any refund of expenses in this connection.

It is agreed that in places where the pipe-line is exposed guards shall be appointed. Further, that the sheikh will exert himself to the utmost to prevent the wilful setting fire to the oil in the pipe. In the event of such a contingency occurring, he will endeavour, to the utmost of his power to trace and punish the offenders and, if they possess anything, to recover compensation, but the sheikh does not accept personally any pecuniary liability for loss which may accrue to the company from this cause, and will not pay compensation.

4. The sheikh further undertakes to hire to the company an area or areas, aggregating 10 jaribs, at Ahwaz and Nasiri, having frontage on the eastern bank (edge) of the River Karun, for the storage of material and building of storehouses and such other buildings as are needed for the company's business, at a rate of 1l. per jarib per annum; i.e., that the yearly amount of the rent thereof will be 10l.

The company have power to select a site or sites on the eastern edge of the Karun, located opposite the island in the river, upstream from the garden adjacent to the landing place used by steamers plying on the Upper Karun. Should the company find the ground selected as above, after further examination, not suitable for their requirements, they shall have the right to select other sites of the same area and description, and whatever buildings there shall be on these areas shall be left by the company on the expiry of the lease or of any extension or renewal thereof, and they are not entitled to demand any refund of expenses in this connection.

5. In order that the company may be satisfied that it has received from the sheikh good and sufficient title to these lands, and that no one in future can put forward any claim in regard to the lands, the sheikh undertakes, for the complete validity thereof, to cause this document to be signed and sealed by the elders of his tribes.

6. The sheikh further undertakes to appoint watchmen for the efficient guarding of the property of the company in each district situate within his territories through which the pipes may be laid, or in which the company's property may be exposed to possible loss, the salary of such watchmen to be paid by the company themselves. He will furnish the representative of the company with the names of his own representatives, so that on the representative of the company on the spot preferring a request the sheikh will instruct his representatives to detail trustworthy men for the work.

Any changes in the personnel of the representatives of the sheikh will be intimated to the representative of the company in due course.

7. So long as the sheikh guarantees the guards employed by the company, he undertakes to recover any property stolen by the said guards themselves, or by reason of their connivance, and in the event of non-recovery to compensate the company for the loss sustained. In the case of theft under other circumstances, or of any wilful damage being done to the pipe-line or tanks thereof, or any other property belonging to the company, the sheikh undertakes to do his utmost to trace the offenders, and, in the event of their being identified, should they prove to belong to his jurisdiction, or should they be found therein, to inflict upon them such punishment as will be an example and deterrent to others against the perpetration of such acts, and also a means of making the company's property respected in his territory. That is to say—if it should be ascertained that the culprit or robber is not in the Shah's limits, and does not belong to his jurisdiction, the sheikh should not be held responsible.

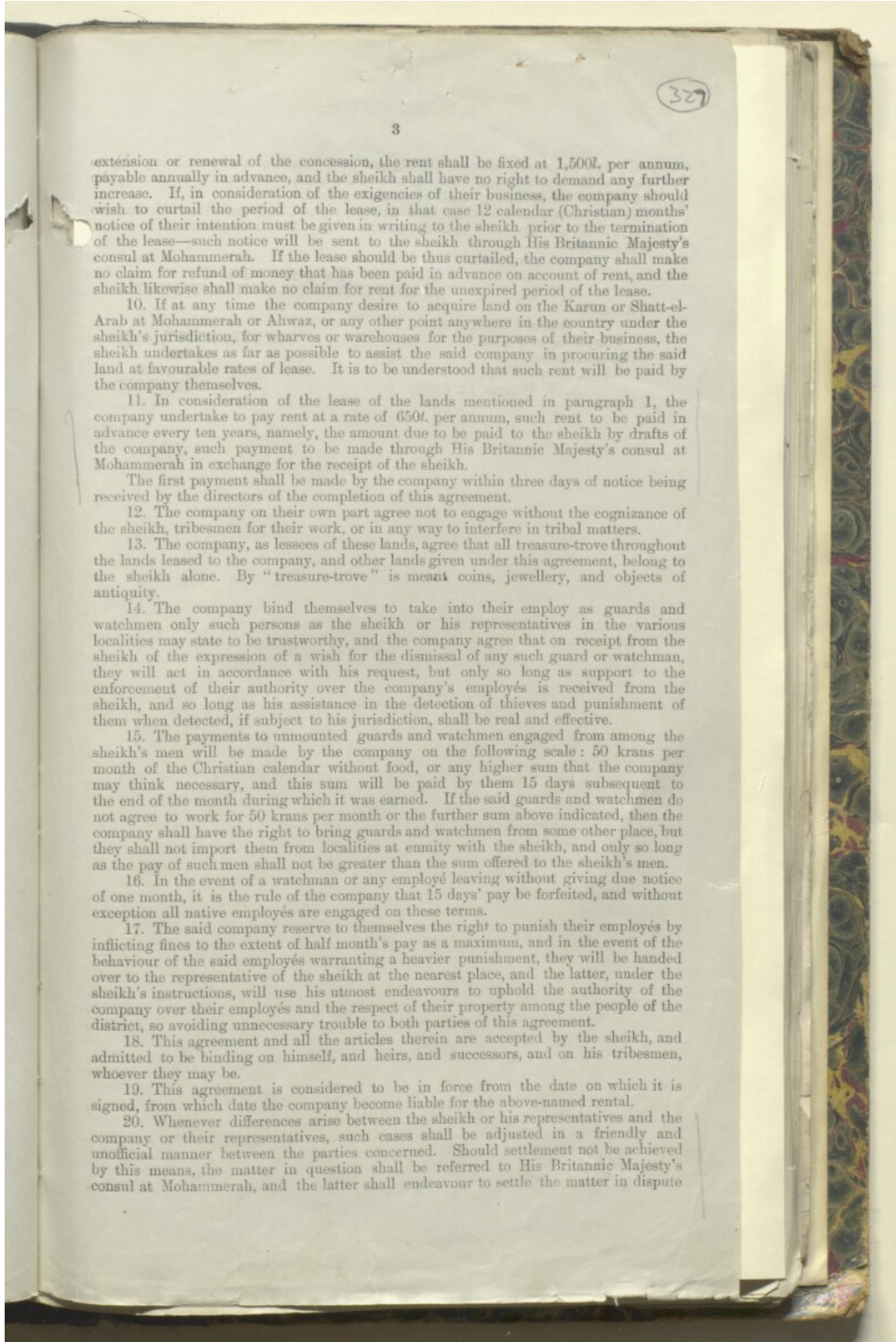
8. The sheikh further grants the right to the company to make all burnt and unburnt bricks and tiles required by them in the lands for the time being in the hands of the company, and also to erect on the lands occupied by them in accordance with the articles of this agreement, all buildings, structures, and machinery as may be needed by them for the proper execution of their business.

The company undertakes that, on the expiry of the concession or of the period of the extension or renewal thereof, all these lands which have been acquired from the sheikh on lease or free of charge shall be abandoned, and shall be given back into the hands of the sheikh, and the said company will have no further rights in them.

9. This lease of land and all the conditions pertaining thereto shall remain in force for the full period of the concession granted to Mr. W. K. D'Arcy by His Imperial Majesty the Shah of Persia dated the 28th May, 1901, and of any extension or renewal thereof. But on the expiration of the original period, in the event of there being an



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extension or renewal of the concession, the rent shall be fixed at 1,500*l.* per annum, payable annually in advance, and the sheikh shall have no right to demand any further increase. If, in consideration of the exigencies of their business, the company should wish to curtail the period of the lease, in that case 12 calendar (Christian) months' notice of their intention must be given in writing to the sheikh prior to the termination of the lease—such notice will be sent to the sheikh through His Britannic Majesty's consul at Mohammerah. If the lease should be thus curtailed, the company shall make no claim for refund of money that has been paid in advance on account of rent, and the sheikh likewise shall make no claim for rent for the unexpired period of the lease.

10. If at any time the company desire to acquire land on the Karun or Shatt-el-Arab at Mohammerah or Ahwaz, or any other point anywhere in the country under the sheikh's jurisdiction, for wharves or warehouses for the purposes of their business, the sheikh undertakes as far as possible to assist the said company in procuring the said land at favourable rates of lease. It is to be understood that such rent will be paid by the company themselves.

11. In consideration of the lease of the lands mentioned in paragraph 1, the company undertake to pay rent at a rate of 650*l.* per annum, such rent to be paid in advance every ten years, namely, the amount due to be paid to the sheikh by drafts of the company, such payment to be made through His Britannic Majesty's consul at Mohammerah in exchange for the receipt of the sheikh.

The first payment shall be made by the company within three days of notice being received by the directors of the completion of this agreement.

12. The company on their own part agree not to engage without the cognizance of the sheikh, tribesmen for their work, or in any way to interfere in tribal matters.

13. The company, as lessees of these lands, agree that all treasure-trove throughout the lands leased to the company, and other lands given under this agreement, belong to the sheikh alone. By "treasure-trove" is meant coins, jewellery, and objects of antiquity.

14. The company bind themselves to take into their employ as guards and watchmen only such persons as the sheikh or his representatives in the various localities may state to be trustworthy, and the company agree that on receipt from the sheikh of the expression of a wish for the dismissal of any such guard or watchman, they will act in accordance with his request, but only so long as support to the enforcement of their authority over the company's employes is received from the sheikh, and so long as his assistance in the detection of thieves and punishment of them when detected, if subject to his jurisdiction, shall be real and effective.

15. The payments to unmounted guards and watchmen engaged from among the sheikh's men will be made by the company on the following scale: 50 krans per month of the Christian calendar without food, or any higher sum that the company may think necessary, and this sum will be paid by them 15 days subsequent to the end of the month during which it was earned. If the said guards and watchmen do not agree to work for 50 krans per month or the further sum above indicated, then the company shall have the right to bring guards and watchmen from some other place, but they shall not import them from localities at enmity with the sheikh, and only so long as the pay of such men shall not be greater than the sum offered to the sheikh's men.

16. In the event of a watchman or any employé leaving without giving due notice of one month, it is the rule of the company that 15 days' pay be forfeited, and without exception all native employes are engaged on these terms.

17. The said company reserve to themselves the right to punish their employes by inflicting fines to the extent of half month's pay as a maximum, and in the event of the behaviour of the said employes warranting a heavier punishment, they will be handed over to the representative of the sheikh at the nearest place, and the latter, under the sheikh's instructions, will use his utmost endeavours to uphold the authority of the company over their employes and the respect of their property among the people of the district, so avoiding unnecessary trouble to both parties of this agreement.

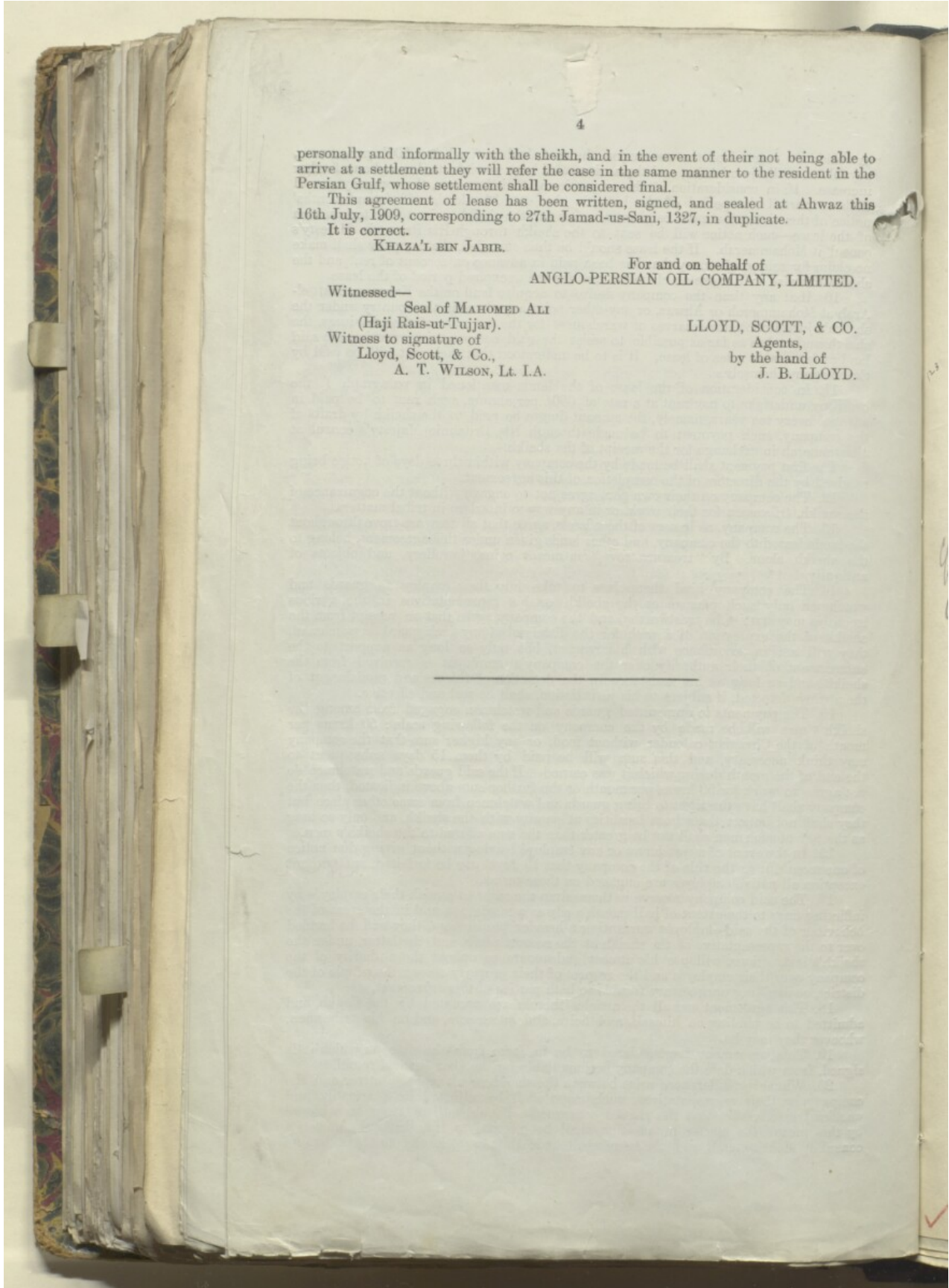
18. This agreement and all the articles therein are accepted by the sheikh, and admitted to be binding on himself, and heirs, and successors, and on his tribesmen, whoever they may be.

19. This agreement is considered to be in force from the date on which it is signed, from which date the company become liable for the above-named rental.

20. Whenever differences arise between the sheikh or his representatives and the company or their representatives, such cases shall be adjusted in a friendly and unofficial manner between the parties concerned. Should settlement not be achieved by this means, the matter in question shall be referred to His Britannic Majesty's consul at Mohammerah, and the latter shall endeavour to settle the matter in dispute



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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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Register No.
3845

Minute Paper. **Secret Department.**

Letter from *F.O.* Dated *11/18* *Augt.* 1909.
Rec. *12/18* ** 15 Sept.*

	Date.	Initials.	SUBJECT.
Under Secretary.....	<i>18.8</i>	<i>Mc</i>	<i>Persia.</i> <i>Affairs of the Anglo-Persian Oil Co.</i> <i>The advance to the Sheikh of Mohammerah.</i> <i>Correspondence between F.O. and Company.</i> <i>Agreement endorsed by tribunal of elders. (sic): money</i> <i>duy paid over.</i>
Secretary of State.....	<i>19</i>	<i>af</i>	
Committee.....	<i>23.</i>	<i>Mc</i>	
Under Secretary.....			
Secretary of State.....			

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13 Aug 1909
SECRETARY'S OFFICE 33

FOR INFORMATION.

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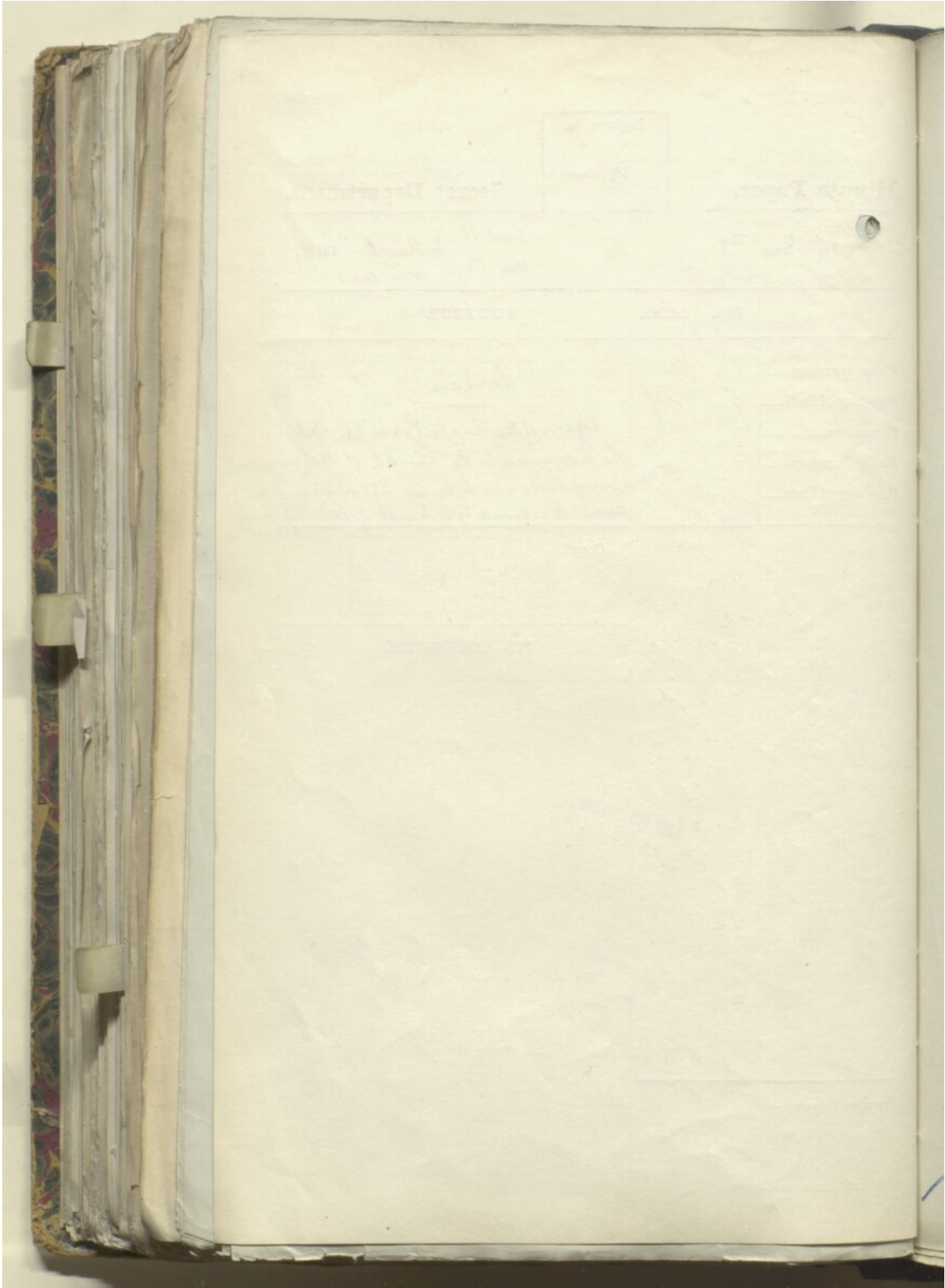
New Pol Comm.,
26 AUG. 1909

387-18

6172. L. 1278. 1000.-7/1000.
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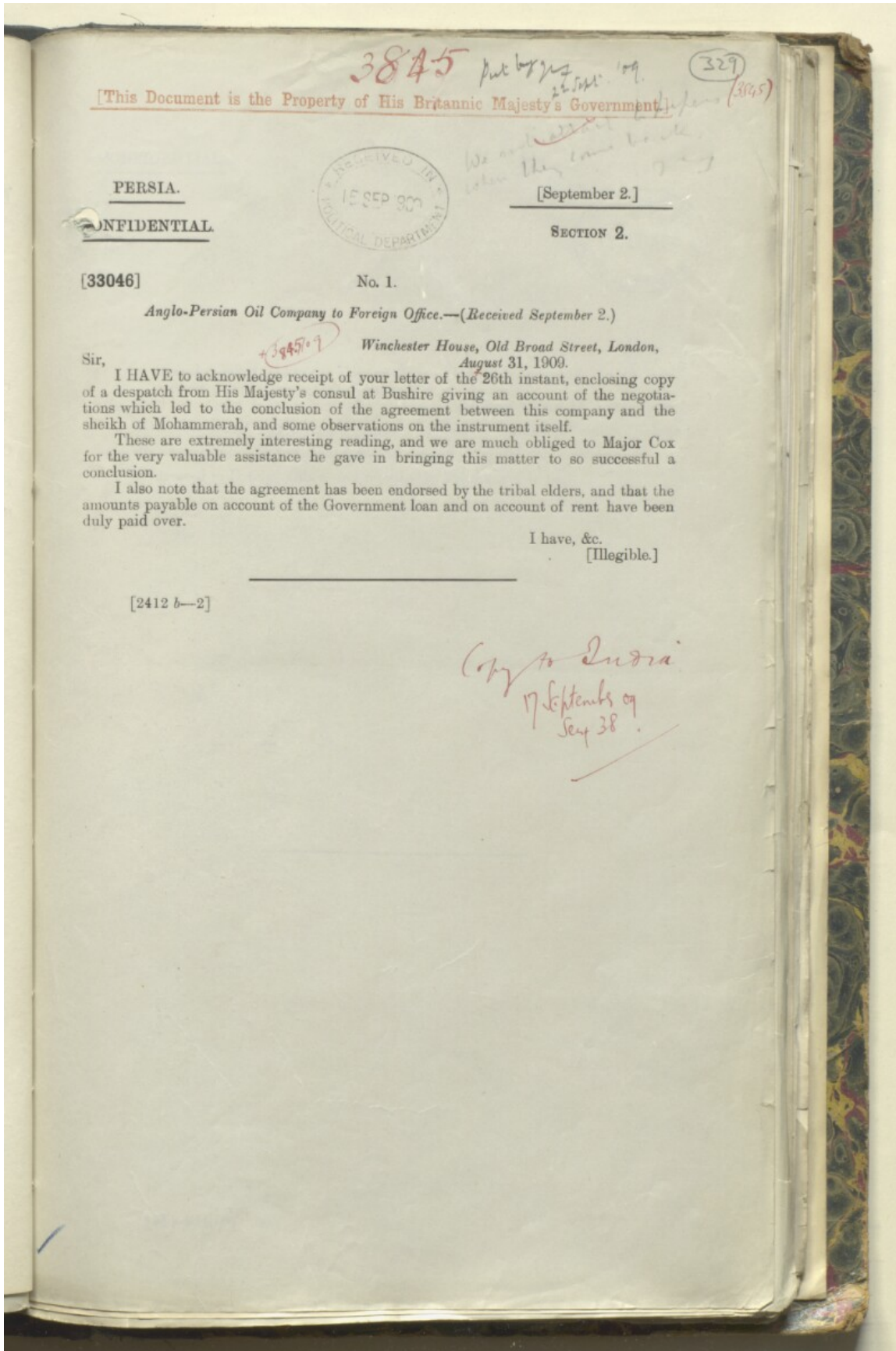


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٢٨ظ] (٣٣٨/٢٢٢)



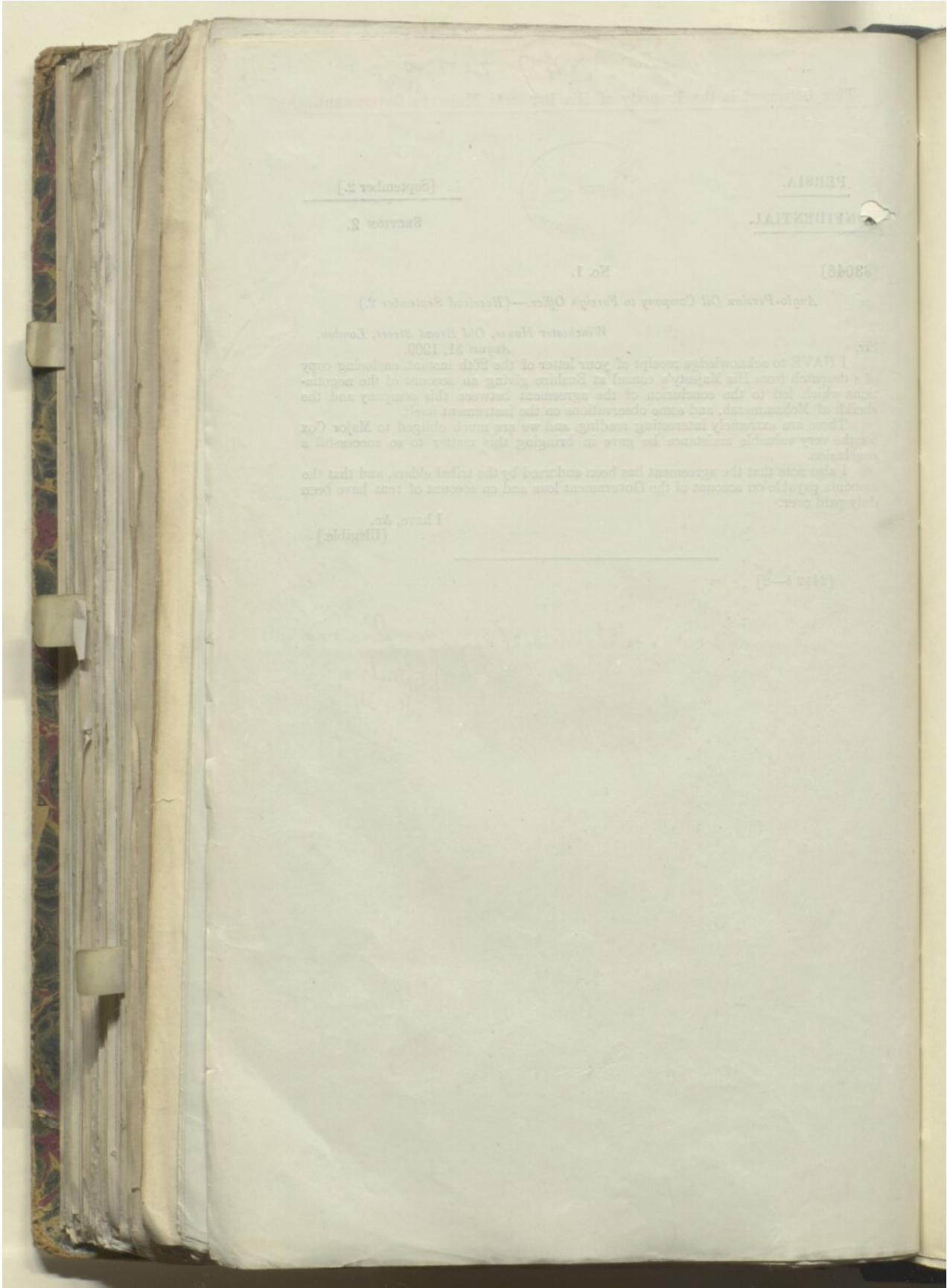


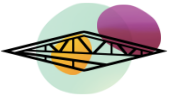
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٢٩ و] (٣٣٨/٢٢٣)



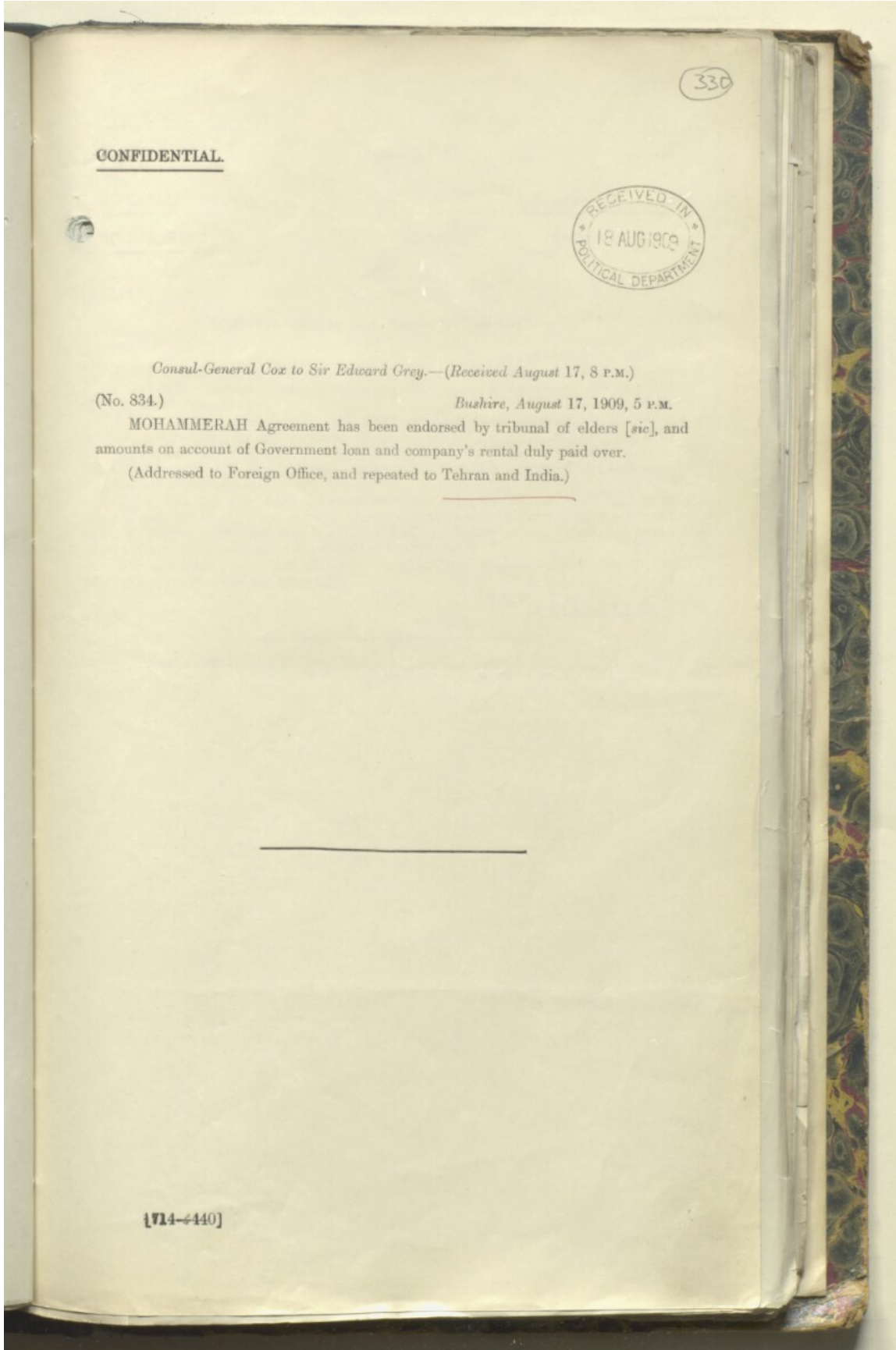


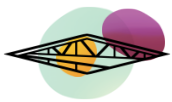
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٢٩ظ] (٣٣٨/٢٢٤)



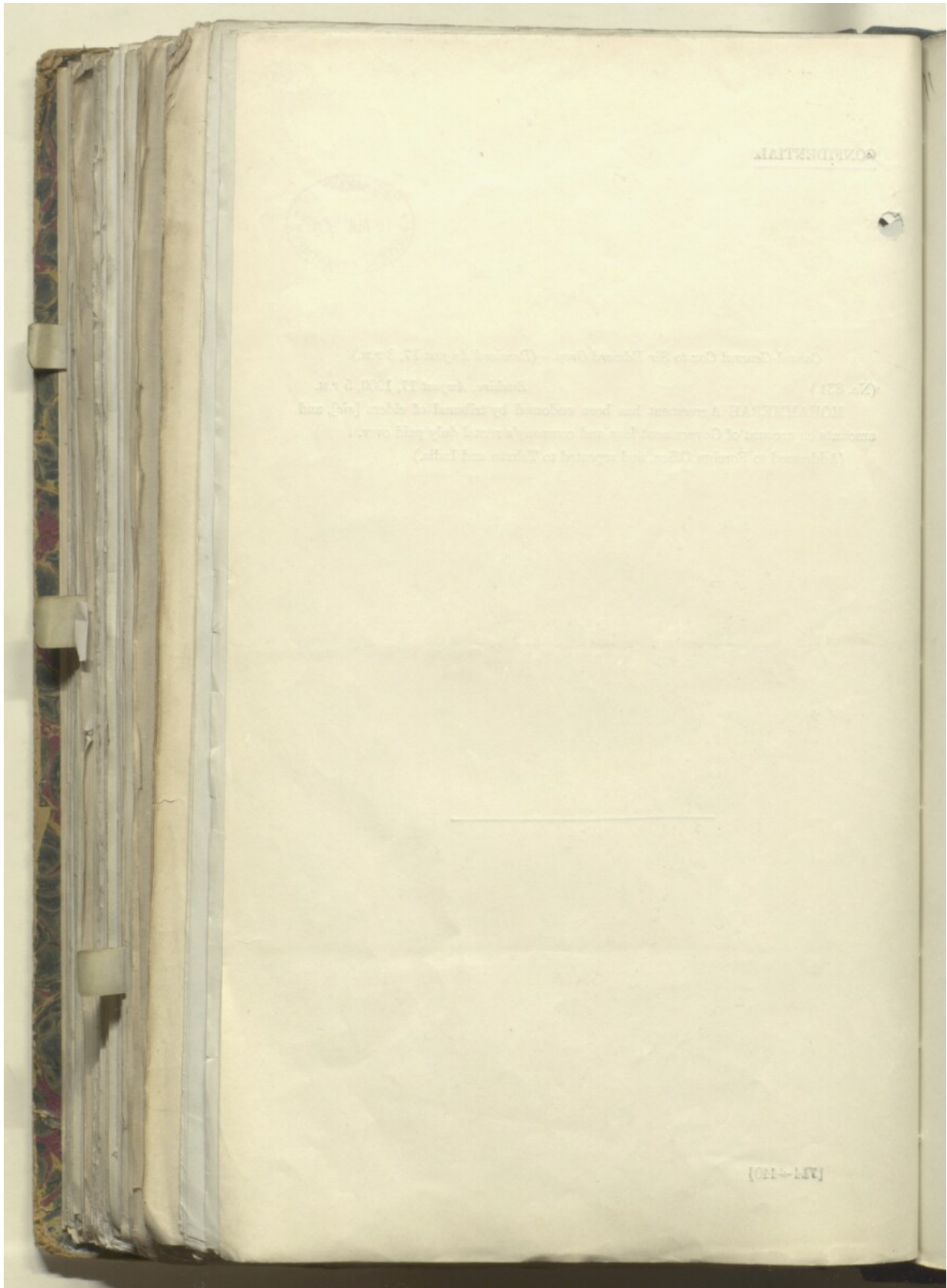


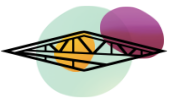
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٠ و] (٣٣٨/٢٢٥)



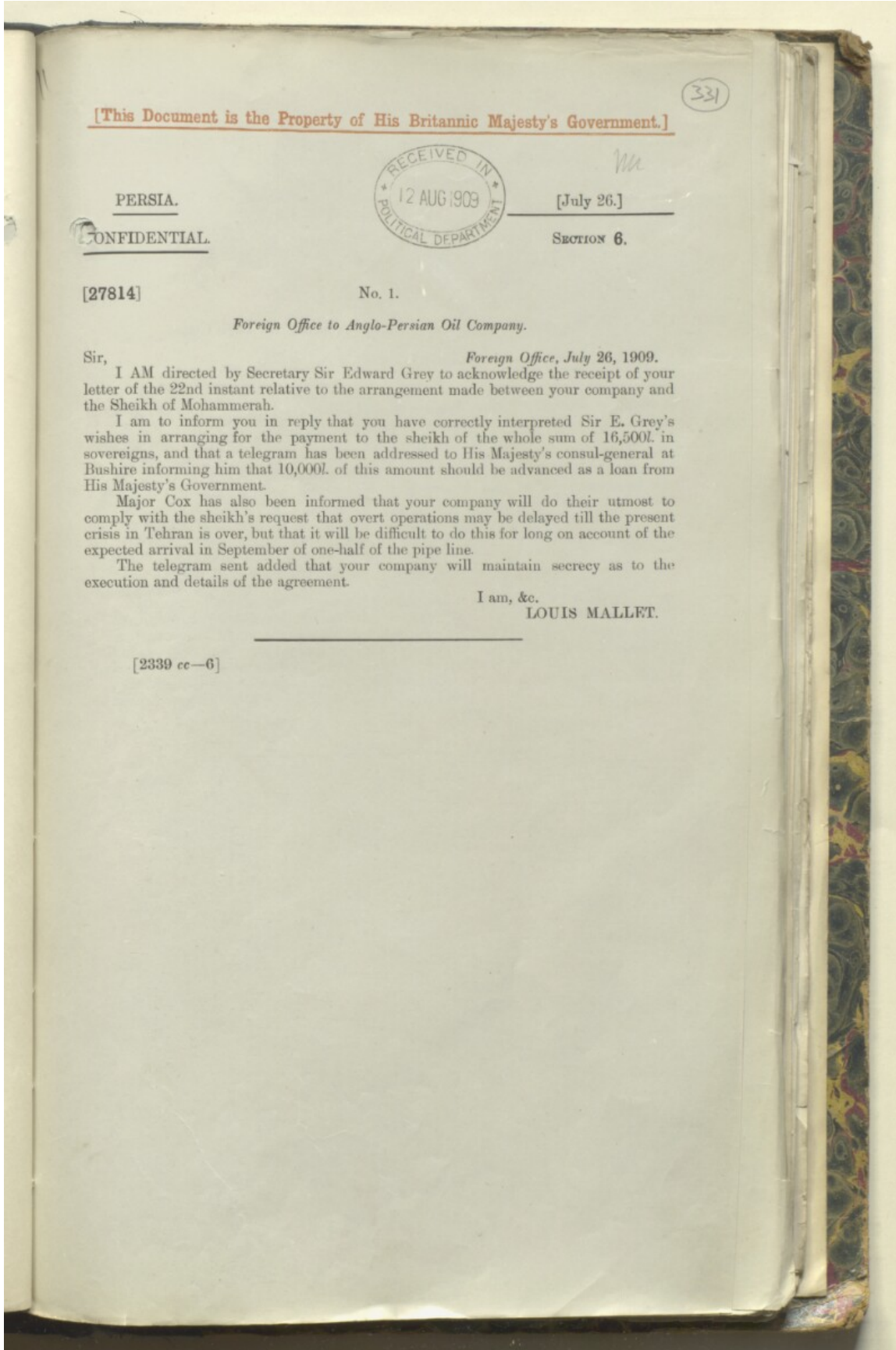


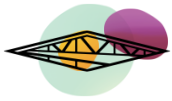
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٠ظ] (٣٣٨/٢٢٦)



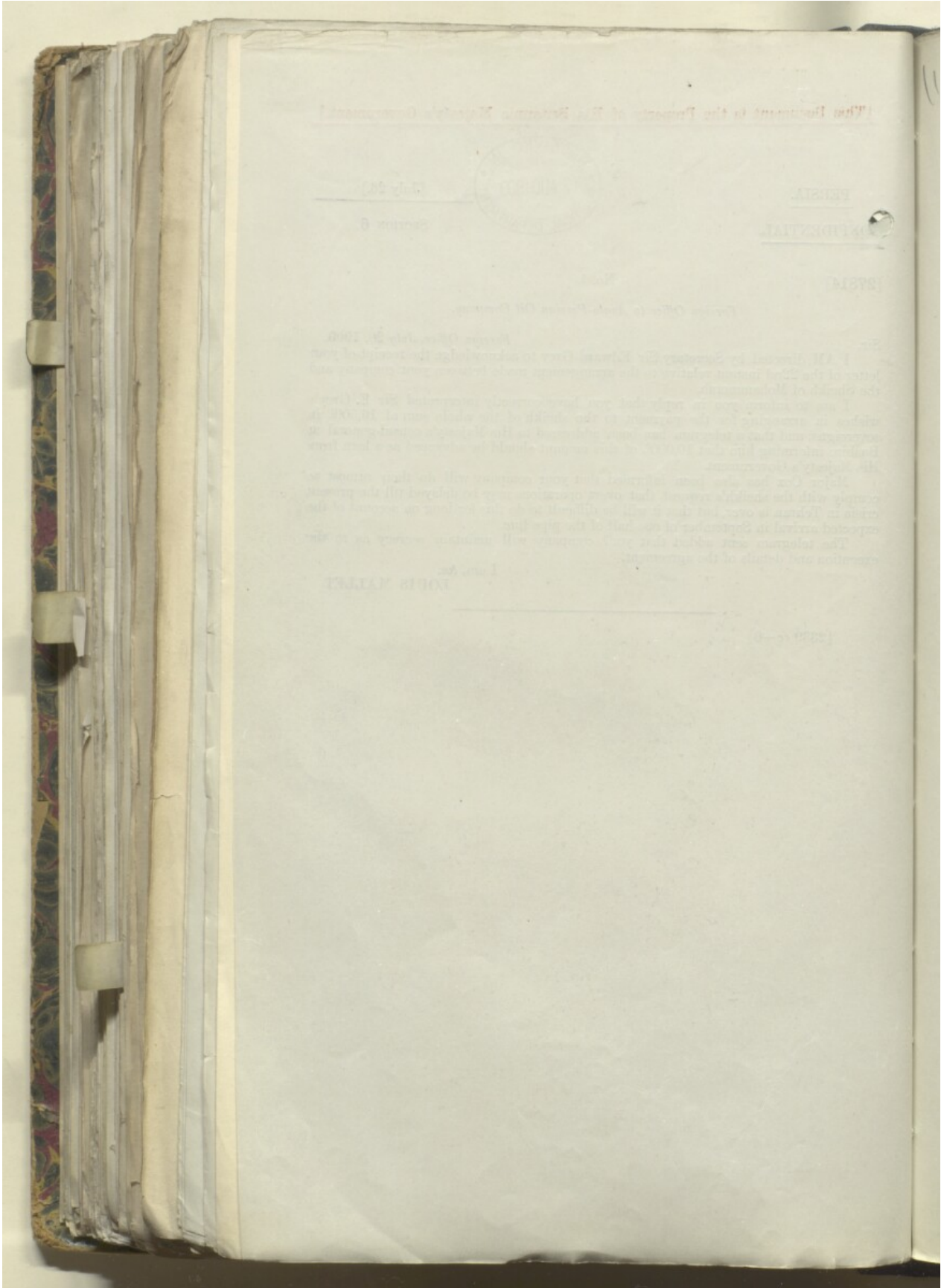


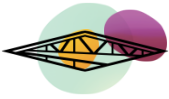
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣١ و] (٣٣٨/٢٢٧)



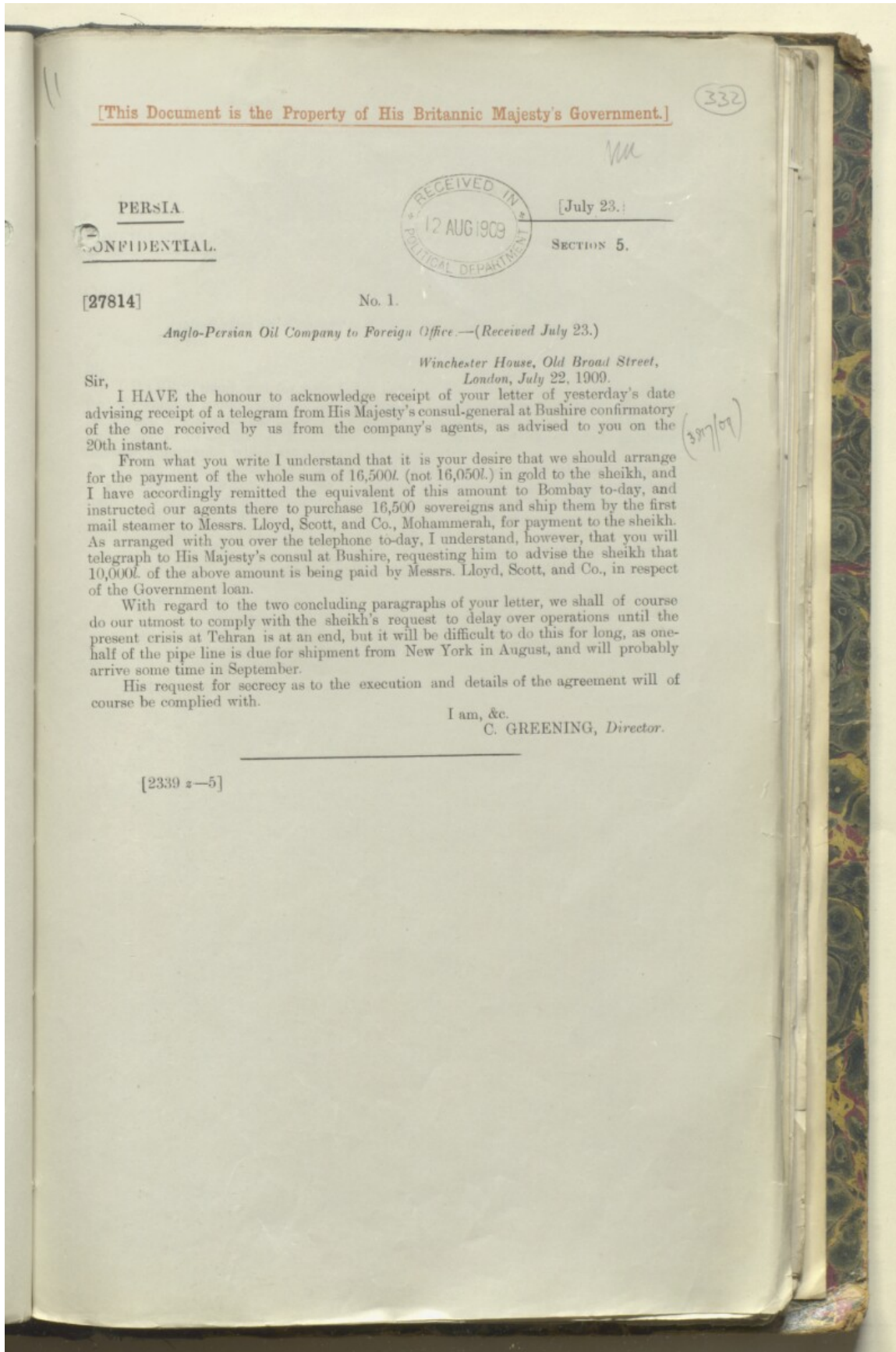


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣١ظ] (٣٣٨/٢٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٢ و] (٣٣٨/٢٢٩)



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PERSIA.

CONFIDENTIAL.



[July 23.]

SECTION 5.

[27814]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received July 23.)

*Winchester House, Old Broad Street,
London, July 22, 1909.*

Sir,

I HAVE the honour to acknowledge receipt of your letter of yesterday's date advising receipt of a telegram from His Majesty's consul-general at Bushire confirmatory of the one received by us from the company's agents, as advised to you on the 20th instant.

From what you write I understand that it is your desire that we should arrange for the payment of the whole sum of 16,500*l.* (not 16,050*l.*) in gold to the sheikh, and I have accordingly remitted the equivalent of this amount to Bombay to-day, and instructed our agents there to purchase 16,500 sovereigns and ship them by the first mail steamer to Messrs. Lloyd, Scott, and Co., Mohammerah, for payment to the sheikh. As arranged with you over the telephone to-day, I understand, however, that you will telegraph to His Majesty's consul at Bushire, requesting him to advise the sheikh that 10,000*l.* of the above amount is being paid by Messrs. Lloyd, Scott, and Co., in respect of the Government loan.

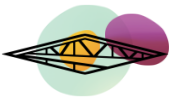
With regard to the two concluding paragraphs of your letter, we shall of course do our utmost to comply with the sheikh's request to delay over operations until the present crisis at Tehran is at an end, but it will be difficult to do this for long, as one-half of the pipe line is due for shipment from New York in August, and will probably arrive some time in September.

His request for secrecy as to the execution and details of the agreement will of course be complied with.

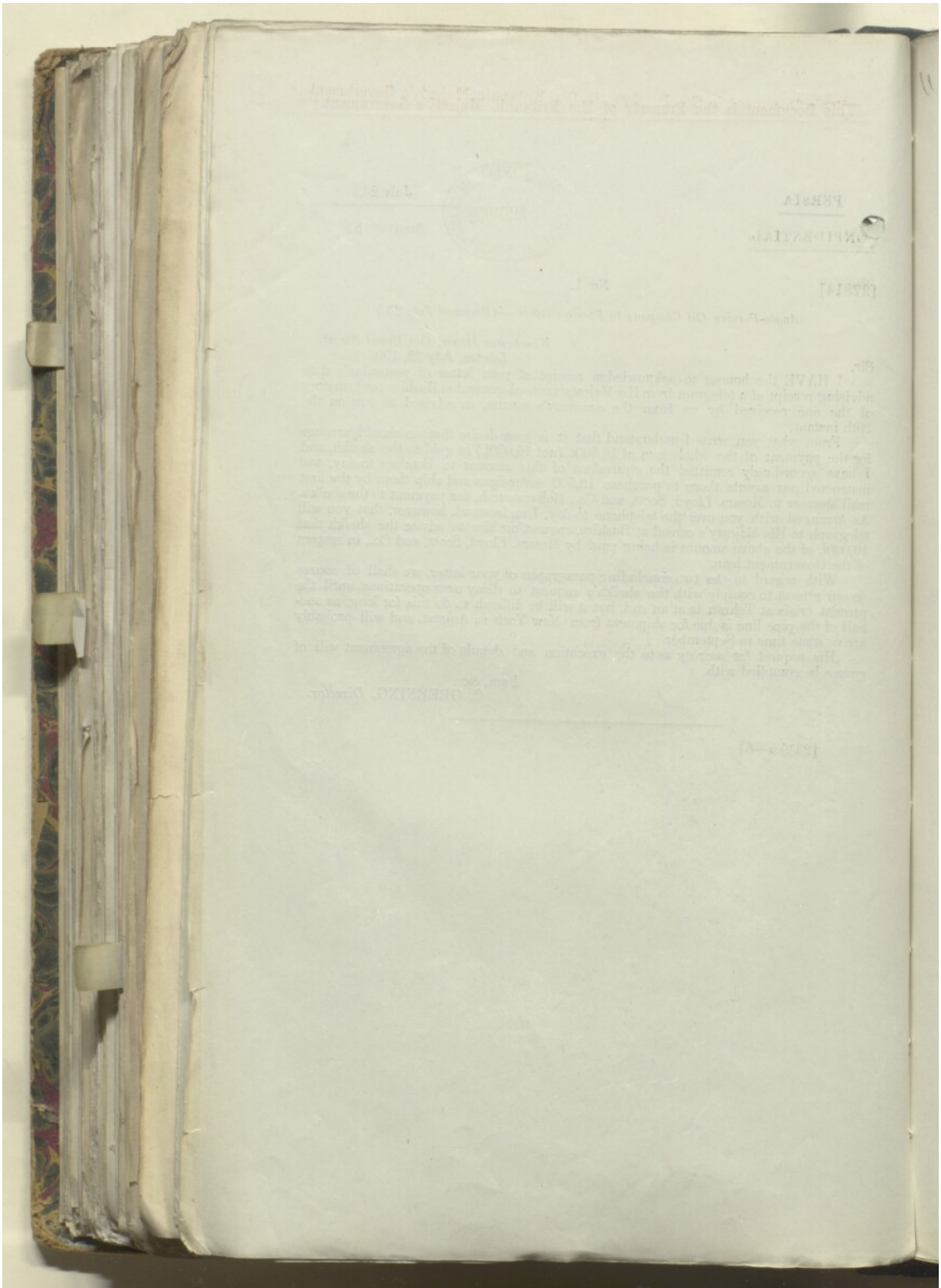
I am, &c.
C. GREENING, *Director.*

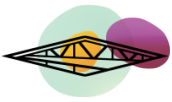
[2339 s-5]

397/59

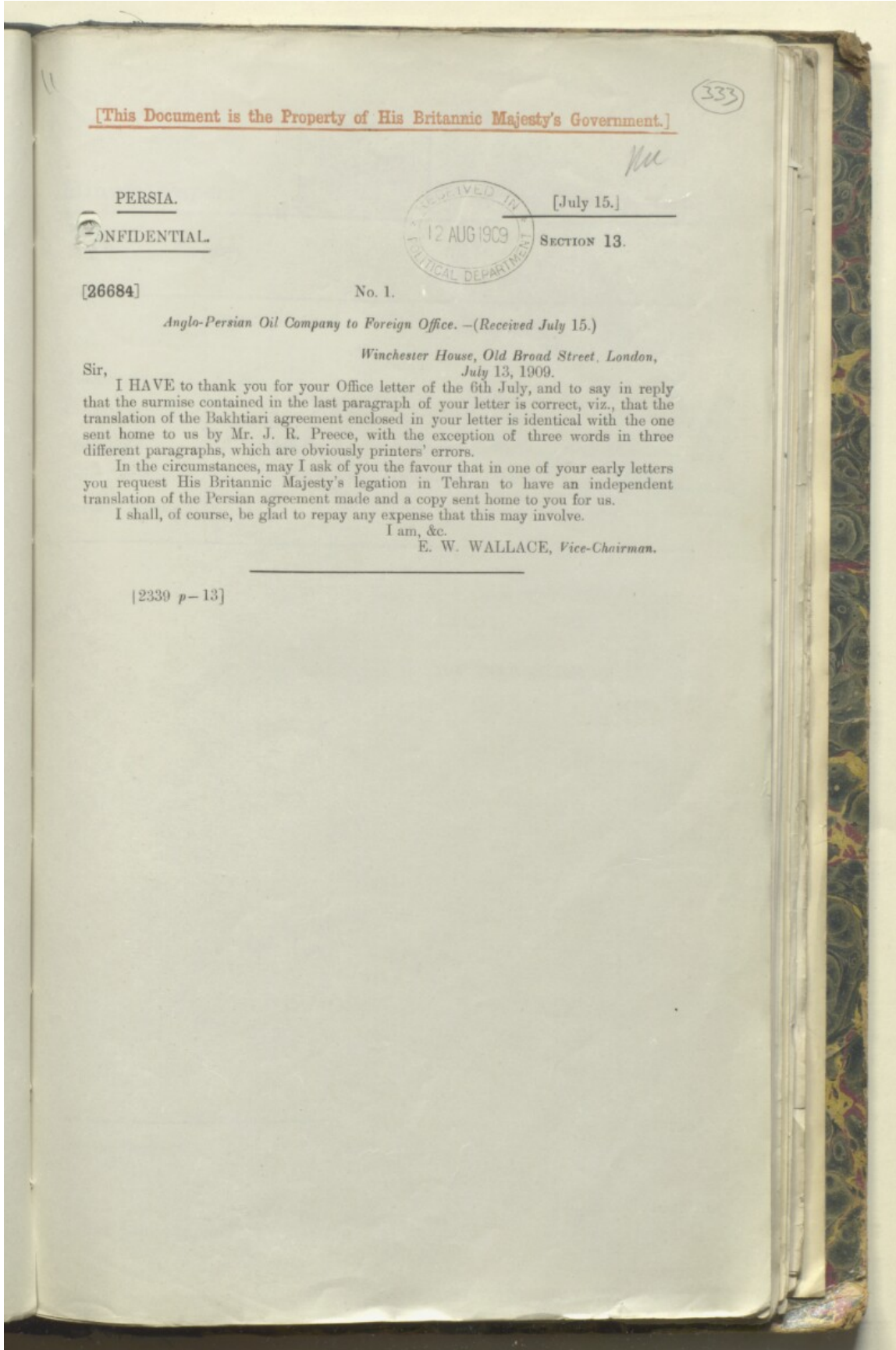


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٣٣٢ظ] (٣٣٨/٢٣٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٣ و] (٣٣٨/٢٣١)



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PERSIA.

CONFIDENTIAL.

[July 15.]



SECTION 13.

[26684]

No. 1.

Anglo-Persian Oil Company to Foreign Office. —(Received July 15.)

*Winchester House, Old Broad Street, London,
July 13, 1909.*

Sir,

I HAVE to thank you for your Office letter of the 6th July, and to say in reply that the surmise contained in the last paragraph of your letter is correct, viz., that the translation of the Bakhtiari agreement enclosed in your letter is identical with the one sent home to us by Mr. J. R. Prece, with the exception of three words in three different paragraphs, which are obviously printers' errors.

In the circumstances, may I ask of you the favour that in one of your early letters you request His Britannic Majesty's legation in Tehran to have an independent translation of the Persian agreement made and a copy sent home to you for us.

I shall, of course, be glad to repay any expense that this may involve.

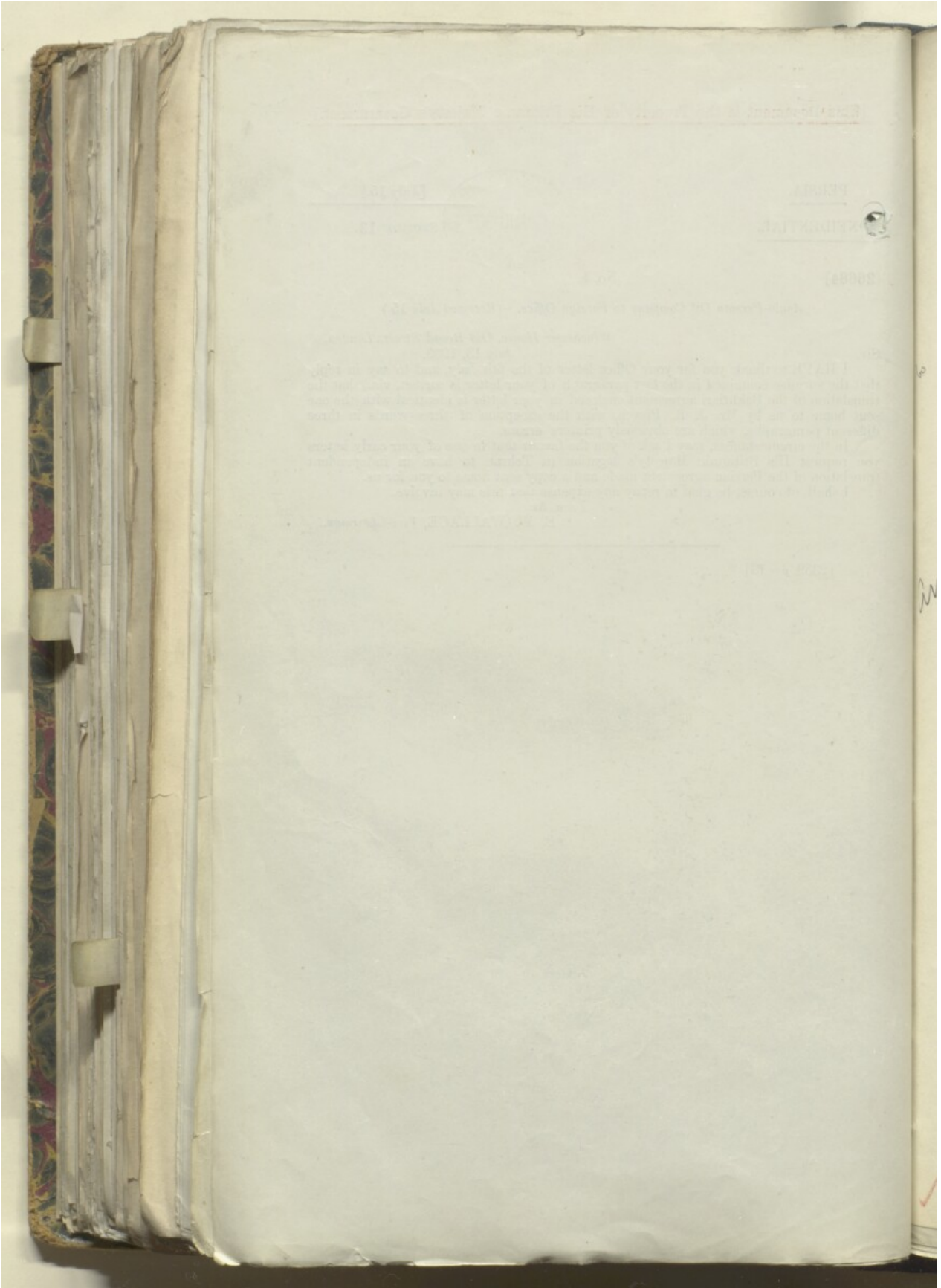
I am, &c.

E. W. WALLACE, *Vice-Chairman.*

[2339 p-13]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٣ظ] (٣٣٨/٢٣٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٤ و] (٣٣٨/٢٣٣)

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Register No.
3817-8

Minute Paper. **Secret Department.**

Letter from *F.O.*, Dated
Rec. 15, 21, 28 July, 4 Aug. 1909.

	Date.	Initials.	SUBJECT.
Under Secretary.....	9. 8	<i>Mc</i>	<i>Persia.</i> <i>Affairs of the Anglo-Persian Oil</i> <i>Co. Agreement with the Sheikh of Muhammed,</i> <i>the Company say, "would appear to be a very satisfactory</i> <i>one."</i>
Secretary of State.....			
Committee.....	10	<i>ap</i>	
Under Secretary.....			
Secretary of State.....			

Copy to

COPY TO INDIA
16, 23, 30 July, 6 Aug 1909.
SECRETARY'S Nos. 29, 30, 31, 32.

FOR INFORMATION.

Seen Pol Comr.,
25 AUG. 1909
(with 3817-5)

Previous Papers :—

0172. I. 1278. 1000.—7/1909.

TH

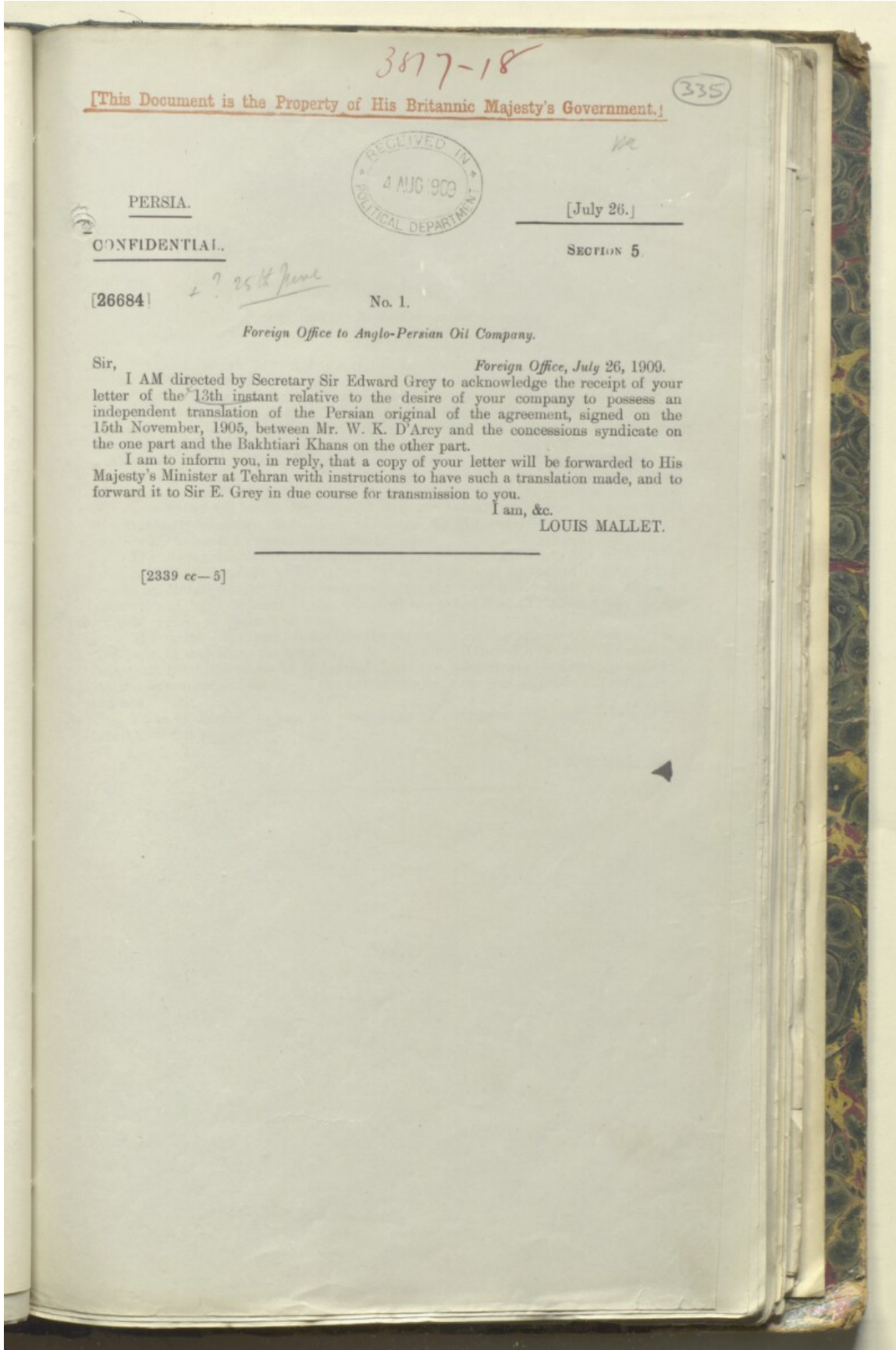


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٤ظ] (٣٣٨/٢٣٤)



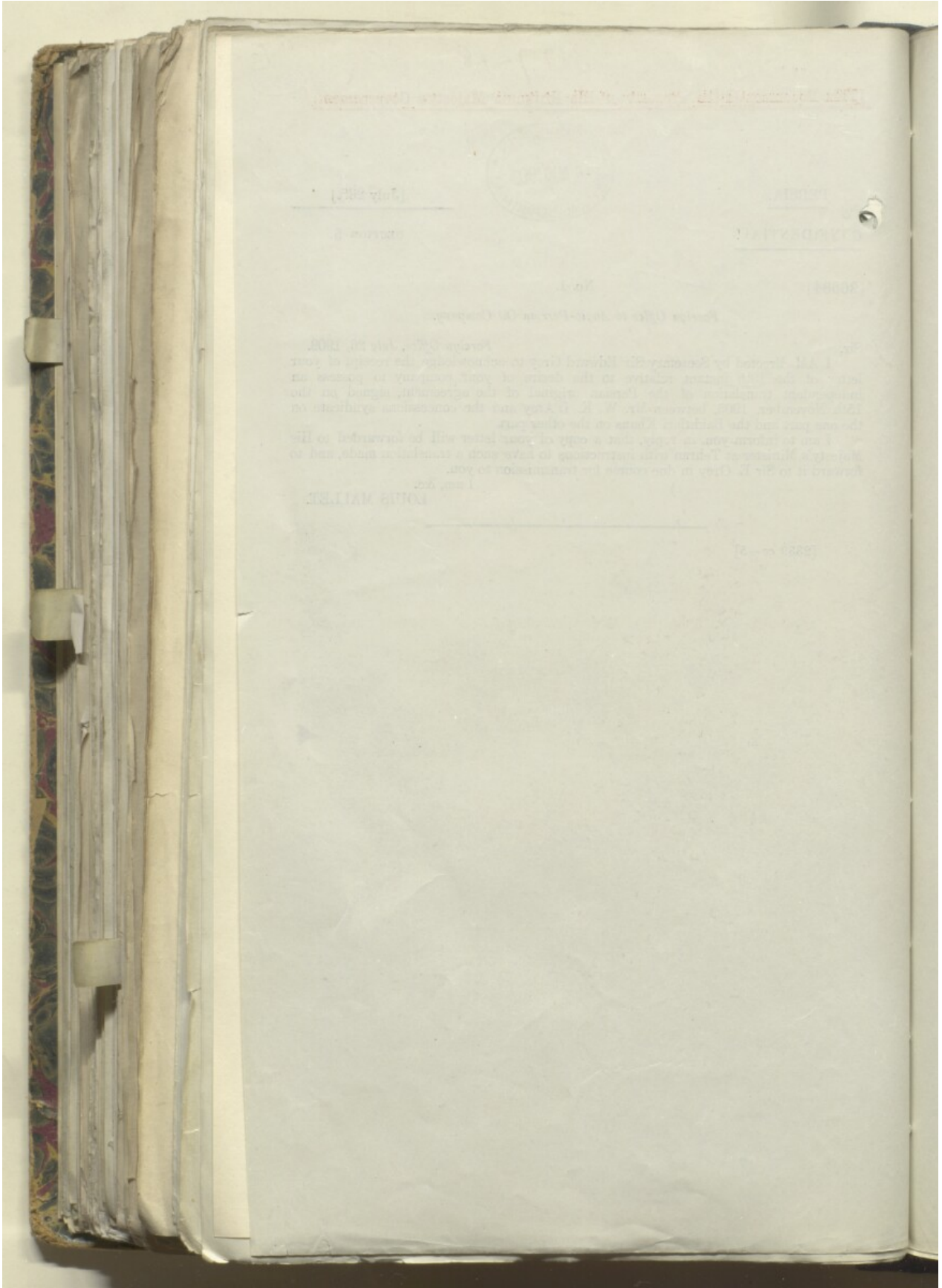


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٥ و] (٣٣٨/٢٣٥)



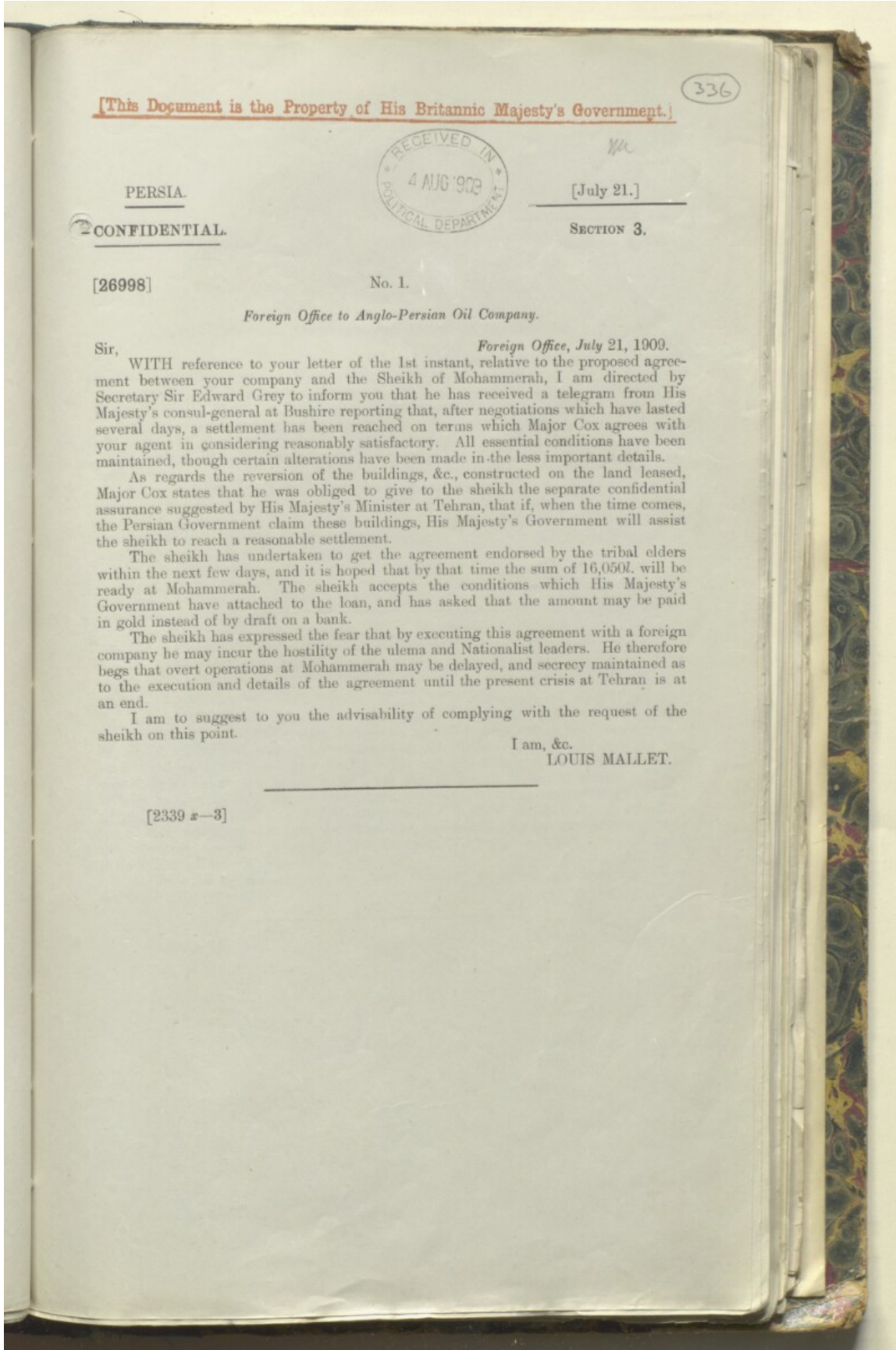


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٥ظ] (٣٣٨/٢٣٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٦ و] (٣٣٨/٢٣٧)



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PERSIA



[July 21.]

CONFIDENTIAL

SECTION 3.

[26998]

No. 1.

Foreign Office to Anglo-Persian Oil Company.

Sir,

Foreign Office, July 21, 1909.

WITH reference to your letter of the 1st instant, relative to the proposed agreement between your company and the Sheikh of Mohammerah, I am directed by Secretary Sir Edward Grey to inform you that he has received a telegram from His Majesty's consul-general at Bushire reporting that, after negotiations which have lasted several days, a settlement has been reached on terms which Major Cox agrees with your agent in considering reasonably satisfactory. All essential conditions have been maintained, though certain alterations have been made in the less important details.

As regards the reversion of the buildings, &c., constructed on the land leased, Major Cox states that he was obliged to give to the sheikh the separate confidential assurance suggested by His Majesty's Minister at Tehran, that if, when the time comes, the Persian Government claim these buildings, His Majesty's Government will assist the sheikh to reach a reasonable settlement.

The sheikh has undertaken to get the agreement endorsed by the tribal elders within the next few days, and it is hoped that by that time the sum of 16,050*l.* will be ready at Mohammerah. The sheikh accepts the conditions which His Majesty's Government have attached to the loan, and has asked that the amount may be paid in gold instead of by draft on a bank.

The sheikh has expressed the fear that by executing this agreement with a foreign company he may incur the hostility of the ulema and Nationalist leaders. He therefore begs that overt operations at Mohammerah may be delayed, and secrecy maintained as to the execution and details of the agreement until the present crisis at Tehran is at an end.

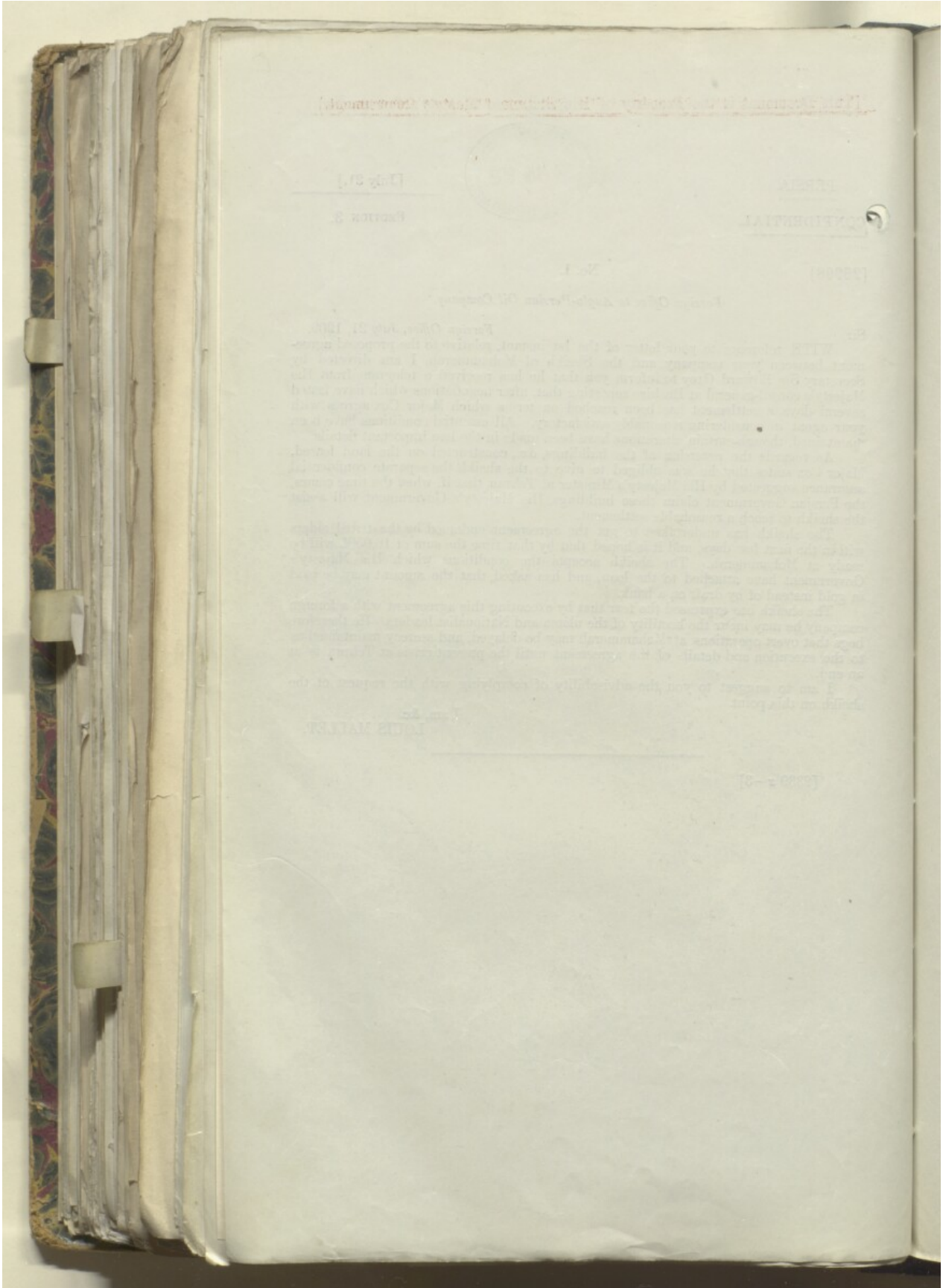
I am to suggest to you the advisability of complying with the request of the sheikh on this point.

I am, &c.
LOUIS MALLET.

[2339 x-3]

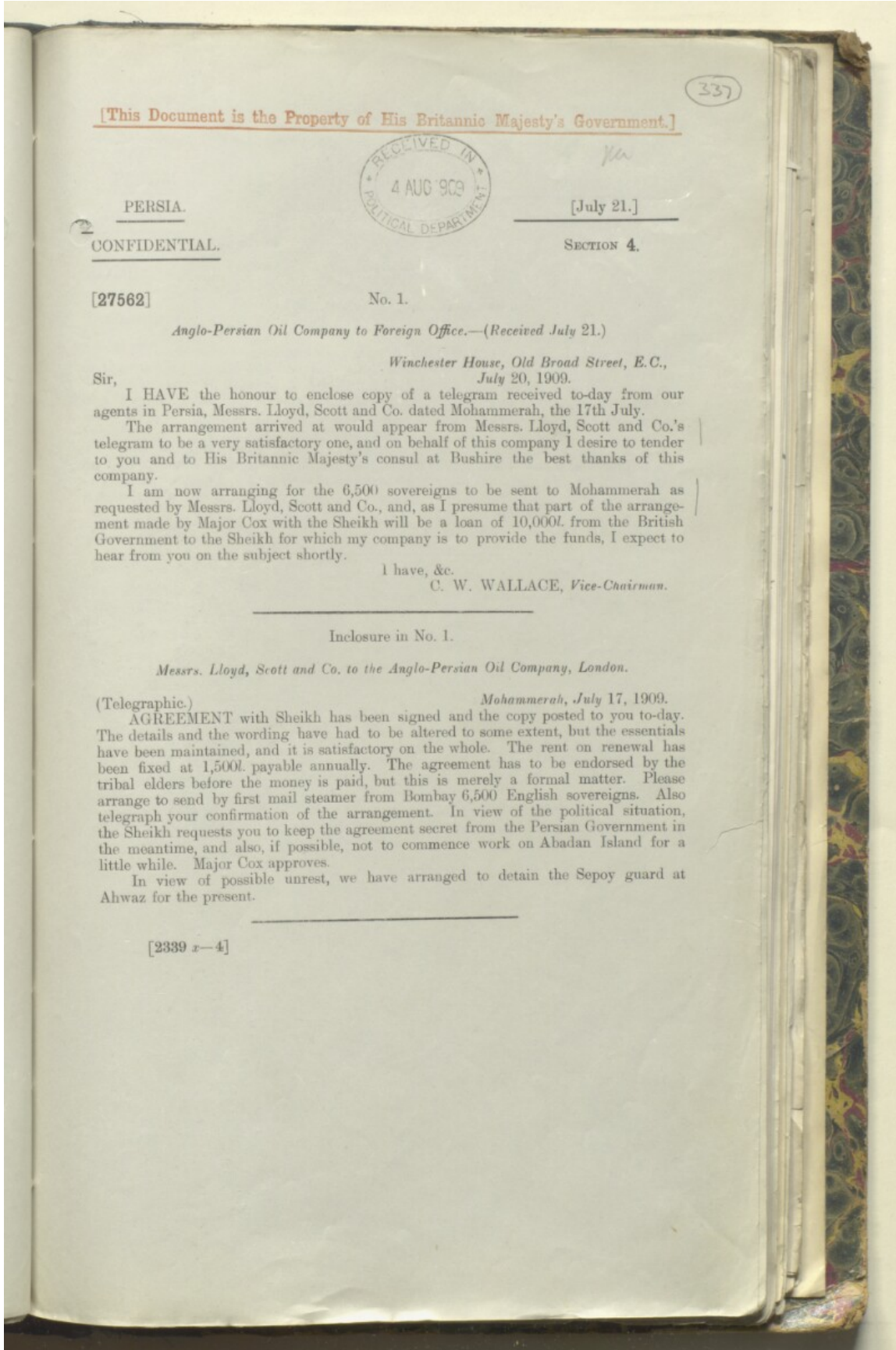


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٦ظ] (٣٣٨/٢٣٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٧ و] (٣٣٨/٢٣٩)



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PERSIA.

CONFIDENTIAL.



[July 21.]

SECTION 4.

[27562]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received July 21.)

*Winchester House, Old Broad Street, E.C.,
July 20, 1909.*

Sir,

I HAVE the honour to enclose copy of a telegram received to-day from our agents in Persia, Messrs. Lloyd, Scott and Co. dated Mohammerah, the 17th July.

The arrangement arrived at would appear from Messrs. Lloyd, Scott and Co.'s telegram to be a very satisfactory one, and on behalf of this company I desire to tender to you and to His Britannic Majesty's consul at Bushire the best thanks of this company.

I am now arranging for the 6,500 sovereigns to be sent to Mohammerah as requested by Messrs. Lloyd, Scott and Co., and, as I presume that part of the arrangement made by Major Cox with the Sheikh will be a loan of 10,000L from the British Government to the Sheikh for which my company is to provide the funds, I expect to hear from you on the subject shortly.

I have, &c.

C. W. WALLACE, *Vice-Chairman.*

Inclosure in No. 1.

Messrs. Lloyd, Scott and Co. to the Anglo-Persian Oil Company, London.

(Telegraphic.)

Mohammerah, July 17, 1909.

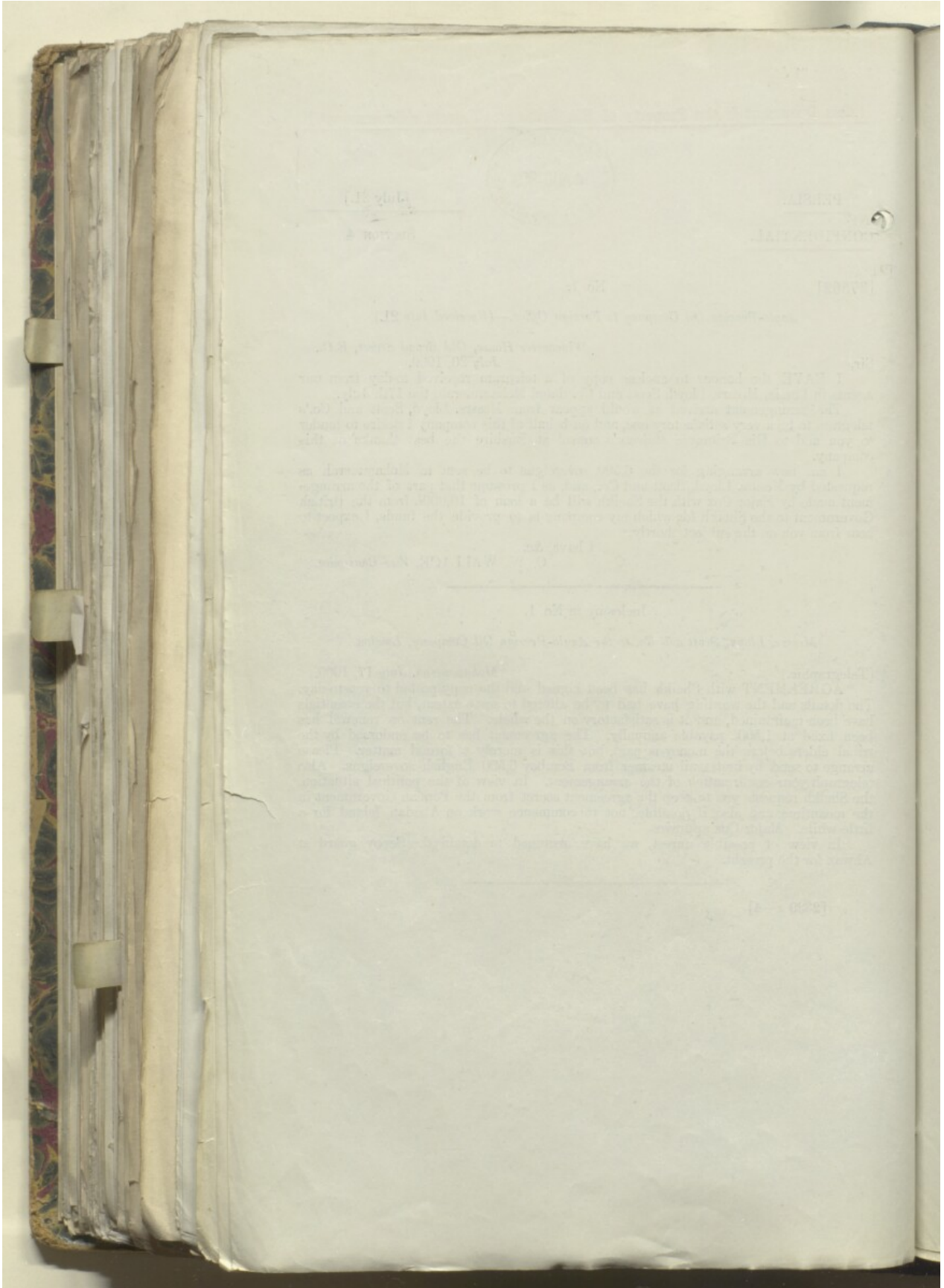
AGREEMENT with Sheikh has been signed and the copy posted to you to-day. The details and the wording have had to be altered to some extent, but the essentials have been maintained, and it is satisfactory on the whole. The rent on renewal has been fixed at 1,500L payable annually. The agreement has to be endorsed by the tribal elders before the money is paid, but this is merely a formal matter. Please arrange to send by first mail steamer from Bombay 6,500 English sovereigns. Also telegraph your confirmation of the arrangement. In view of the political situation, the Sheikh requests you to keep the agreement secret from the Persian Government in the meantime, and also, if possible, not to commence work on Abadan Island for a little while. Major Cox approves.

In view of possible unrest, we have arranged to detain the Sepoy guard at Ahwaz for the present.

[2339 x-4]

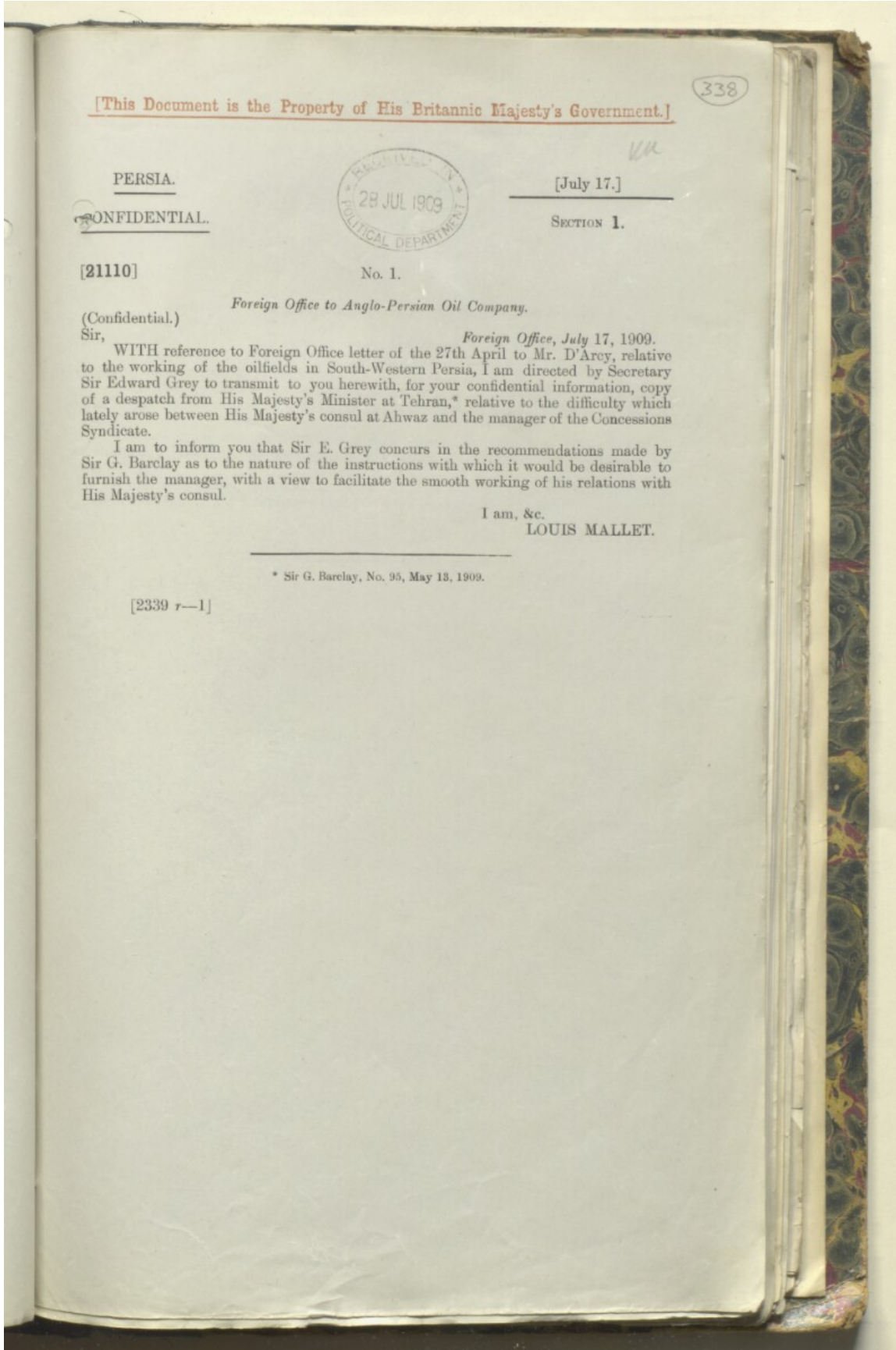


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٧ظ] (٣٣٨/٢٤٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٨ و] (١/٢٤٨/٣٣٨)



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PERSIA.

CONFIDENTIAL.



[July 17.]

SECTION 1.

[21110]

No. 1.

Foreign Office to Anglo-Persian Oil Company.

(Confidential.)

Sir,

Foreign Office, July 17, 1909.
WITH reference to Foreign Office letter of the 27th April to Mr. D'Arcy, relative to the working of the oilfields in South-Western Persia, I am directed by Secretary Sir Edward Grey to transmit to you herewith, for your confidential information, copy of a despatch from His Majesty's Minister at Tehran,* relative to the difficulty which lately arose between His Majesty's consul at Ahwaz and the manager of the Concessions Syndicate.

I am to inform you that Sir E. Grey concurs in the recommendations made by Sir G. Barclay as to the nature of the instructions with which it would be desirable to furnish the manager, with a view to facilitate the smooth working of his relations with His Majesty's consul.

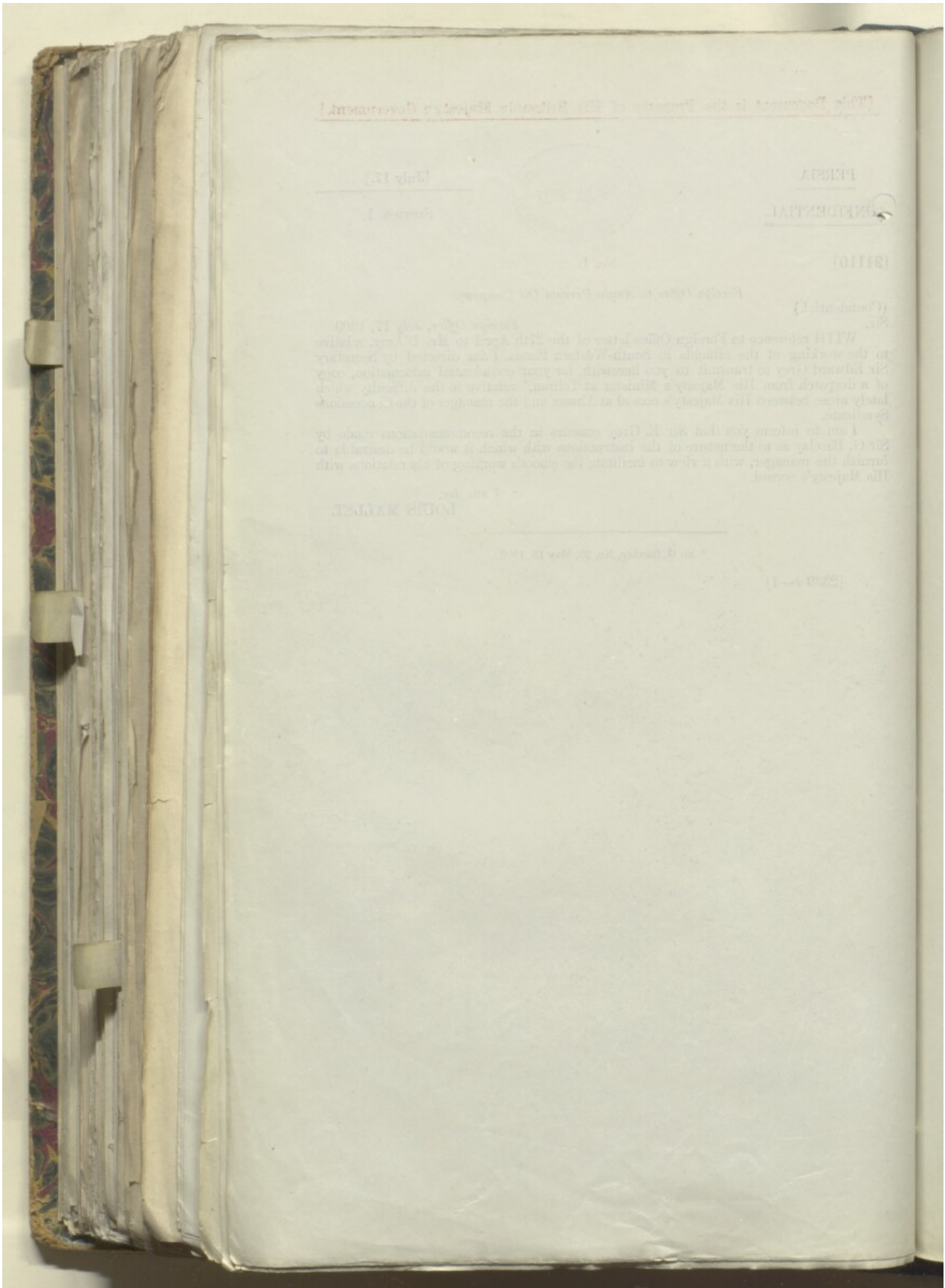
I am, &c.
LOUIS MALLET.

* Sir G. Barclay, No. 95, May 13, 1909.

[2339 r-1]

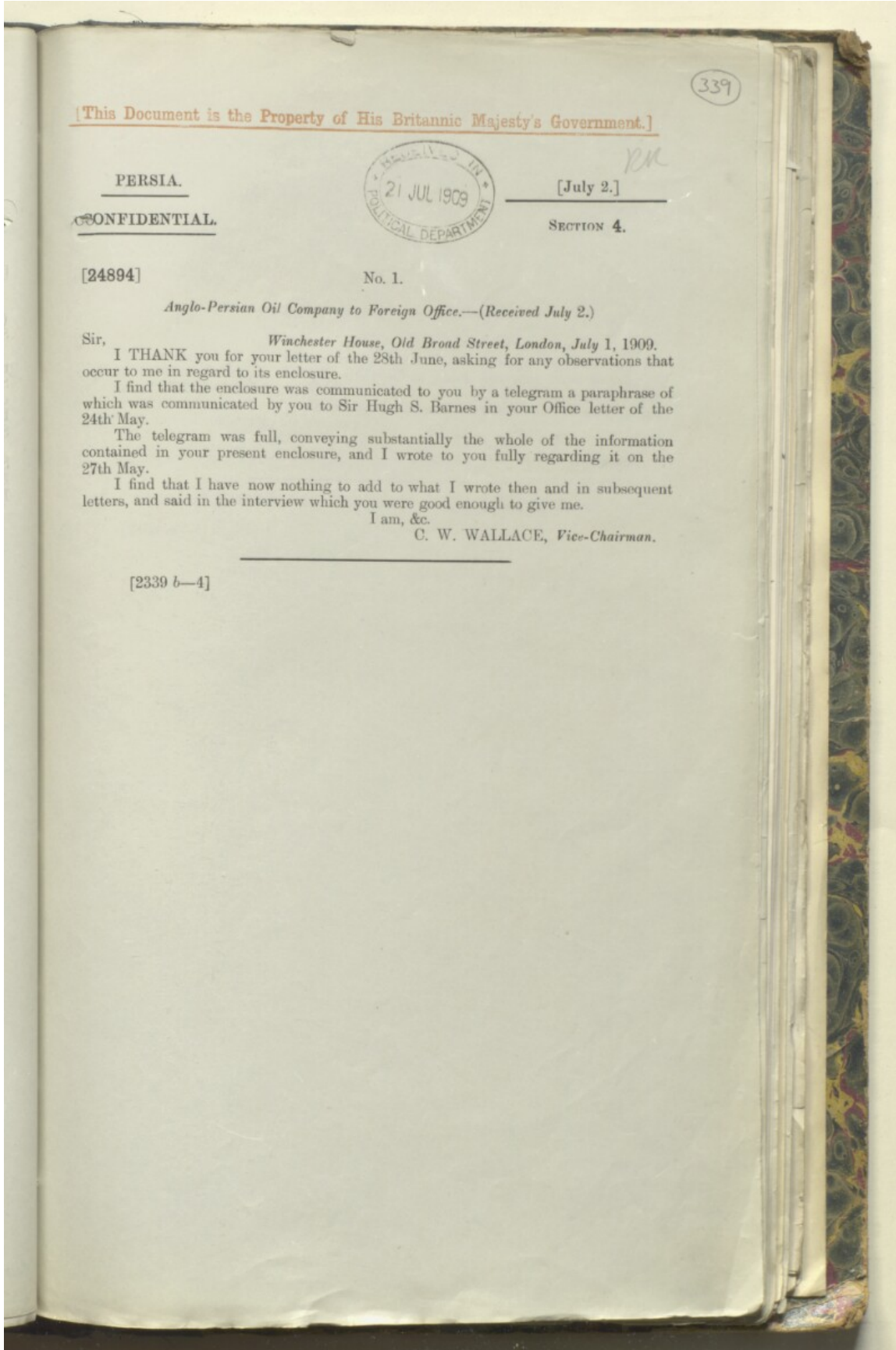


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٨ظ] (٣٣٨/٢٤٢)



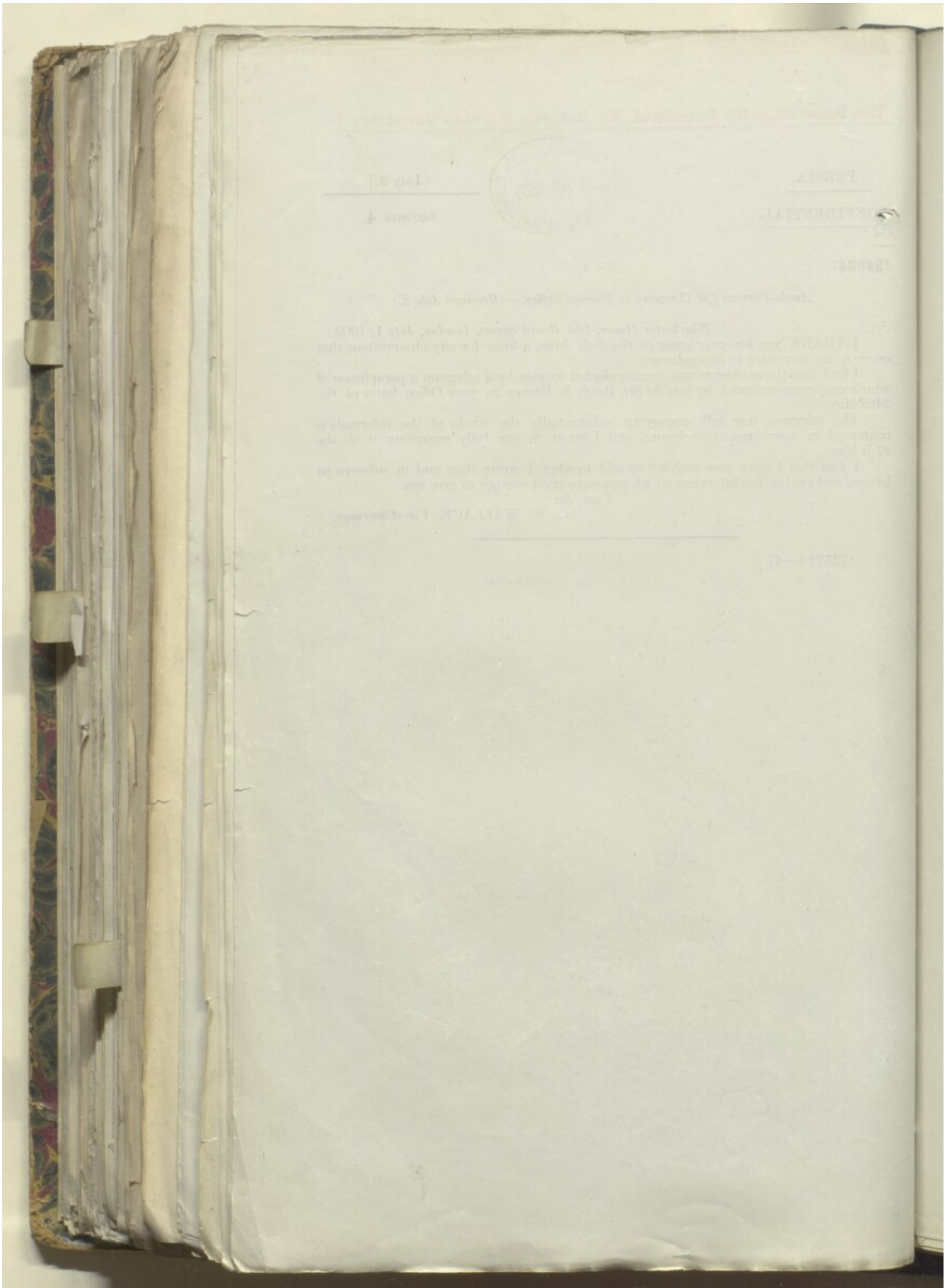


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٩ و] (٣٣٨/٢٤٣)



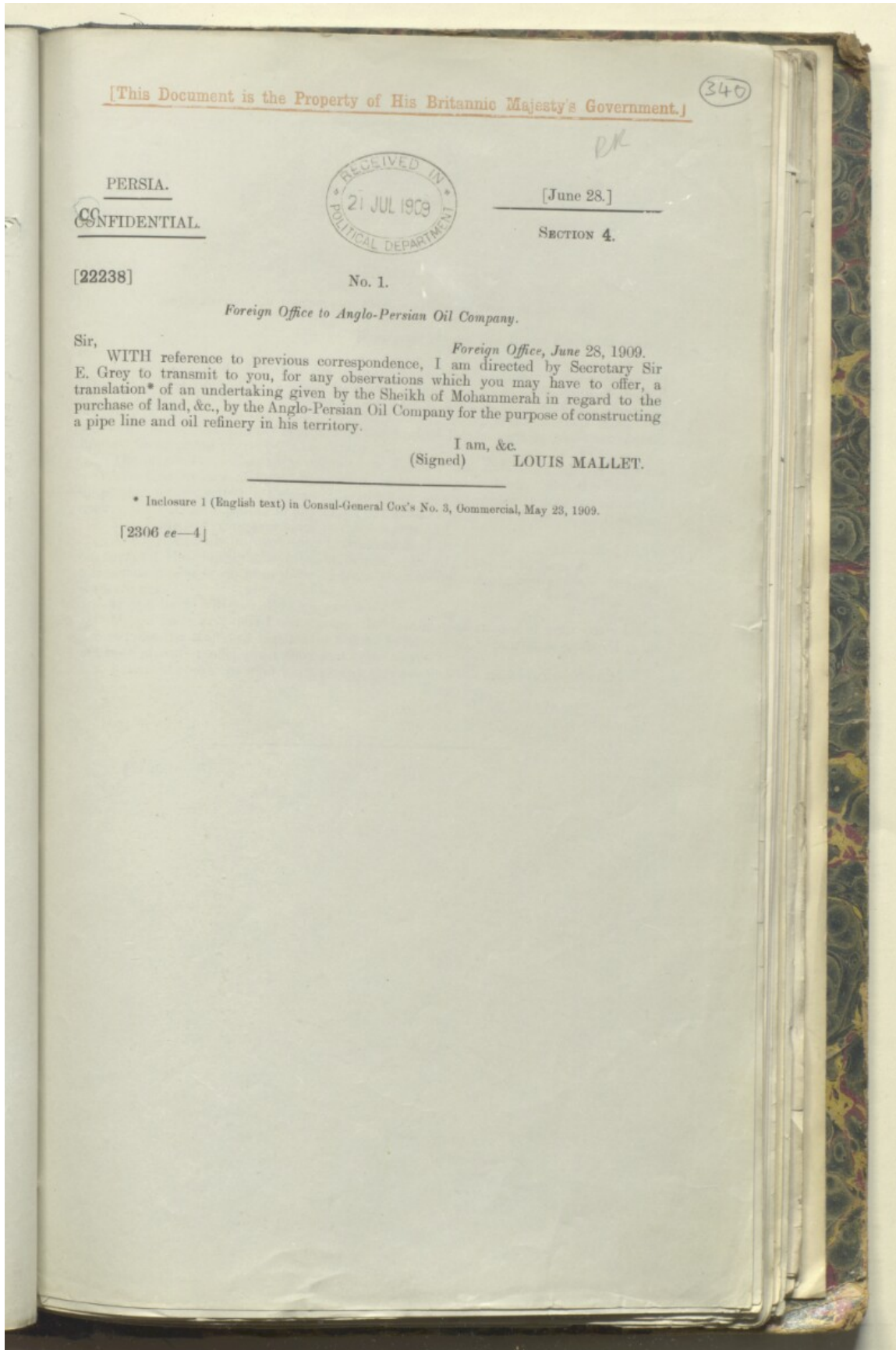


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٣٩ظ] (٣٣٨/٢٤٤)



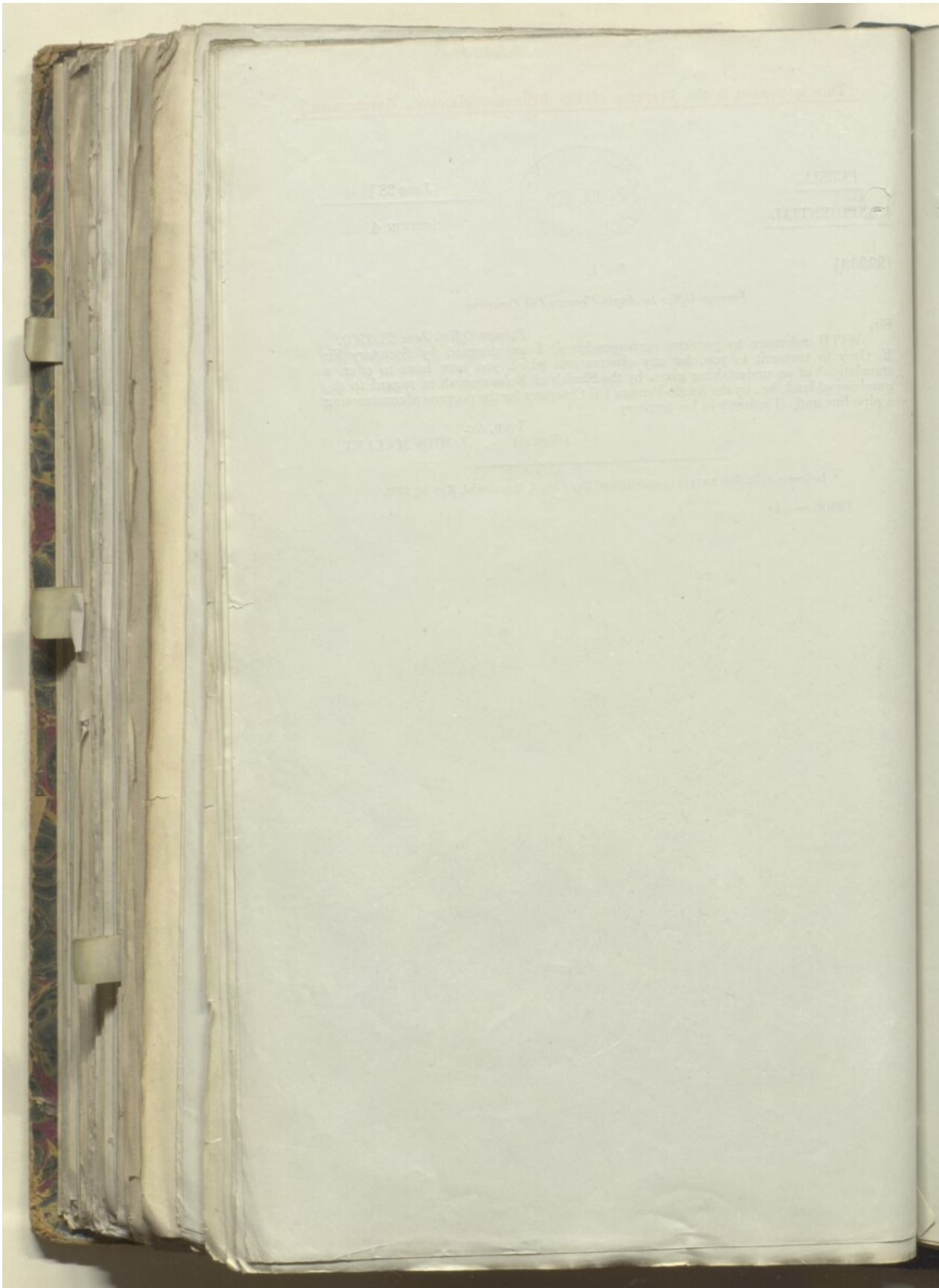


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٠ و] (٣٣٨/٢٤٥)



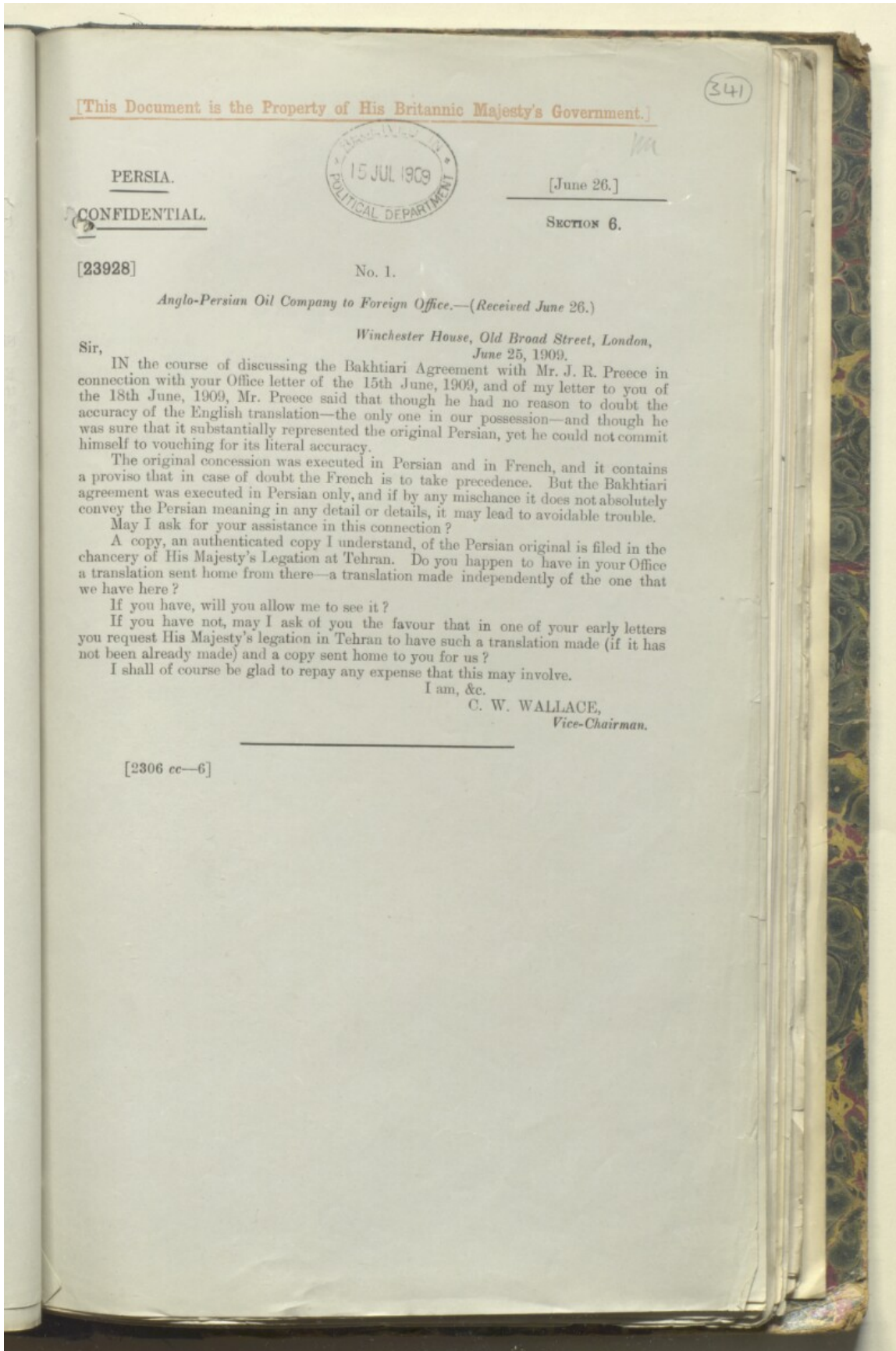


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٠ظ] (٣٣٨/٢٤٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [١٤٣ و] (٣٣٨/٢٤٧)



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PERSIA.



[June 26.]

CONFIDENTIAL.

SECTION 6.

[23928]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received June 26.)

*Winchester House, Old Broad Street, London,
June 25, 1909.*

Sir,
IN the course of discussing the Bakhtiari Agreement with Mr. J. R. Preece in connection with your Office letter of the 15th June, 1909, and of my letter to you of the 18th June, 1909, Mr. Preece said that though he had no reason to doubt the accuracy of the English translation—the only one in our possession—and though he was sure that it substantially represented the original Persian, yet he could not commit himself to vouching for its literal accuracy.

The original concession was executed in Persian and in French, and it contains a proviso that in case of doubt the French is to take precedence. But the Bakhtiari agreement was executed in Persian only, and if by any mischance it does not absolutely convey the Persian meaning in any detail or details, it may lead to avoidable trouble.

May I ask for your assistance in this connection?

A copy, an authenticated copy I understand, of the Persian original is filed in the chancery of His Majesty's Legation at Tehran. Do you happen to have in your Office a translation sent home from there—a translation made independently of the one that we have here?

If you have, will you allow me to see it?

If you have not, may I ask of you the favour that in one of your early letters you request His Majesty's legation in Tehran to have such a translation made (if it has not been already made) and a copy sent home to you for us?

I shall of course be glad to repay any expense that this may involve.

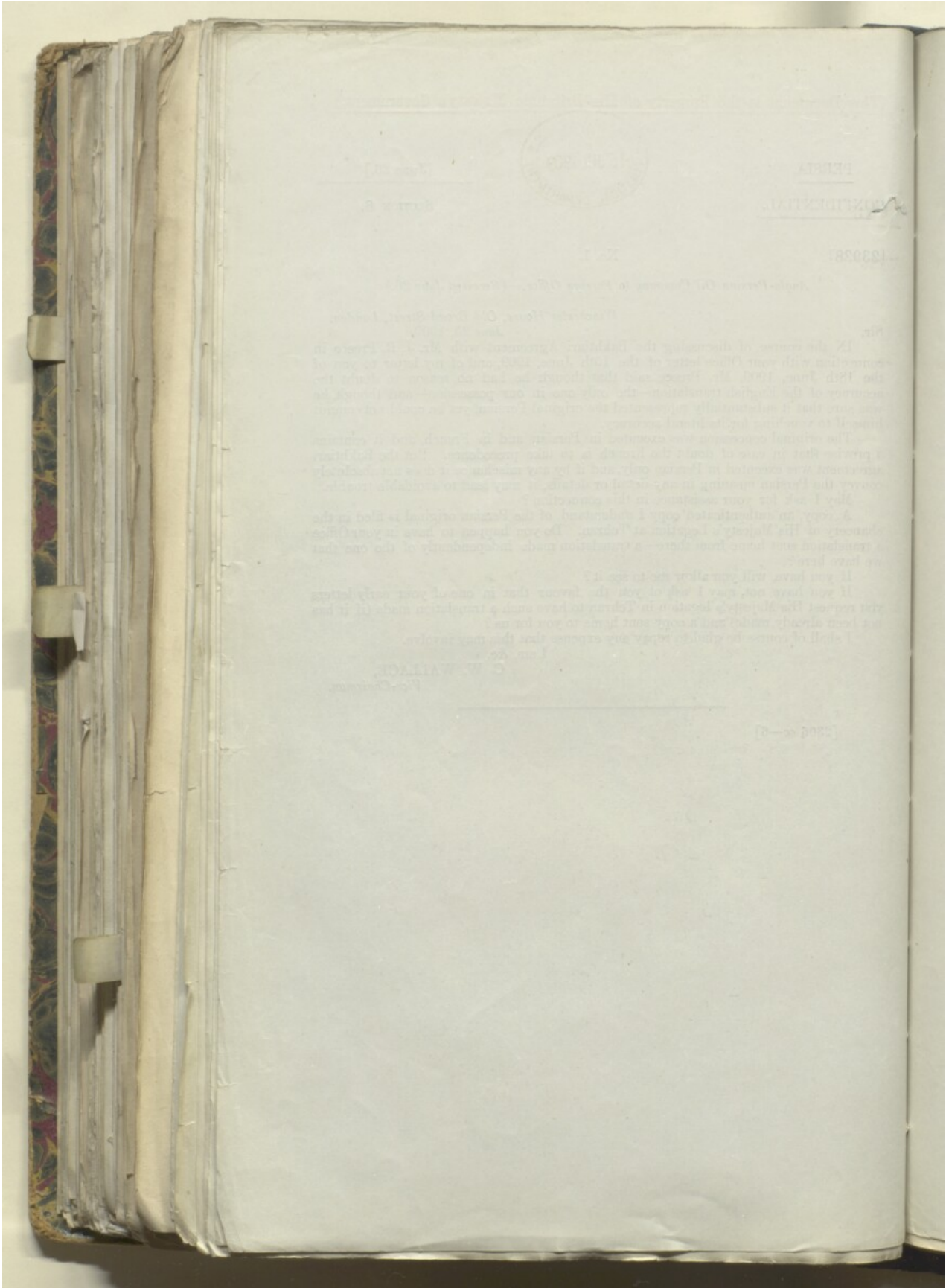
I am, &c.

C. W. WALLACE,
Vice-Chairman.

[2306 cc—6]

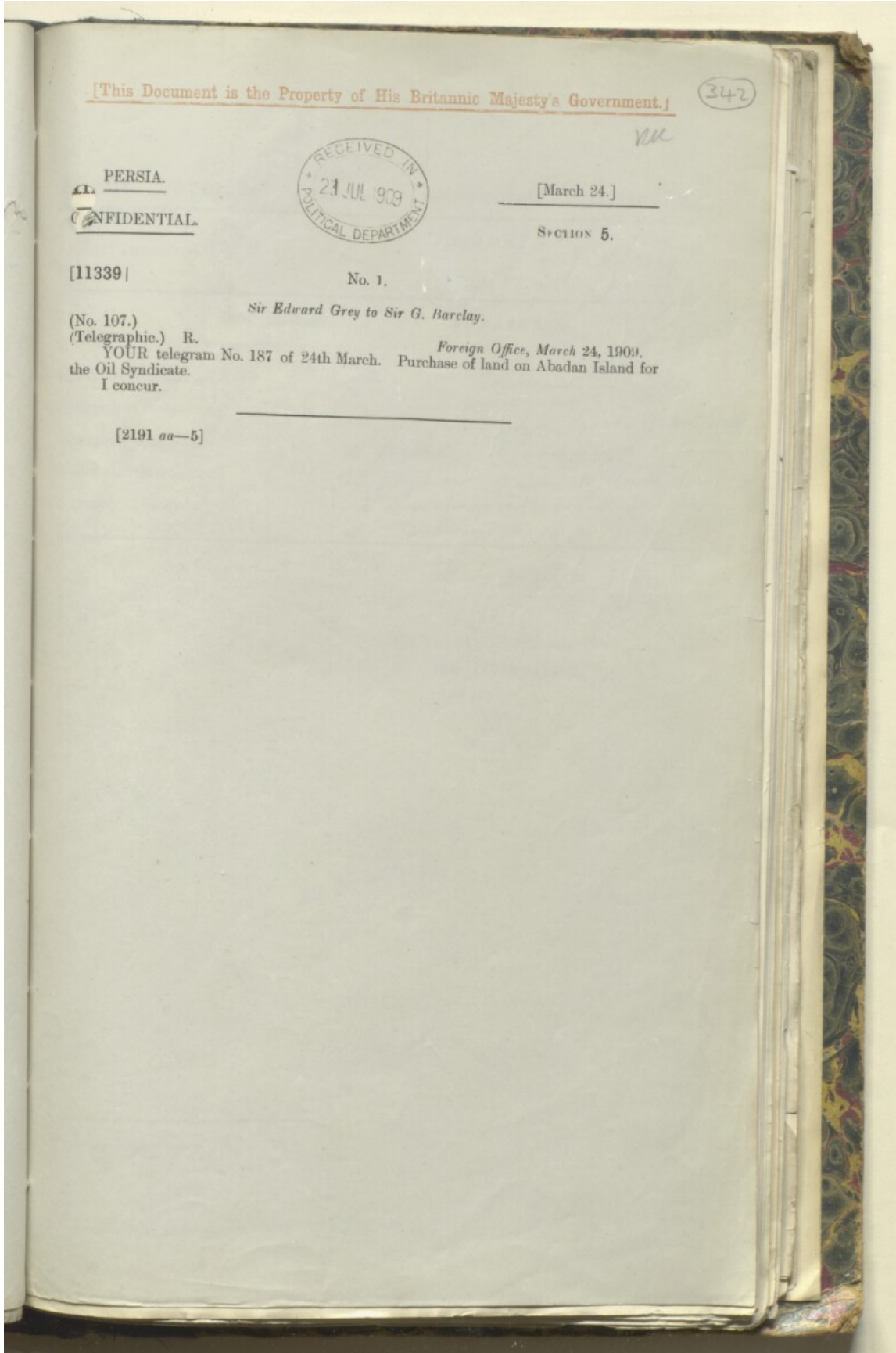


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٣٤١ظ] (٣٣٨/٢٤٨)



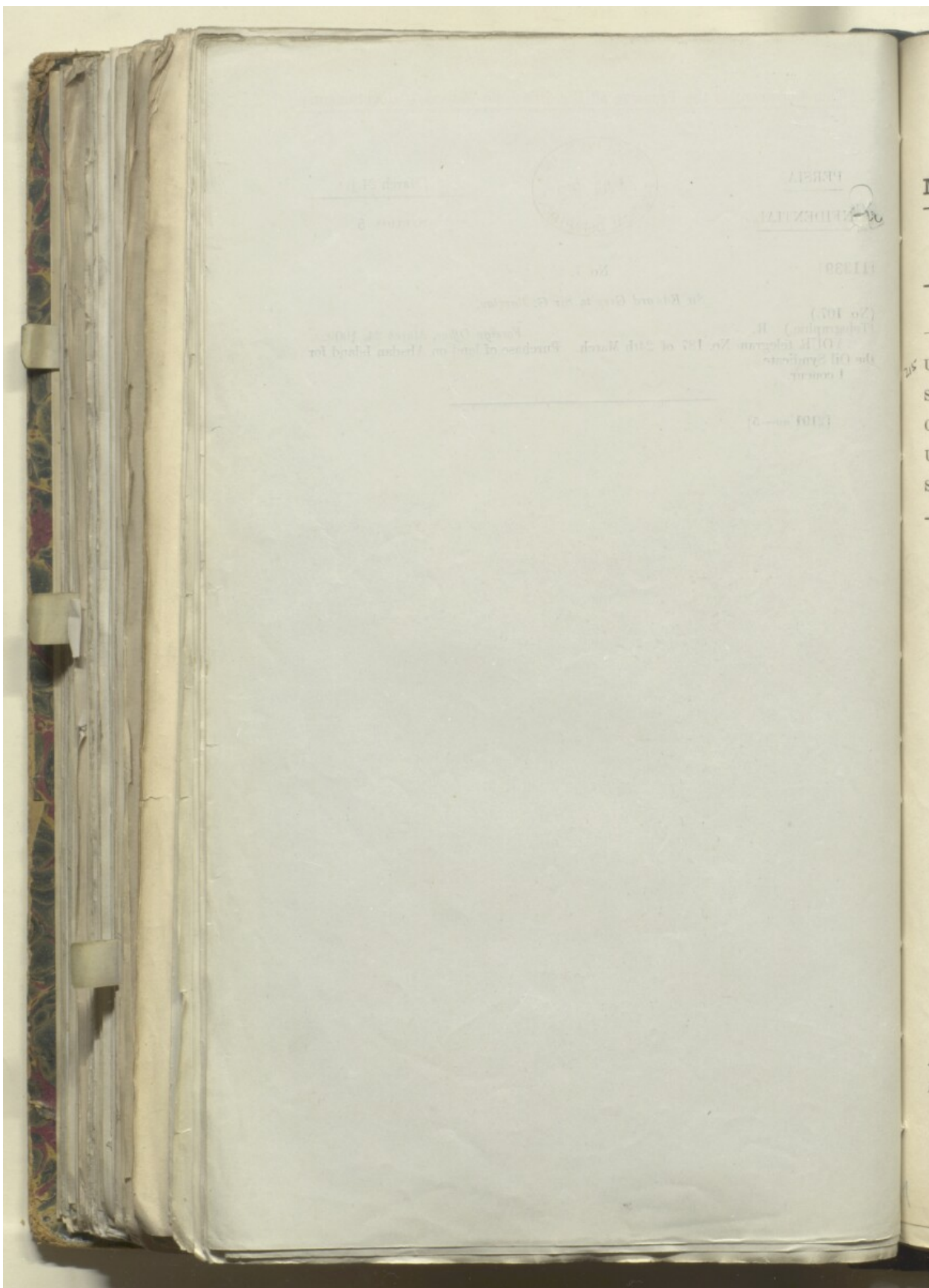


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٢ و] (٣٣٨/٢٤٩)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٢ظ] (٣٣٨/٢٥٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٣ و] (٣٣٨/٢٥١)

343

Register No.
3762

Minute Paper. Secret Department.

Letter from 70. Dated 23 } July 1909.
Rec. 24 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	28.7	Wu	<u>Peria.</u> The Oil Company's agreement with the Sheikh of Mohammerah. Arrangements for payment of loan to Sheikh. Company will keep agreement secret, and delay overt operations as far as possible.
Secretary of State.....	29	ag	
Committee.....	30	Nu.	
Under Secretary.....			
Secretary of State.....			

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Secy 31

FOR INFORMATION.

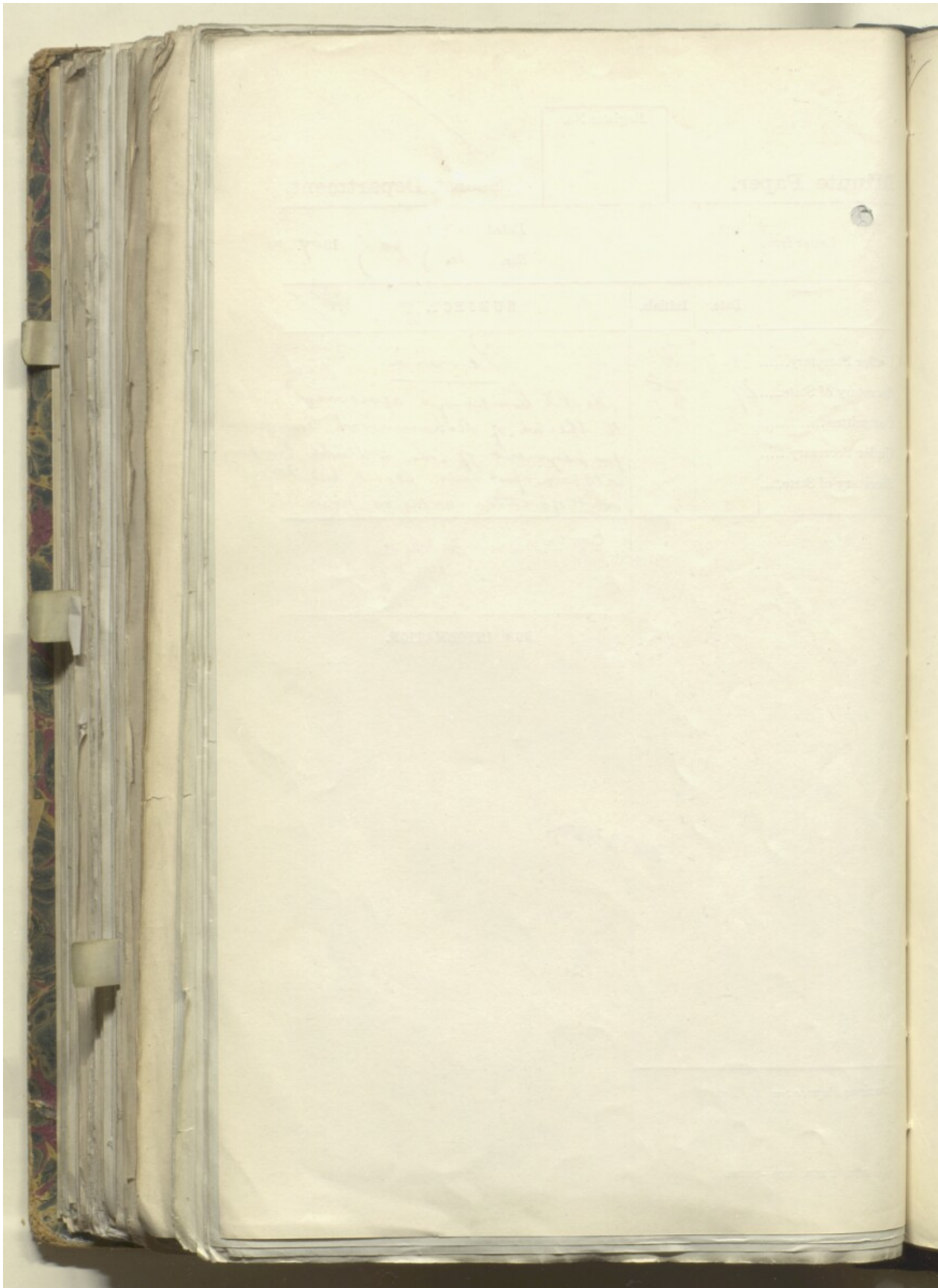
Seen Pol. Com'ee.,
3 AUG. 1909

Previous Papers :— 3720

6172. I. 1278. 1000.—7/1909.

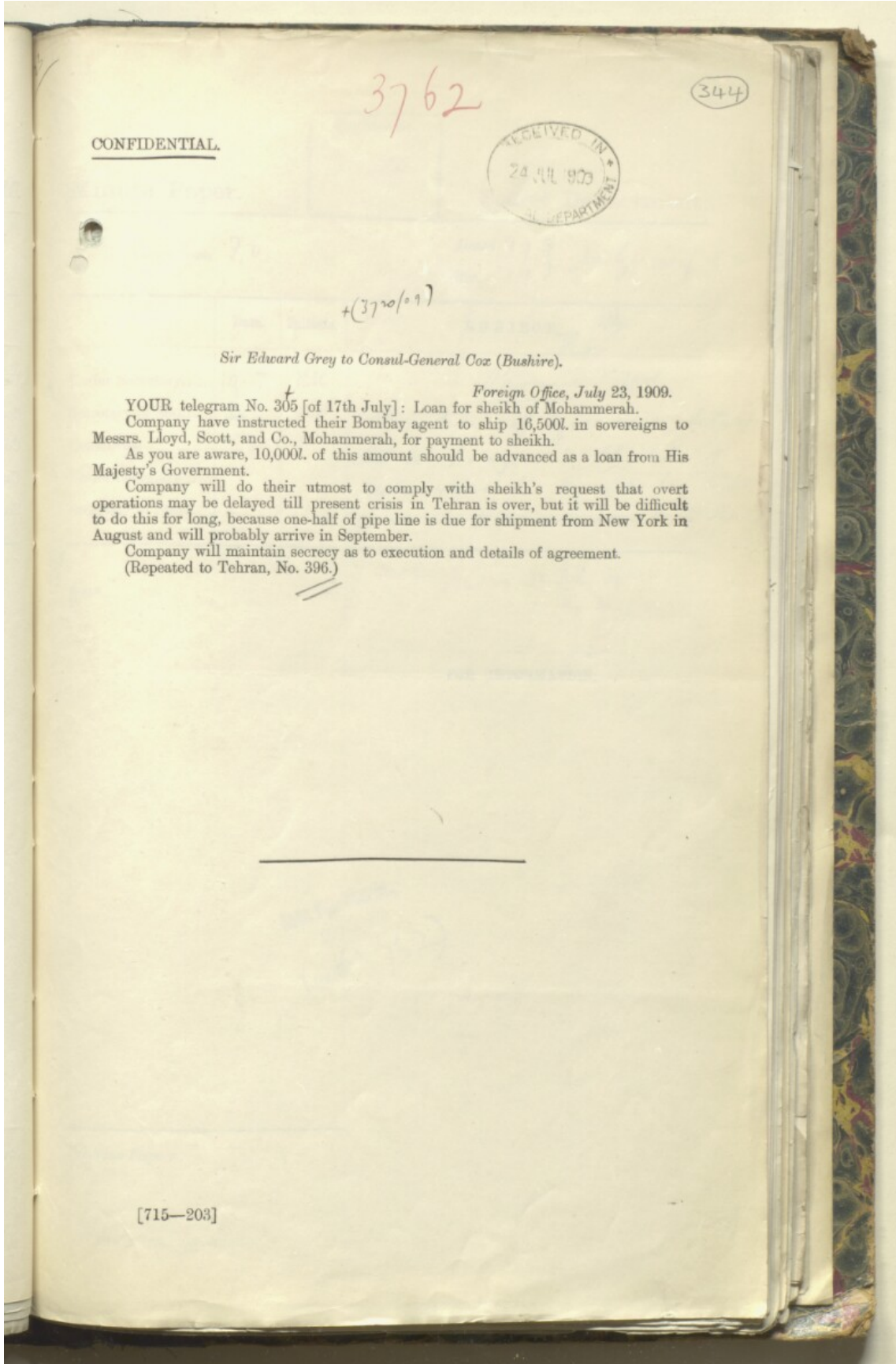


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٣ظ] (٣٣٨/٢٥٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٤ و] (٣٣٨/٢٥٣)



CONFIDENTIAL

3762

344



(3720/09)

Sir Edward Grey to Consul-General Coz (Bushire).

Foreign Office, July 23, 1909.

YOUR telegram No. 305 [of 17th July]: Loan for sheikh of Mohammerah.
Company have instructed their Bombay agent to ship 16,500l. in sovereigns to
Messrs. Lloyd, Scott, and Co., Mohammerah, for payment to sheikh.
As you are aware, 10,000l. of this amount should be advanced as a loan from His
Majesty's Government.

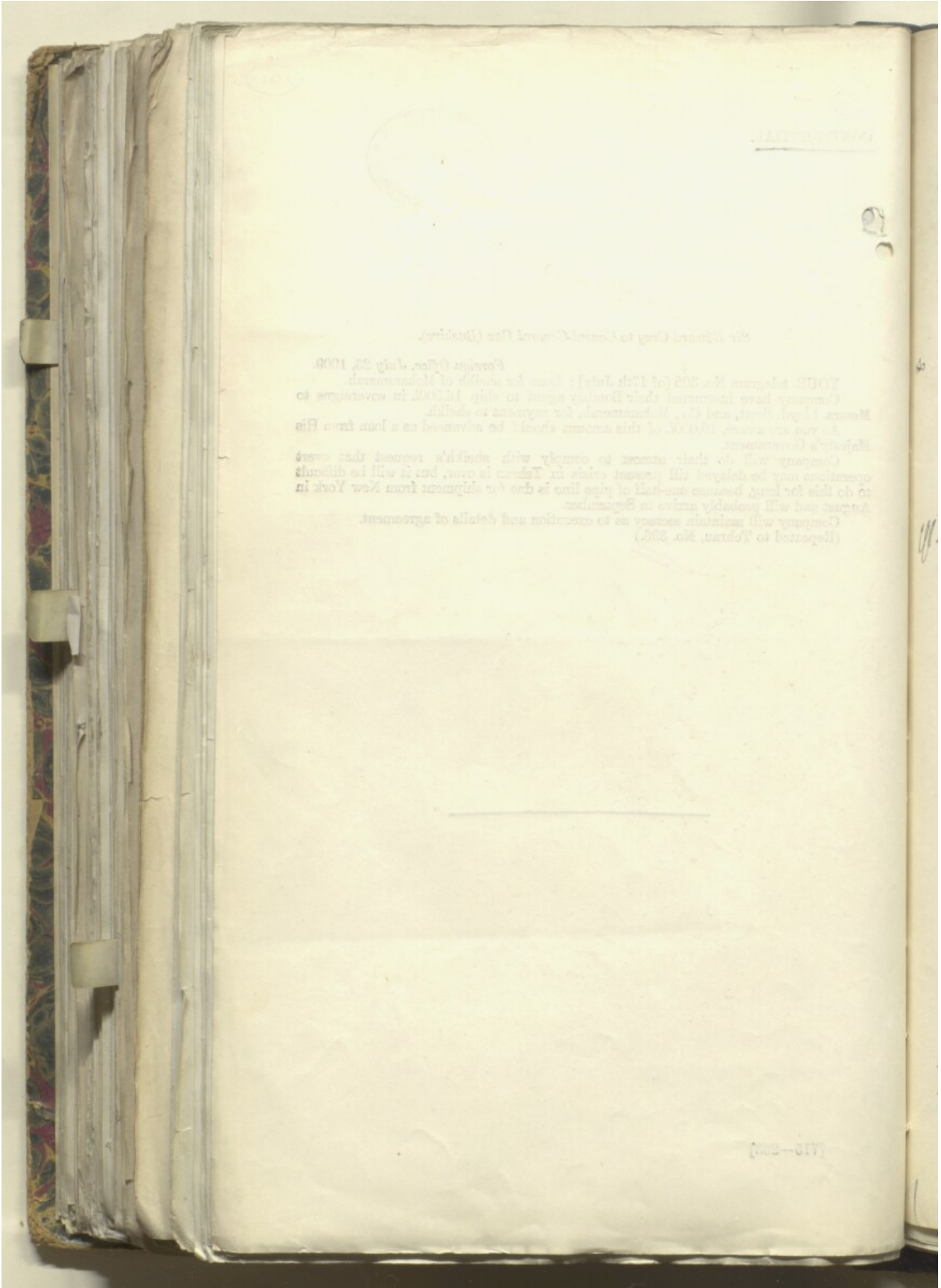
Company will do their utmost to comply with sheikh's request that overt
operations may be delayed till present crisis in Tehran is over, but it will be difficult
to do this for long, because one-half of pipe line is due for shipment from New York in
August and will probably arrive in September.

Company will maintain secrecy as to execution and details of agreement.
(Repeated to Tehran, No. 396.)

[715-203]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٤ظ] (٣٣٨/٢٥٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٥ و] (٣٣٨/٢٥٥)

(345)

Register No.
3720

Minute Paper. Secret Department.

Letter from 70. Dated 17 } July 1909.
Rec. 19 }

	Date.	Initials.	SUBJECT.
Under Secretary.....	19.7	KK	Persia. How.
Secretary of State.....	20	ap	Execution of Agreement between Oil Company and Sheikh of Mohammerah: terms to be kept secret for the present. Loan to the Sheikh.
Committee.....	22.	h.	
Under Secretary.....			
Secretary of State.....			

Copy to India 23 July 09
July 30

FOR INFORMATION.

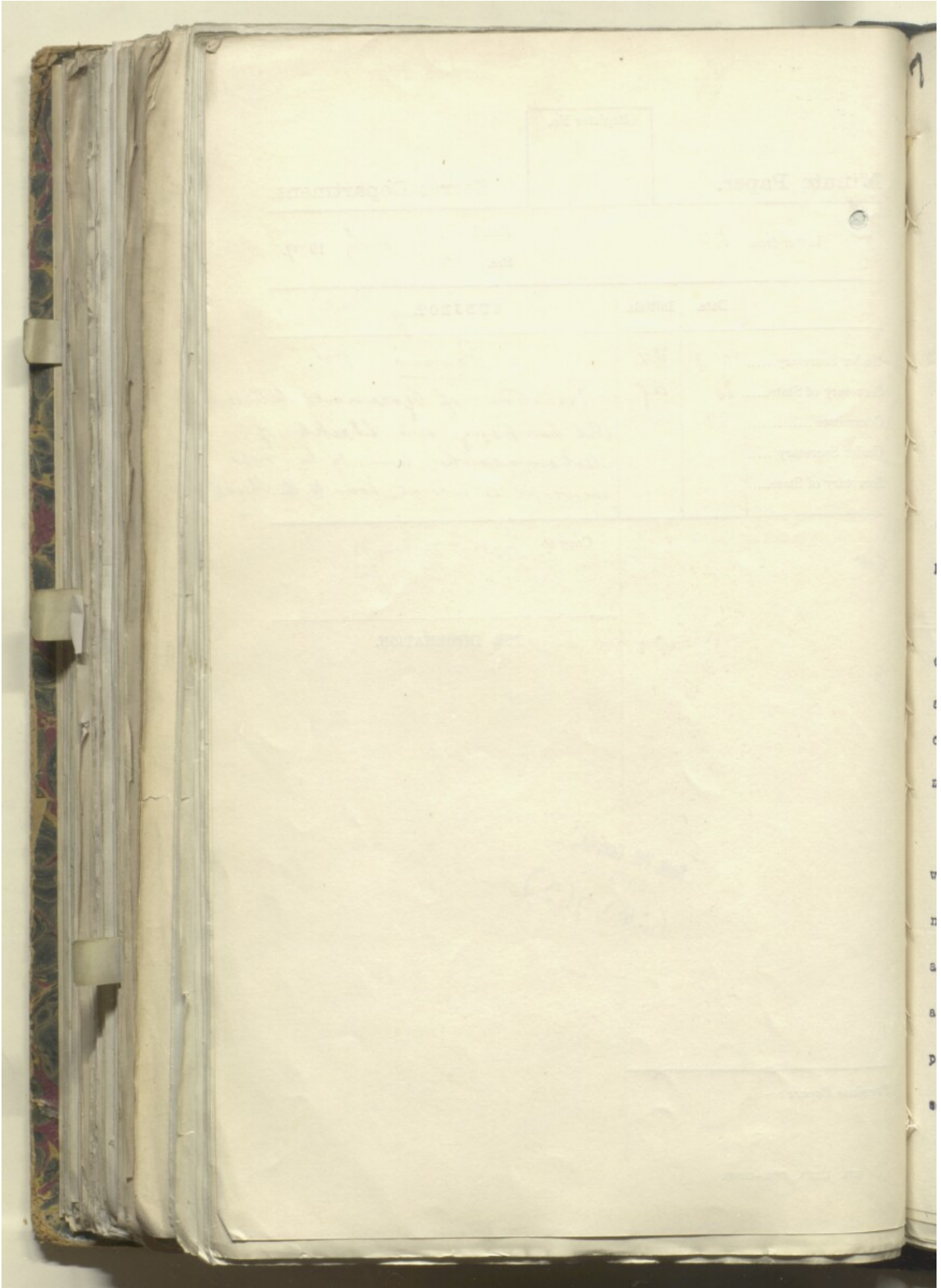
Seen Pol. Com'ee,
9/10/1909
(with 3762)

Previous Papers :—

6172. I. 1278. 1000.—7/1900.

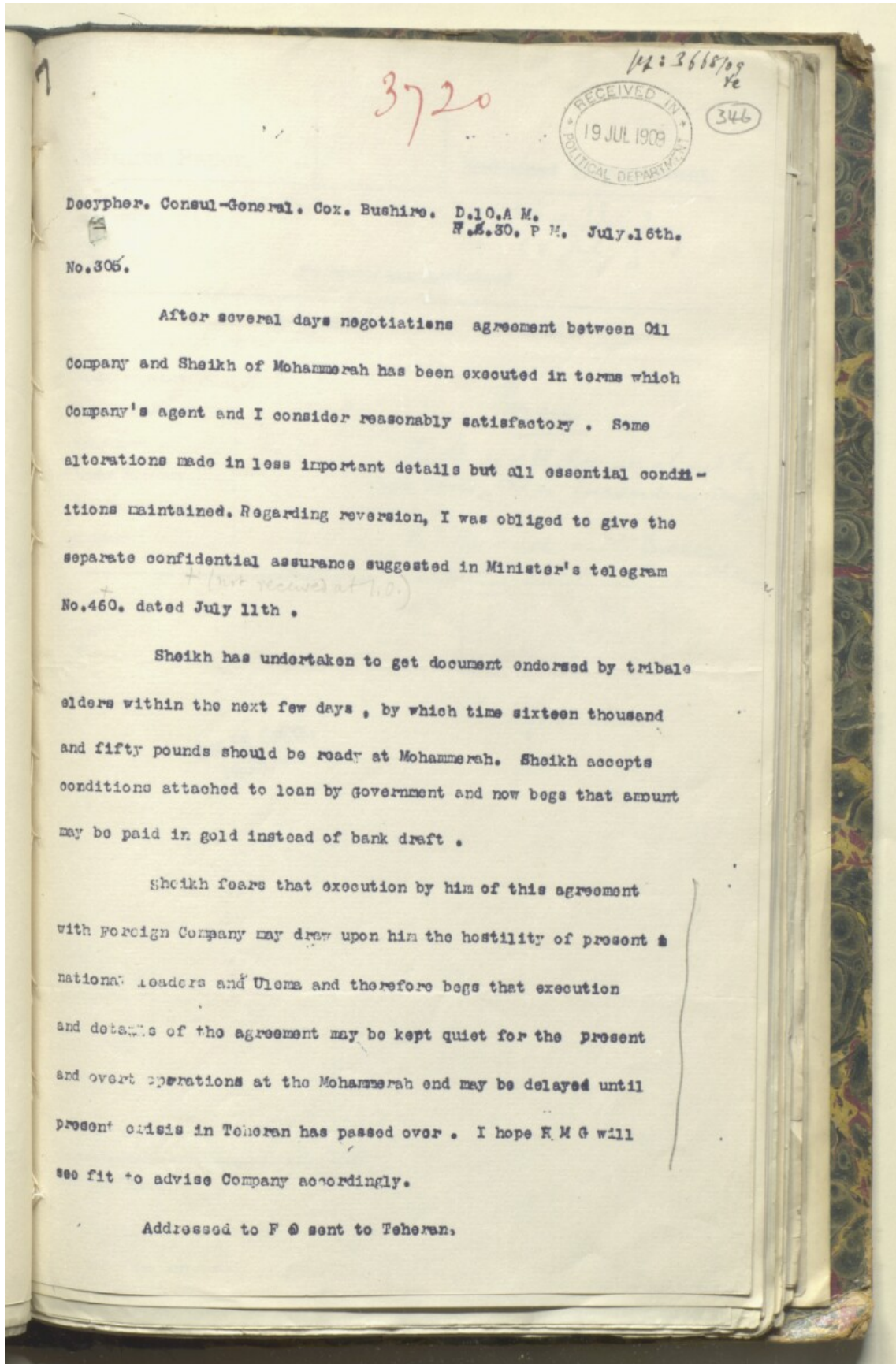


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٥ ظ] (٣٣٨/٢٥٦)



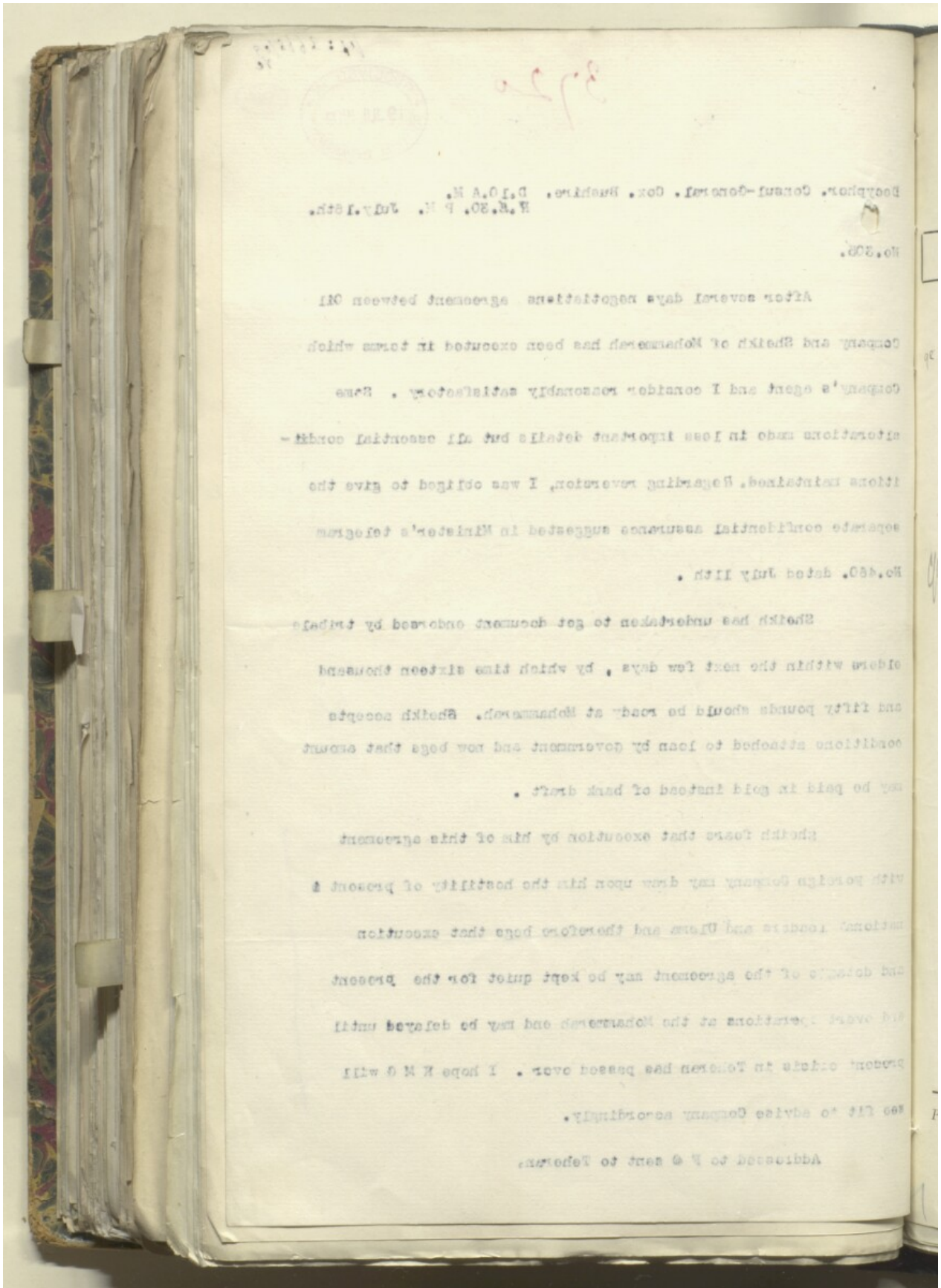


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٦ و] (٣٣٨/٢٥٧)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٦ ظ] (٣٣٨/٢٥٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٧ و] (٣٣٨/٢٥٩)

Register No. 3668-9

Minute Paper. Secret Political Department.

Letters from 70,

Dated 30 June, 7 July 1909.
Rec. 1, 8 July

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	10-7	WU	Persia. The Sheikh of Mohammerah and the Anglo-Persian Oil Co. Correspondence, Draft lease, &c. The Oil Syndicate and the Bakhtiari Khans, difficulty between the Consul at Alway and the Manager.
Secretary of State	12	ag	
Committee	13.	W.	
Under Secretary.....			
Secretary of State			
Council			

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209 July 1909
SECRETARY'S N^o 27+28

For information.

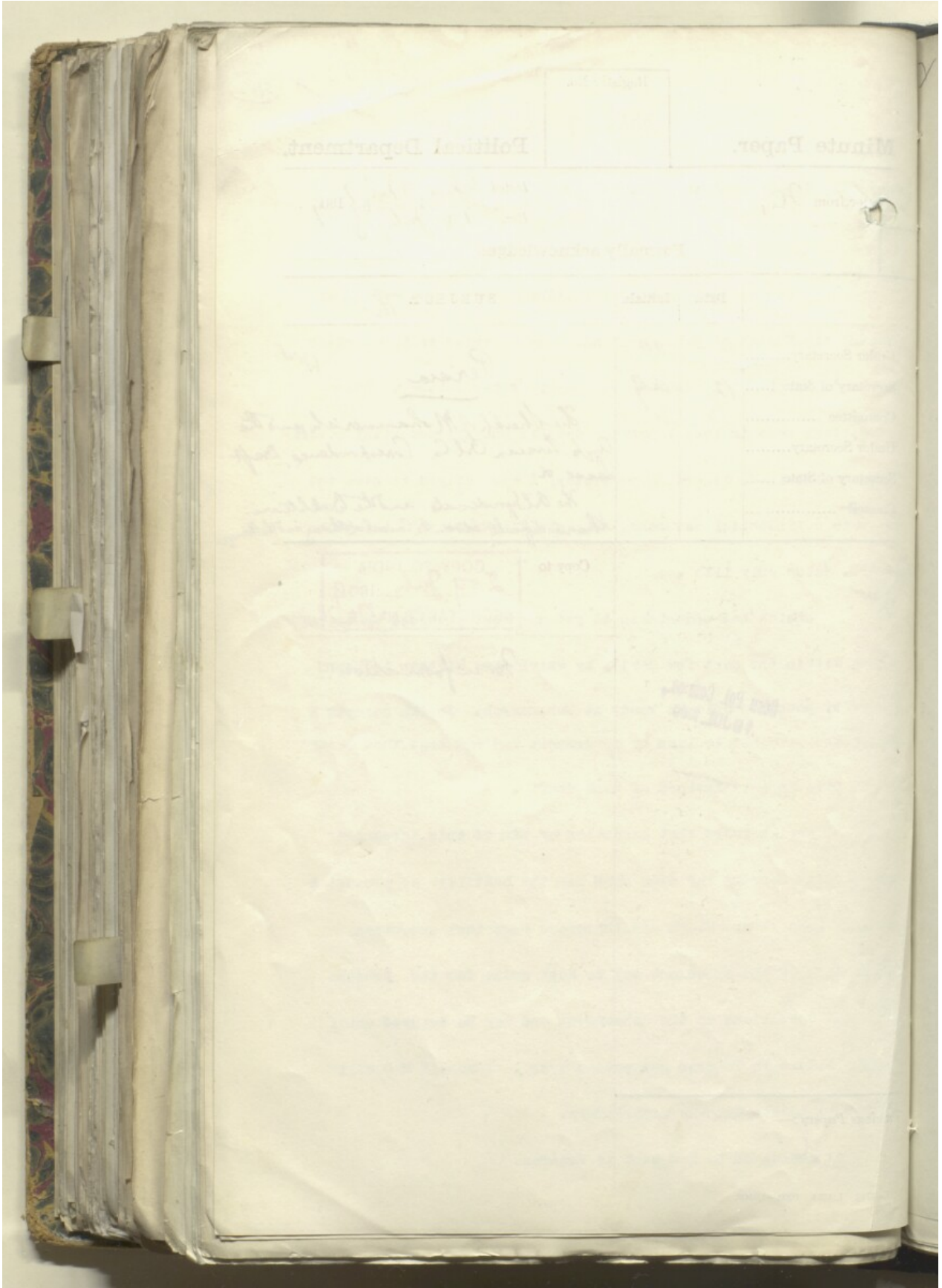
Seen Pol. Com'ee.,
19 JUL 1909

Previous Papers:—
3586

712. I. 1354. 2000.—7/1908.

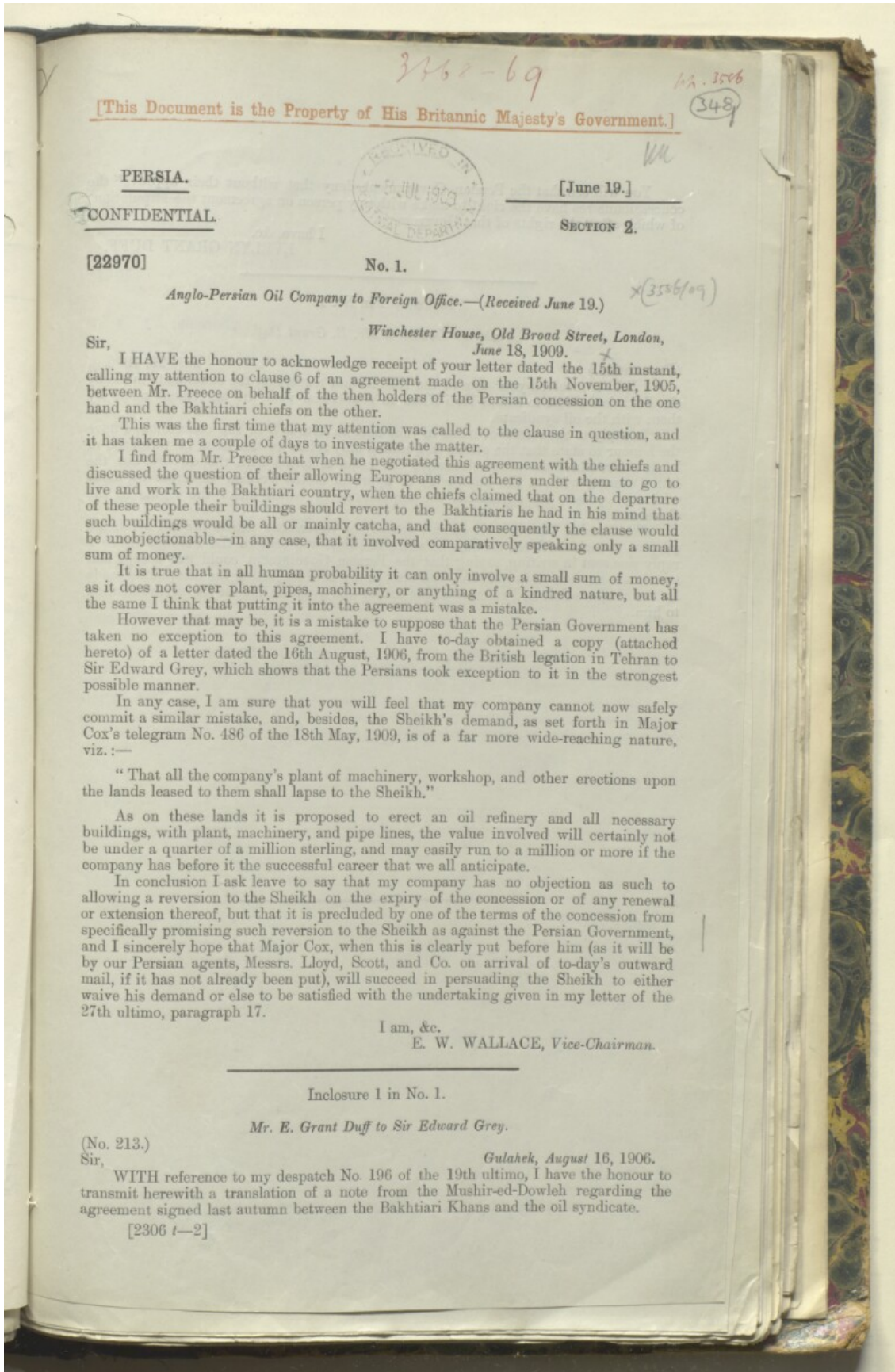


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٧ظ] (٣٣٨/٢٦٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٨ و] (٣٣٨/٢٦١)



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PERSIA.

[June 19.]

CONFIDENTIAL

SECTION 2.

[22970]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received June 19.)

Winchester House, Old Broad Street, London,
June 18, 1909.

Sir,
I HAVE the honour to acknowledge receipt of your letter dated the 15th instant, calling my attention to clause 6 of an agreement made on the 15th November, 1905, between Mr. Preece on behalf of the then holders of the Persian concession on the one hand and the Bakhtiari chiefs on the other.

This was the first time that my attention was called to the clause in question, and it has taken me a couple of days to investigate the matter.

I find from Mr. Preece that when he negotiated this agreement with the chiefs and discussed the question of their allowing Europeans and others under them to go to live and work in the Bakhtiari country, when the chiefs claimed that on the departure of these people their buildings should revert to the Bakhtiaris he had in his mind that such buildings would be all or mainly catcha, and that consequently the clause would be unobjectionable—in any case, that it involved comparatively speaking only a small sum of money.

It is true that in all human probability it can only involve a small sum of money, as it does not cover plant, pipes, machinery, or anything of a kindred nature, but all the same I think that putting it into the agreement was a mistake.

However that may be, it is a mistake to suppose that the Persian Government has taken no exception to this agreement. I have to-day obtained a copy (attached hereto) of a letter dated the 16th August, 1906, from the British legation in Tehran to Sir Edward Grey, which shows that the Persians took exception to it in the strongest possible manner.

In any case, I am sure that you will feel that my company cannot now safely commit a similar mistake, and, besides, the Sheikh's demand, as set forth in Major Cox's telegram No. 486 of the 18th May, 1909, is of a far more wide-reaching nature, viz. :—

"That all the company's plant of machinery, workshop, and other erections upon the lands leased to them shall lapse to the Sheikh."

As on these lands it is proposed to erect an oil refinery and all necessary buildings, with plant, machinery, and pipe lines, the value involved will certainly not be under a quarter of a million sterling, and may easily run to a million or more if the company has before it the successful career that we all anticipate.

In conclusion I ask leave to say that my company has no objection as such to allowing a reversion to the Sheikh on the expiry of the concession or of any renewal or extension thereof, but that it is precluded by one of the terms of the concession from specifically promising such reversion to the Sheikh as against the Persian Government, and I sincerely hope that Major Cox, when this is clearly put before him (as it will be by our Persian agents, Messrs. Lloyd, Scott, and Co. on arrival of to-day's outward mail, if it has not already been put), will succeed in persuading the Sheikh to either waive his demand or else to be satisfied with the undertaking given in my letter of the 27th ultimo, paragraph 17.

I am, &c.
E. W. WALLACE, Vice-Chairman.

Inclosure 1 in No. 1.

Mr. E. Grant Duff to Sir Edward Grey.

(No. 213.)

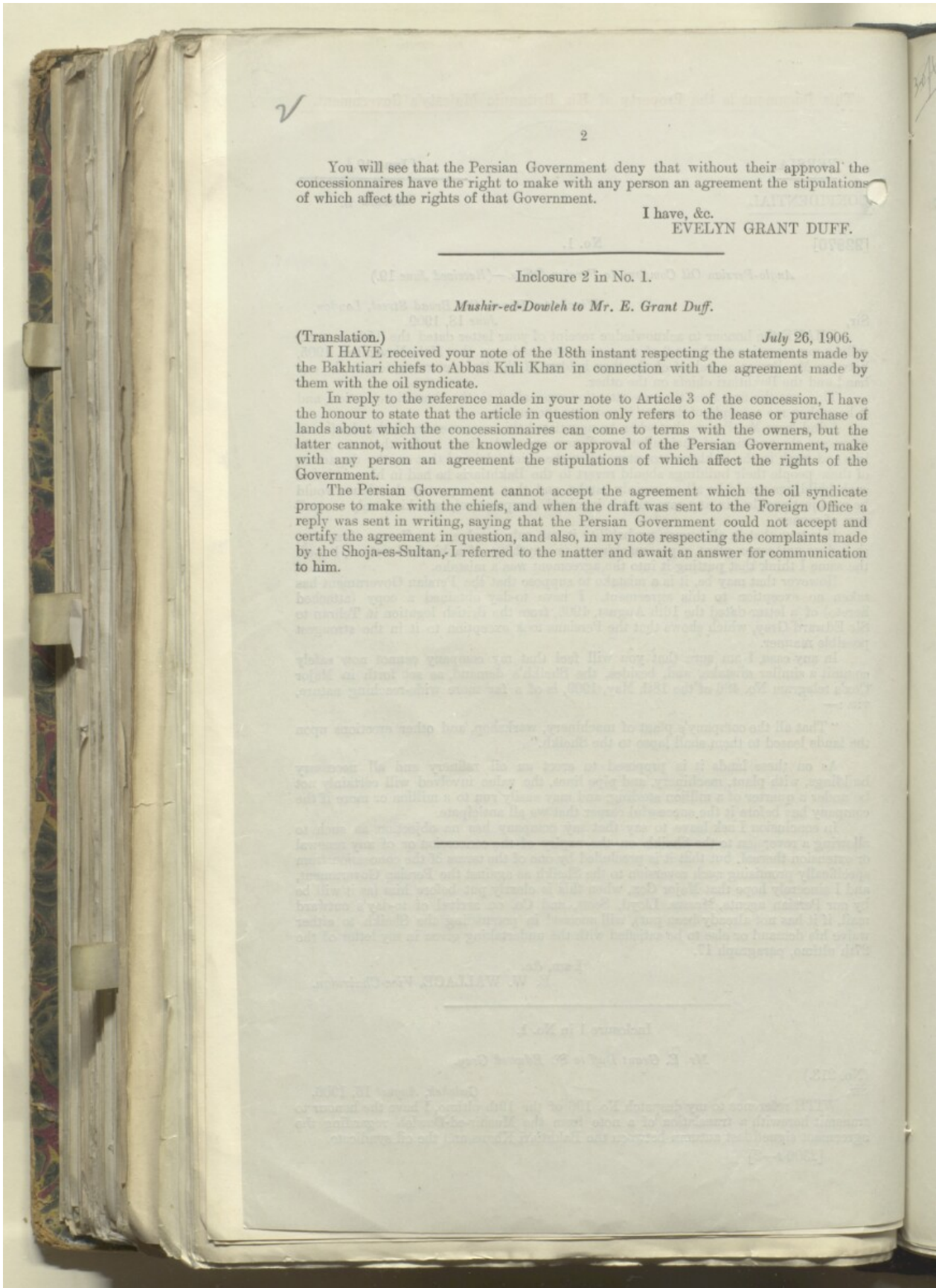
Gulahek, August 16, 1906.

Sir,
WITH reference to my despatch No. 196 of the 19th ultimo, I have the honour to transmit herewith a translation of a note from the Mushir-ed-Dowleh regarding the agreement signed last autumn between the Bakhtiari Khans and the oil syndicate.

[2306 t—2]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٨ ظ] (٣٣٨/٢٦٢)



2

You will see that the Persian Government deny that without their approval the concessionaires have the right to make with any person an agreement the stipulations of which affect the rights of that Government.

I have, &c.
EVELYN GRANT DUFF.

Inclosure 2 in No. 1.

Mushir-ed-Dowleh to Mr. E. Grant Duff.

(Translation.)

July 26, 1906.

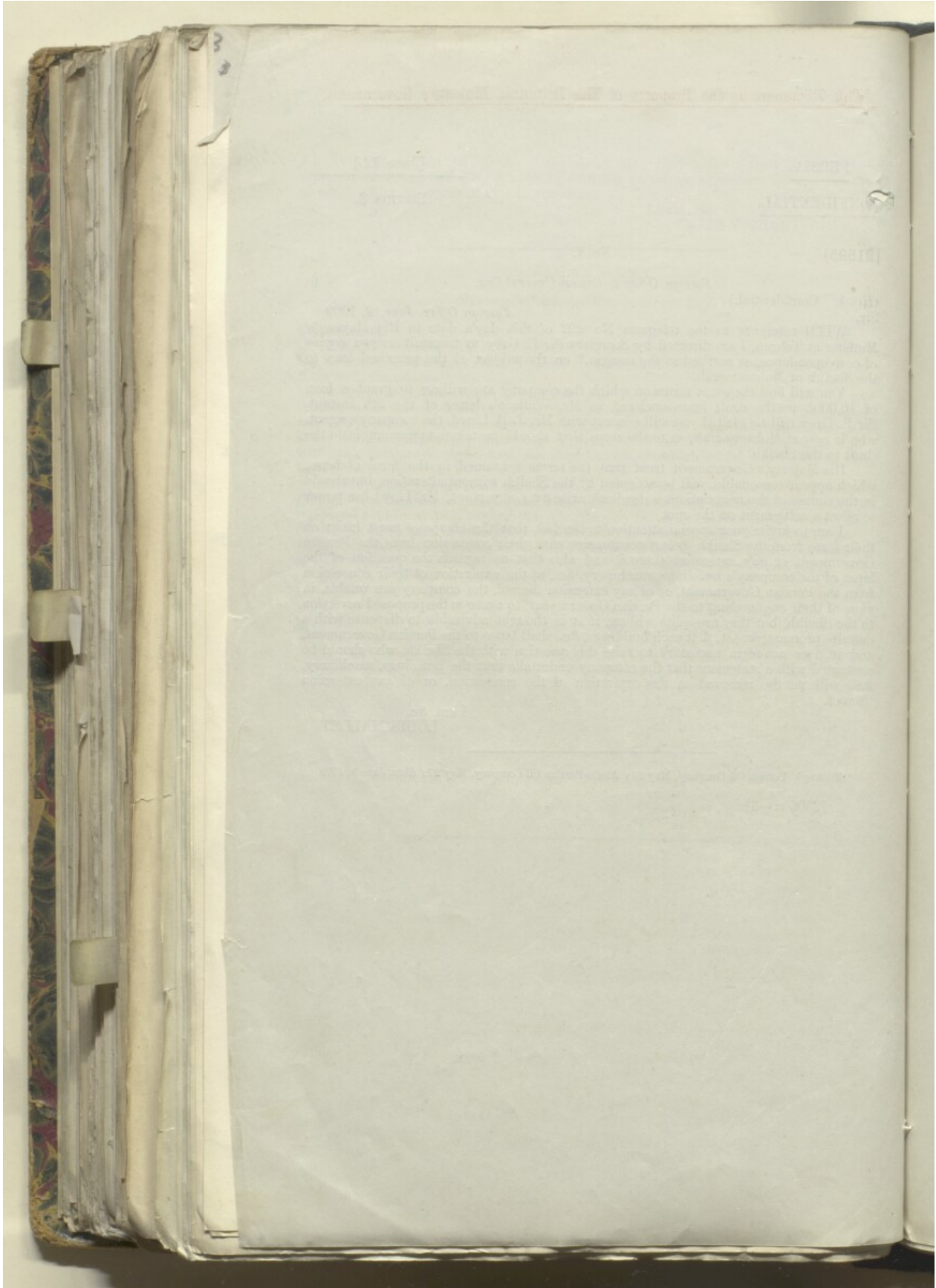
I HAVE received your note of the 18th instant respecting the statements made by the Bakhtiari chiefs to Abbas Kuli Khan in connection with the agreement made by them with the oil syndicate.

In reply to the reference made in your note to Article 3 of the concession, I have the honour to state that the article in question only refers to the lease or purchase of lands about which the concessionaires can come to terms with the owners, but the latter cannot, without the knowledge or approval of the Persian Government, make with any person an agreement the stipulations of which affect the rights of the Government.

The Persian Government cannot accept the agreement which the oil syndicate propose to make with the chiefs, and when the draft was sent to the Foreign Office a reply was sent in writing, saying that the Persian Government could not accept and certify the agreement in question, and also, in my note respecting the complaints made by the Shoja-es-Sultan, I referred to the matter and await an answer for communication to him.

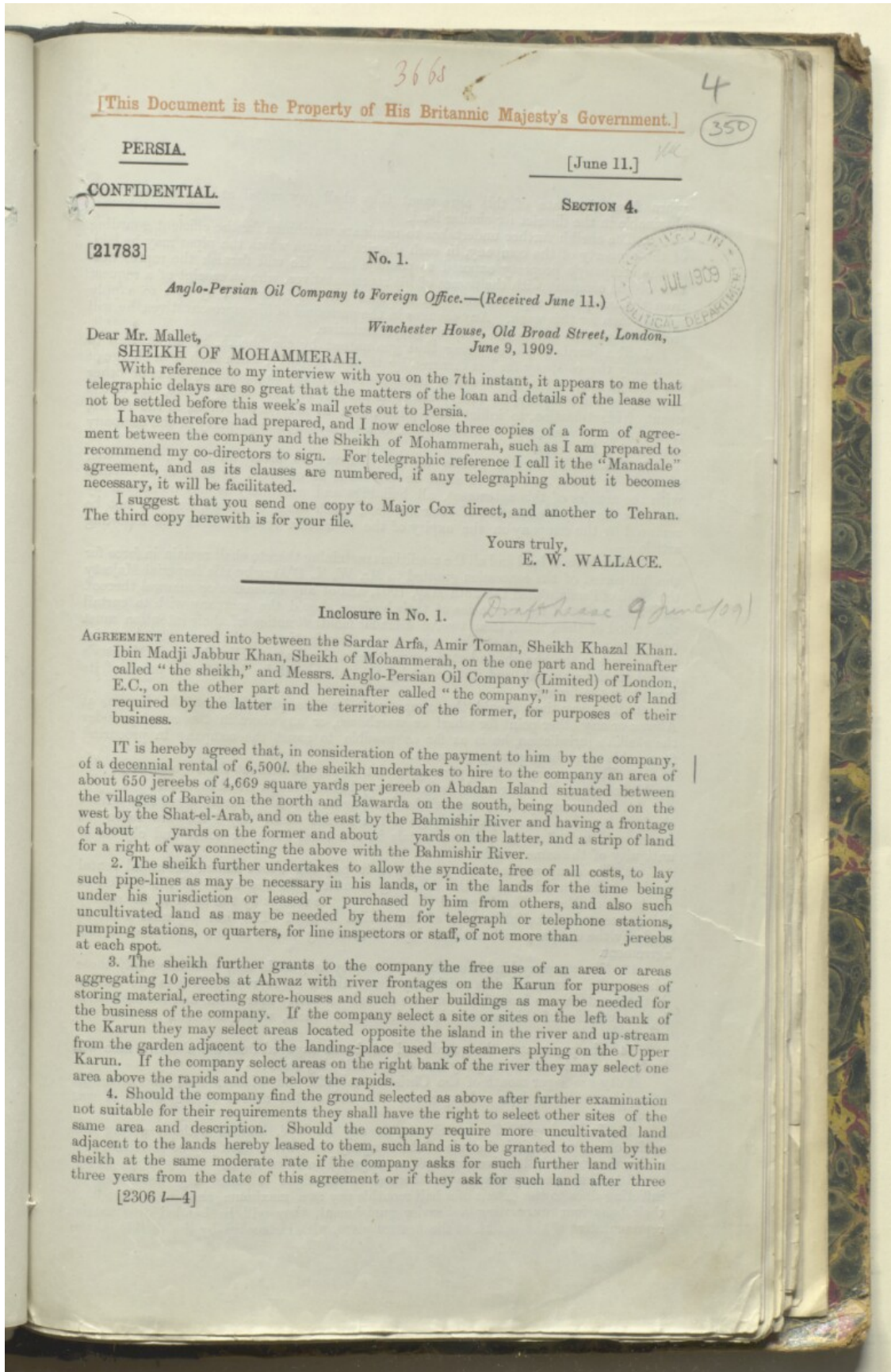


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٤٩ظ] (٣٣٨/٢٦٤)



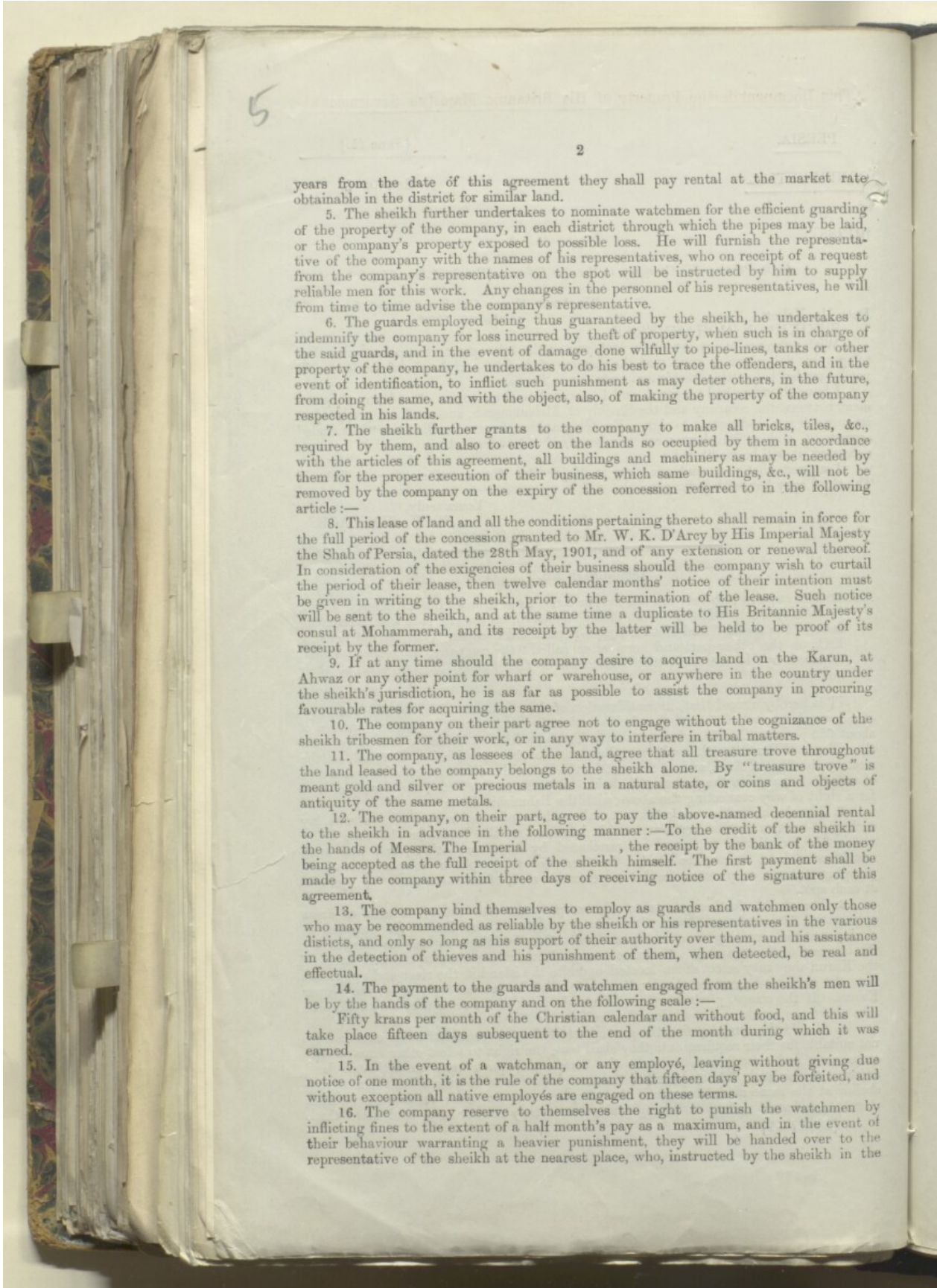


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٠ و] (٣٣٨/٢٦٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٠ ظ] (٣٣٨/٢٦٦)



years from the date of this agreement they shall pay rental at the market rate obtainable in the district for similar land.

5. The sheikh further undertakes to nominate watchmen for the efficient guarding of the property of the company, in each district through which the pipes may be laid, or the company's property exposed to possible loss. He will furnish the representative of the company with the names of his representatives, who on receipt of a request from the company's representative on the spot will be instructed by him to supply reliable men for this work. Any changes in the personnel of his representatives, he will from time to time advise the company's representative.

6. The guards employed being thus guaranteed by the sheikh, he undertakes to indemnify the company for loss incurred by theft of property, when such is in charge of the said guards, and in the event of damage done wilfully to pipe-lines, tanks or other property of the company, he undertakes to do his best to trace the offenders, and in the event of identification, to inflict such punishment as may deter others, in the future, from doing the same, and with the object, also, of making the property of the company respected in his lands.

7. The sheikh further grants to the company to make all bricks, tiles, &c., required by them, and also to erect on the lands so occupied by them in accordance with the articles of this agreement, all buildings and machinery as may be needed by them for the proper execution of their business, which same buildings, &c., will not be removed by the company on the expiry of the concession referred to in the following article :-

8. This lease of land and all the conditions pertaining thereto shall remain in force for the full period of the concession granted to Mr. W. K. D'Arcy by His Imperial Majesty the Shah of Persia, dated the 28th May, 1901, and of any extension or renewal thereof. In consideration of the exigencies of their business should the company wish to curtail the period of their lease, then twelve calendar months' notice of their intention must be given in writing to the sheikh, prior to the termination of the lease. Such notice will be sent to the sheikh, and at the same time a duplicate to His Britannic Majesty's consul at Mohammerah, and its receipt by the latter will be held to be proof of its receipt by the former.

9. If at any time should the company desire to acquire land on the Karun, at Ahwaz or any other point for wharf or warehouse, or anywhere in the country under the sheikh's jurisdiction, he is as far as possible to assist the company in procuring favourable rates for acquiring the same.

10. The company on their part agree not to engage without the cognizance of the sheikh tribesmen for their work, or in any way to interfere in tribal matters.

11. The company, as lessees of the land, agree that all treasure trove throughout the land leased to the company belongs to the sheikh alone. By "treasure trove" is meant gold and silver or precious metals in a natural state, or coins and objects of antiquity of the same metals.

12. The company, on their part, agree to pay the above-named decennial rental to the sheikh in advance in the following manner :-To the credit of the sheikh in the hands of Messrs. The Imperial , the receipt by the bank of the money being accepted as the full receipt of the sheikh himself. The first payment shall be made by the company within three days of receiving notice of the signature of this agreement.

13. The company bind themselves to employ as guards and watchmen only those who may be recommended as reliable by the sheikh or his representatives in the various districts, and only so long as his support of their authority over them, and his assistance in the detection of thieves and his punishment of them, when detected, be real and effectual.

14. The payment to the guards and watchmen engaged from the sheikh's men will be by the hands of the company and on the following scale :-

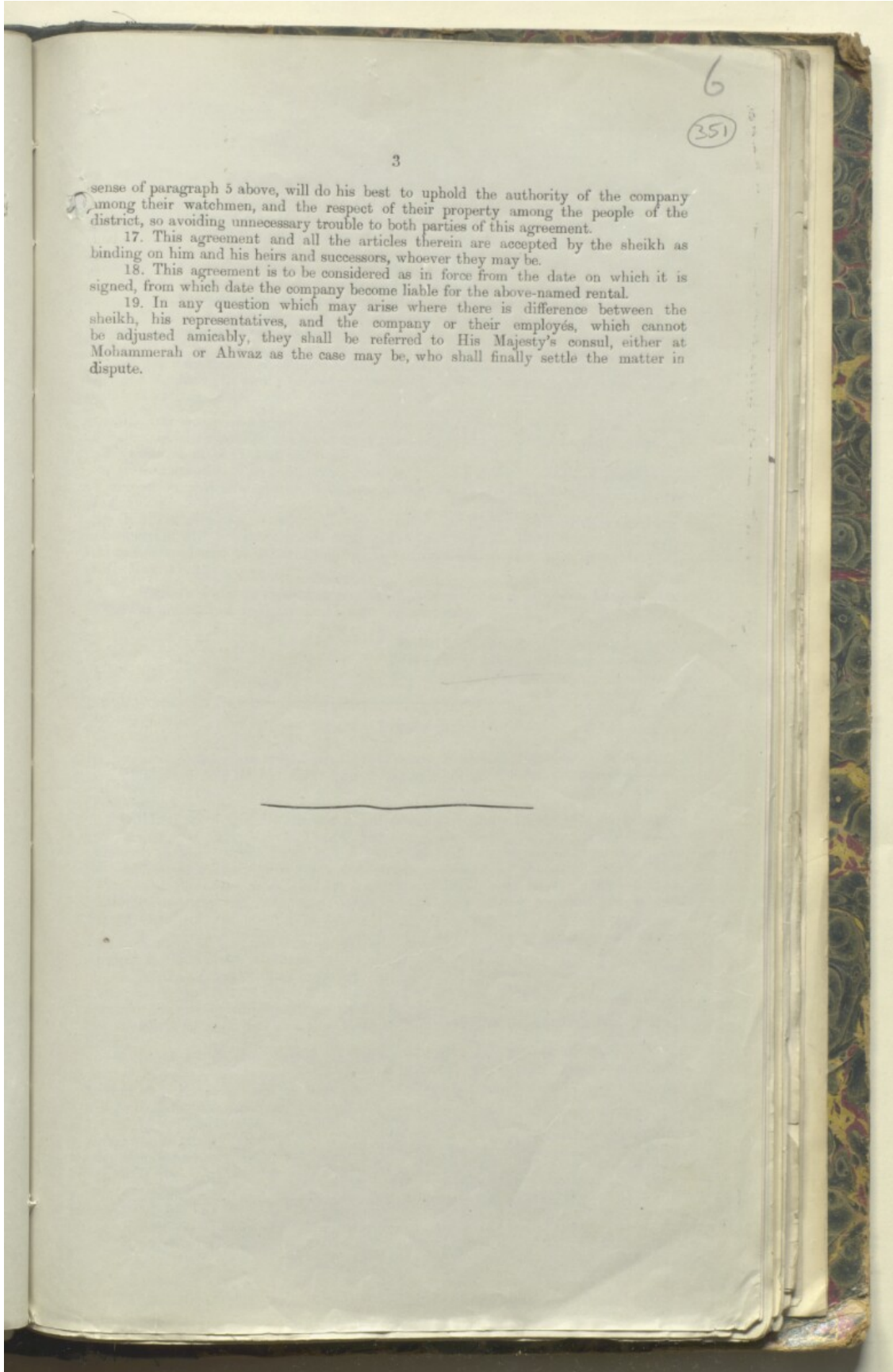
Fifty kranas per month of the Christian calendar and without food, and this will take place fifteen days subsequent to the end of the month during which it was earned.

15. In the event of a watchman, or any employé, leaving without giving due notice of one month, it is the rule of the company that fifteen days' pay be forfeited, and without exception all native employés are engaged on these terms.

16. The company reserve to themselves the right to punish the watchmen by inflicting fines to the extent of a half month's pay as a maximum, and in the event of their behaviour warranting a heavier punishment, they will be handed over to the representative of the sheikh at the nearest place, who, instructed by the sheikh in the

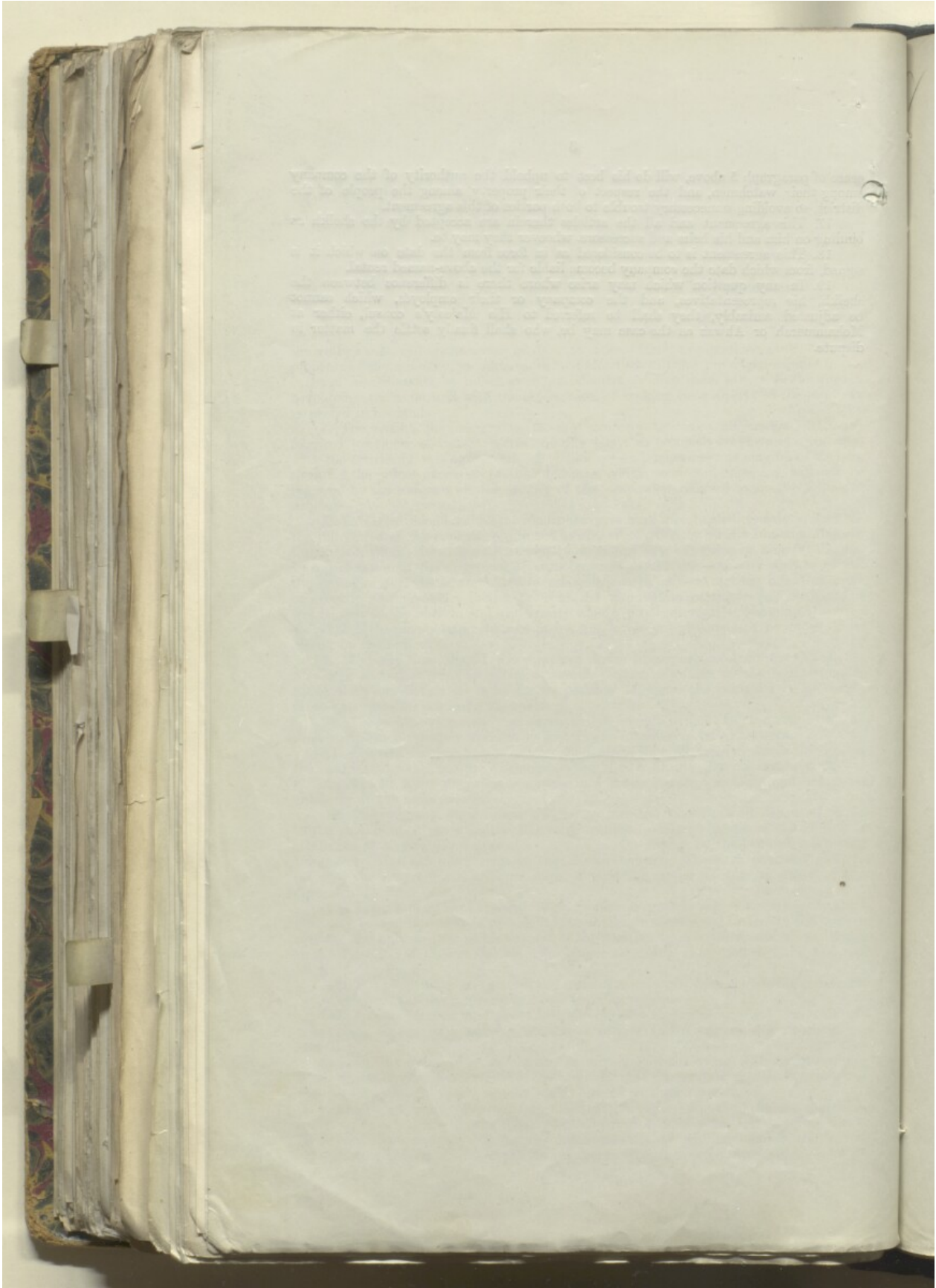


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥١ و] (٣٣٨/٢٦٧)



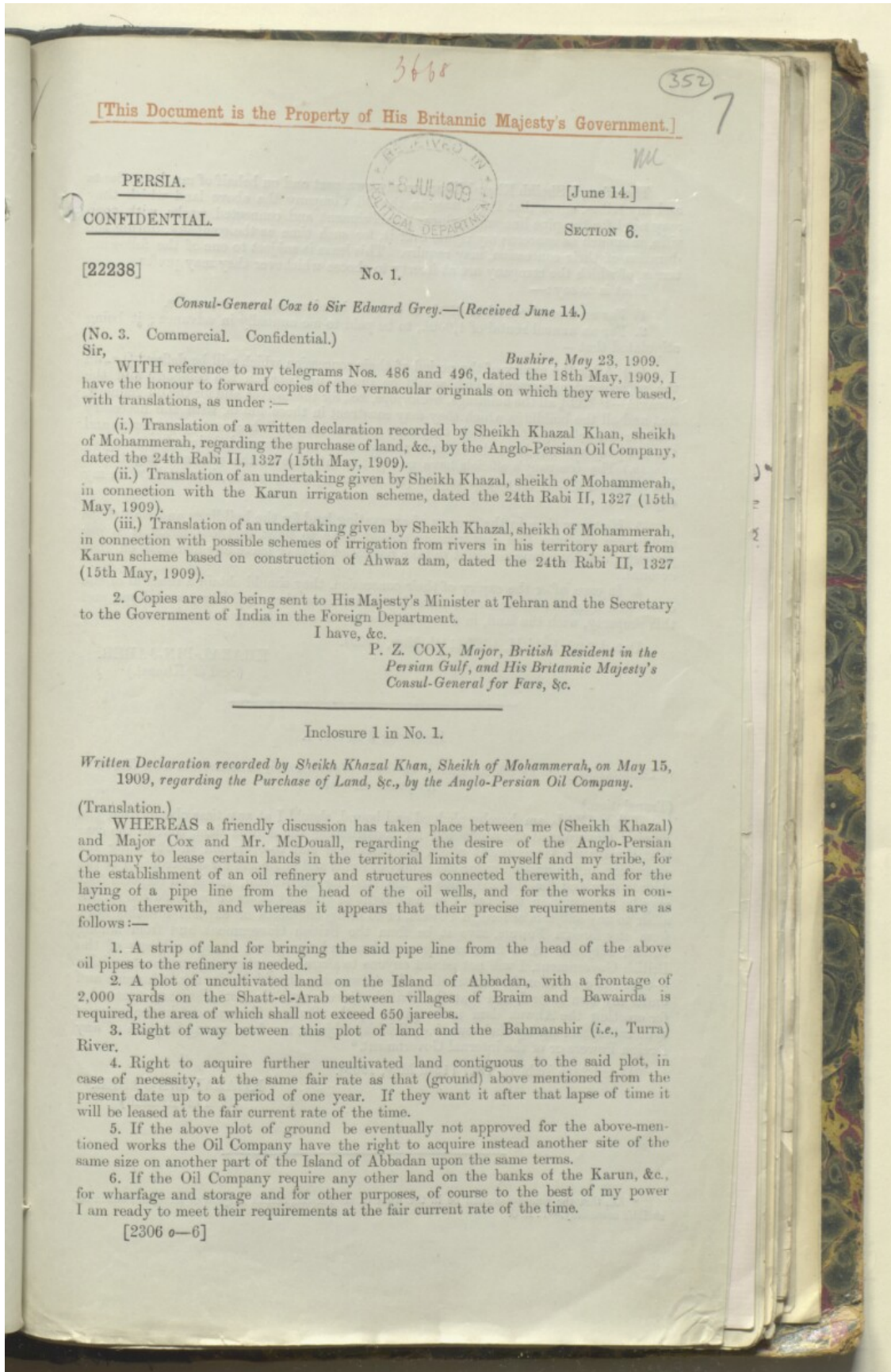


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥١ظ] (٣٣٨/٢٦٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٢ و] (٣٣٨/٢٦٩)



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PERSIA.

[June 14.]

CONFIDENTIAL.

SECTION 6.

[22238]

No. 1.

Consul-General Cox to Sir Edward Grey.—(Received June 14.)

(No. 3. Commercial. Confidential.)

Sir,

Bushire, May 23, 1909.

WITH reference to my telegrams Nos. 486 and 496, dated the 18th May, 1909, I have the honour to forward copies of the vernacular originals on which they were based, with translations, as under:—

(i.) Translation of a written declaration recorded by Sheikh Khazal Khan, sheikh of Mohammerah, regarding the purchase of land, &c., by the Anglo-Persian Oil Company, dated the 24th Rabi II, 1327 (15th May, 1909).

(ii.) Translation of an undertaking given by Sheikh Khazal, sheikh of Mohammerah, in connection with the Karun irrigation scheme, dated the 24th Rabi II, 1327 (15th May, 1909).

(iii.) Translation of an undertaking given by Sheikh Khazal, sheikh of Mohammerah, in connection with possible schemes of irrigation from rivers in his territory apart from Karun scheme based on construction of Ahwaz dam, dated the 24th Rabi II, 1327 (15th May, 1909).

2. Copies are also being sent to His Majesty's Minister at Tehran and the Secretary to the Government of India in the Foreign Department.

I have, &c.

P. Z. COX, Major, British Resident in the
Persian Gulf, and His Britannic Majesty's
Consul-General for Fars, &c.

Inclosure 1 in No. 1.

Written Declaration recorded by Sheikh Khazal Khan, Sheikh of Mohammerah, on May 15, 1909, regarding the Purchase of Land, &c., by the Anglo-Persian Oil Company.

(Translation.)

WHEREAS a friendly discussion has taken place between me (Sheikh Khazal) and Major Cox and Mr. McDouall, regarding the desire of the Anglo-Persian Company to lease certain lands in the territorial limits of myself and my tribe, for the establishment of an oil refinery and structures connected therewith, and for the laying of a pipe line from the head of the oil wells, and for the works in connection therewith, and whereas it appears that their precise requirements are as follows:—

1. A strip of land for bringing the said pipe line from the head of the above oil pipes to the refinery is needed.

2. A plot of uncultivated land on the Island of Abbadan, with a frontage of 2,000 yards on the Shatt-el-Arab between villages of Braim and Bawairda is required, the area of which shall not exceed 650 jareeba.

3. Right of way between this plot of land and the Bahmanshir (i.e., Turra) River.

4. Right to acquire further uncultivated land contiguous to the said plot, in case of necessity, at the same fair rate as that (ground) above mentioned from the present date up to a period of one year. If they want it after that lapse of time it will be leased at the fair current rate of the time.

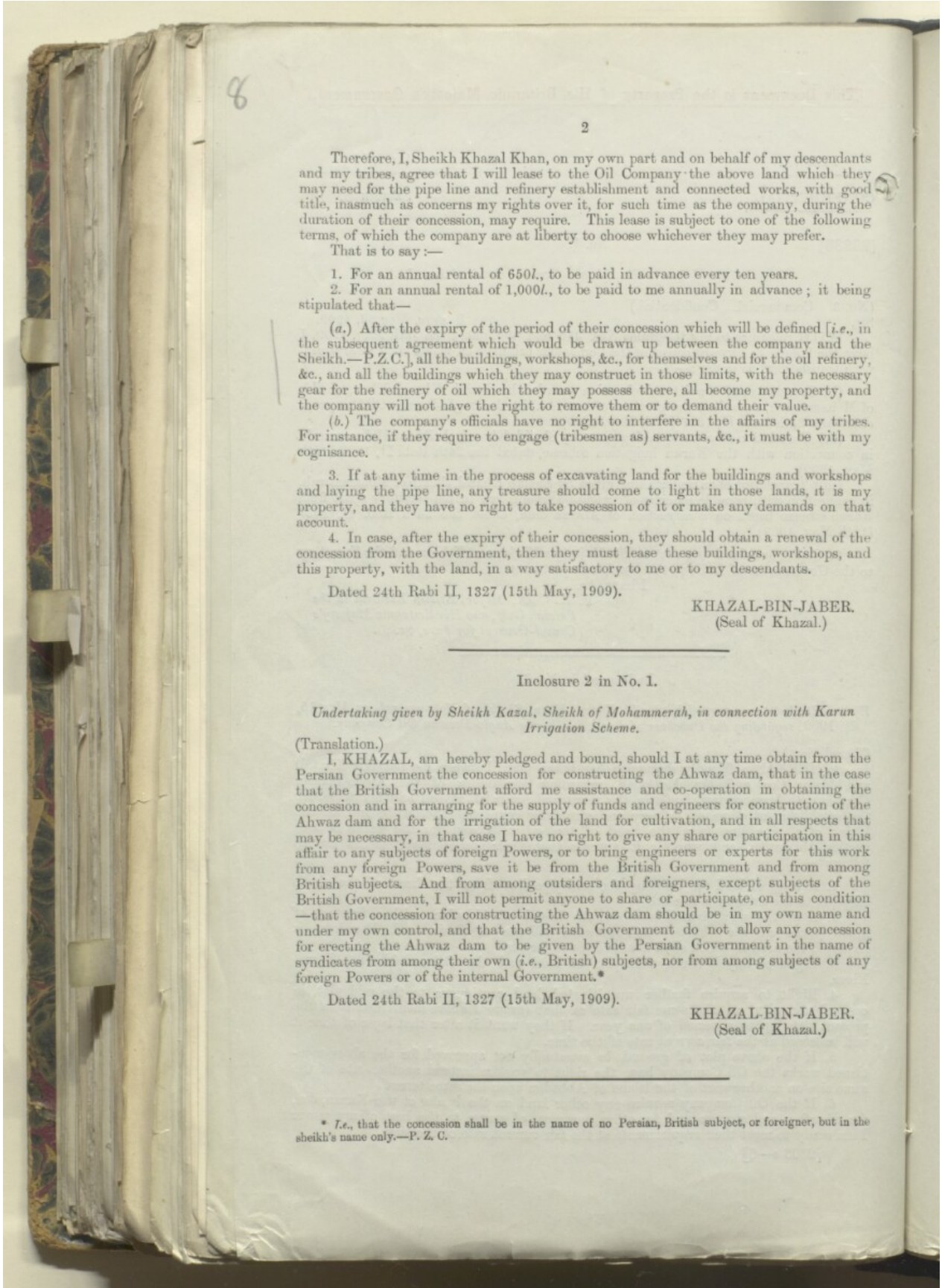
5. If the above plot of ground be eventually not approved for the above-mentioned works the Oil Company have the right to acquire instead another site of the same size on another part of the Island of Abbadan upon the same terms.

6. If the Oil Company require any other land on the banks of the Karun, &c., for wharfage and storage and for other purposes, of course to the best of my power I am ready to meet their requirements at the fair current rate of the time.

[2306 0-6]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٢ ظ] (٣٣٨/٢٧٠)



2

Therefore, I, Sheikh Khazal Khan, on my own part and on behalf of my descendants and my tribes, agree that I will lease to the Oil Company the above land which they may need for the pipe line and refinery establishment and connected works, with good title, inasmuch as concerns my rights over it, for such time as the company, during the duration of their concession, may require. This lease is subject to one of the following terms, of which the company are at liberty to choose whichever they may prefer.

That is to say:—

1. For an annual rental of 650L., to be paid in advance every ten years.
2. For an annual rental of 1,000L., to be paid to me annually in advance ; it being stipulated that—

(a.) After the expiry of the period of their concession which will be defined [i.e., in the subsequent agreement which would be drawn up between the company and the Sheikh.—P.Z.C.], all the buildings, workshops, &c., for themselves and for the oil refinery, &c., and all the buildings which they may construct in those limits, with the necessary gear for the refinery of oil which they may possess there, all become my property, and the company will not have the right to remove them or to demand their value.

(b.) The company's officials have no right to interfere in the affairs of my tribes. For instance, if they require to engage (tribesmen as) servants, &c., it must be with my cognisance.

3. If at any time in the process of excavating land for the buildings and workshops and laying the pipe line, any treasure should come to light in those lands, it is my property, and they have no right to take possession of it or make any demands on that account.

4. In case, after the expiry of their concession, they should obtain a renewal of the concession from the Government, then they must lease these buildings, workshops, and this property, with the land, in a way satisfactory to me or to my descendants.

Dated 24th Rabi II, 1327 (15th May, 1909).

KHAZAL-BIN-JABER.
(Seal of Khazal.)

Inclosure 2 in No. 1.

*Undertaking given by Sheikh Kazal, Sheikh of Mohammerah, in connection with Karun
Irrigation Scheme.*

(Translation.)

I, KHAZAL, am hereby pledged and bound, should I at any time obtain from the Persian Government the concession for constructing the Ahwaz dam, that in the case that the British Government afford me assistance and co-operation in obtaining the concession and in arranging for the supply of funds and engineers for construction of the Ahwaz dam and for the irrigation of the land for cultivation, and in all respects that may be necessary, in that case I have no right to give any share or participation in this affair to any subjects of foreign Powers, or to bring engineers or experts for this work from any foreign Powers, save it be from the British Government and from among British subjects. And from among outsiders and foreigners, except subjects of the British Government, I will not permit anyone to share or participate, on this condition—that the concession for constructing the Ahwaz dam should be in my own name and under my own control, and that the British Government do not allow any concession for erecting the Ahwaz dam to be given by the Persian Government in the name of syndicates from among their own (i.e., British) subjects, nor from among subjects of any foreign Powers or of the internal Government.*

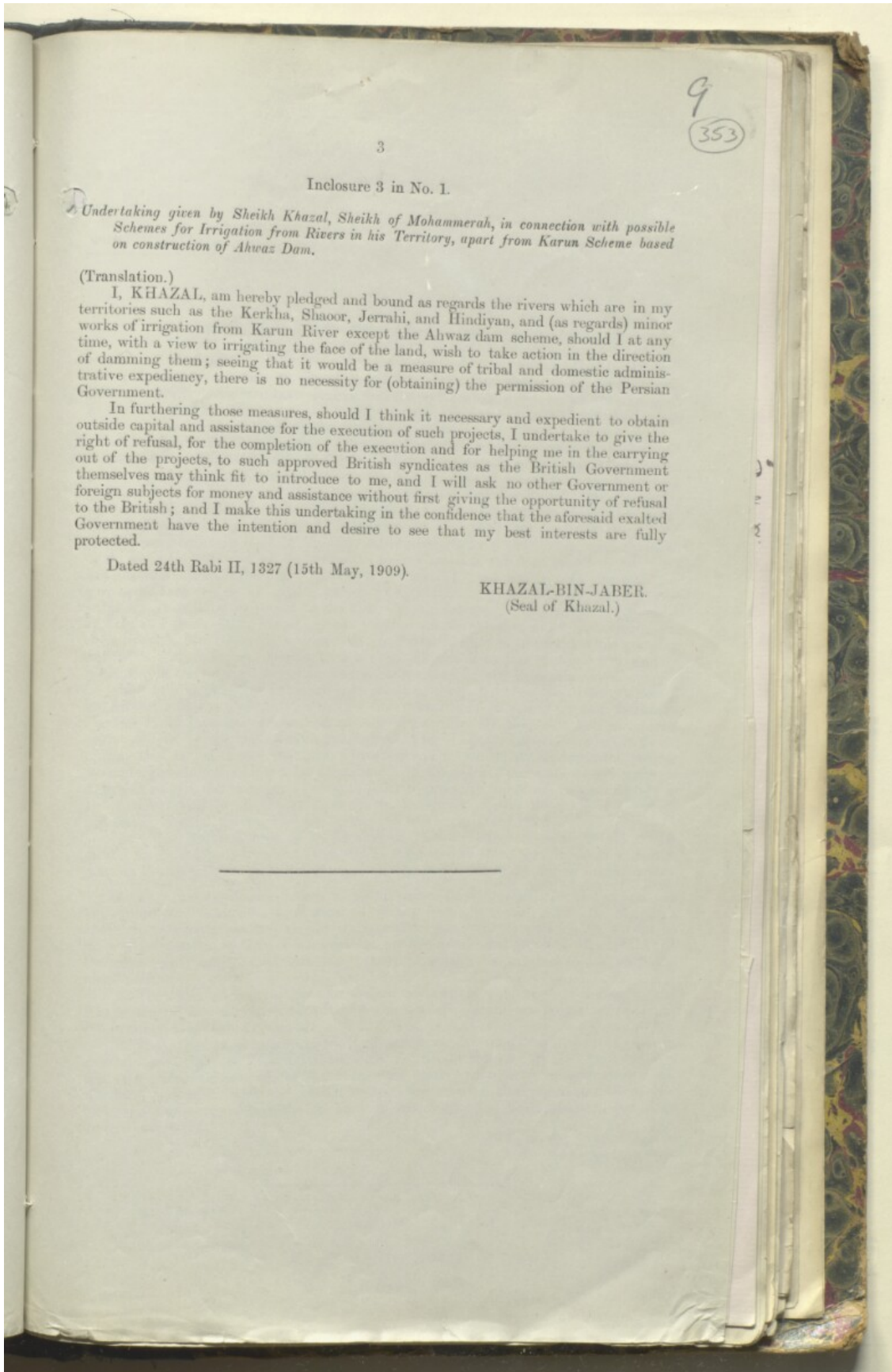
Dated 24th Rabi II, 1327 (15th May, 1909).

KHAZAL-BIN-JABER.
(Seal of Khazal.)

* I.e., that the concession shall be in the name of no Persian, British subject, or foreigner, but in the sheikh's name only.—P. Z. C.

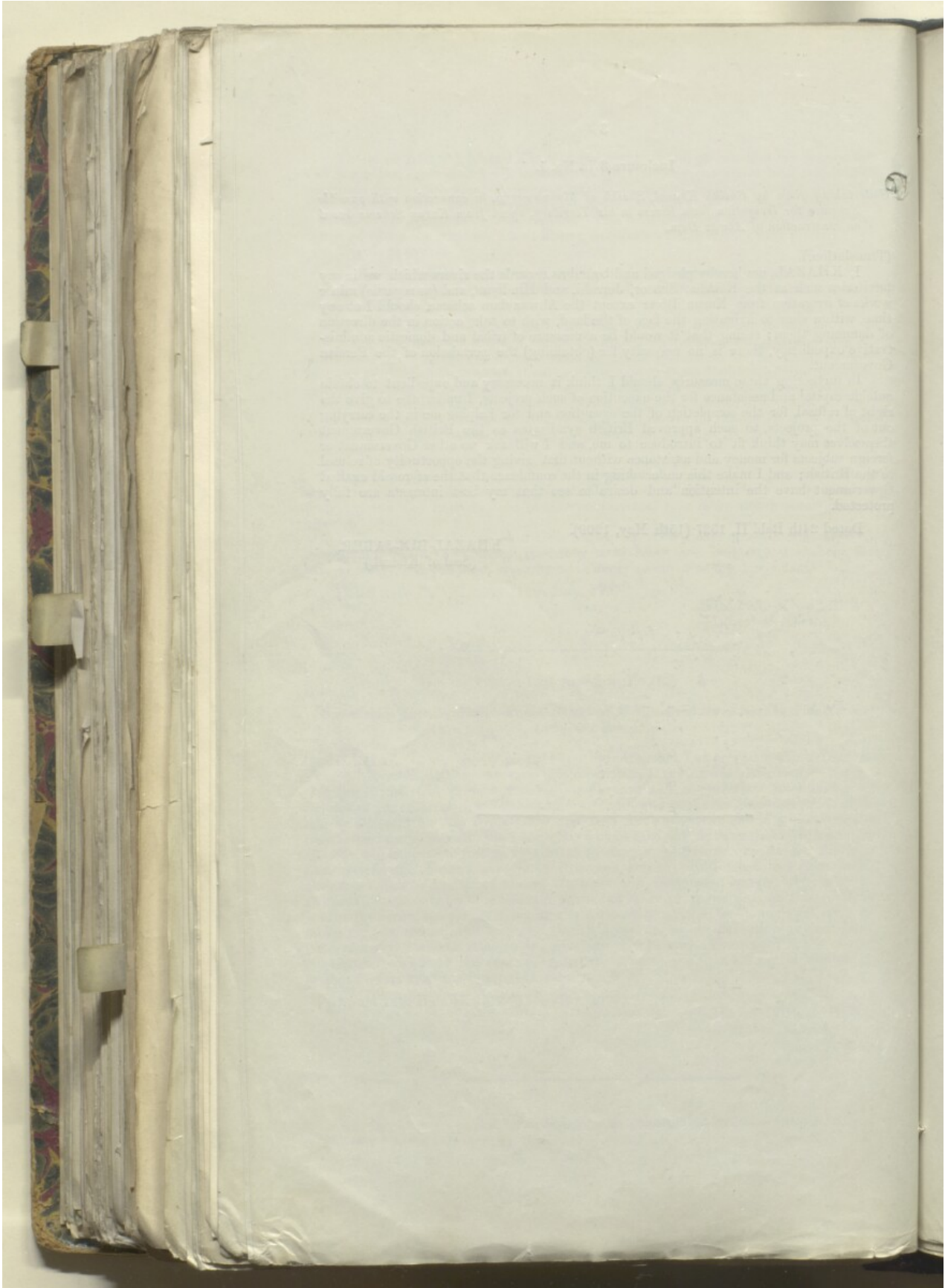


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٣ و] (٣٣٨/٢٧١)



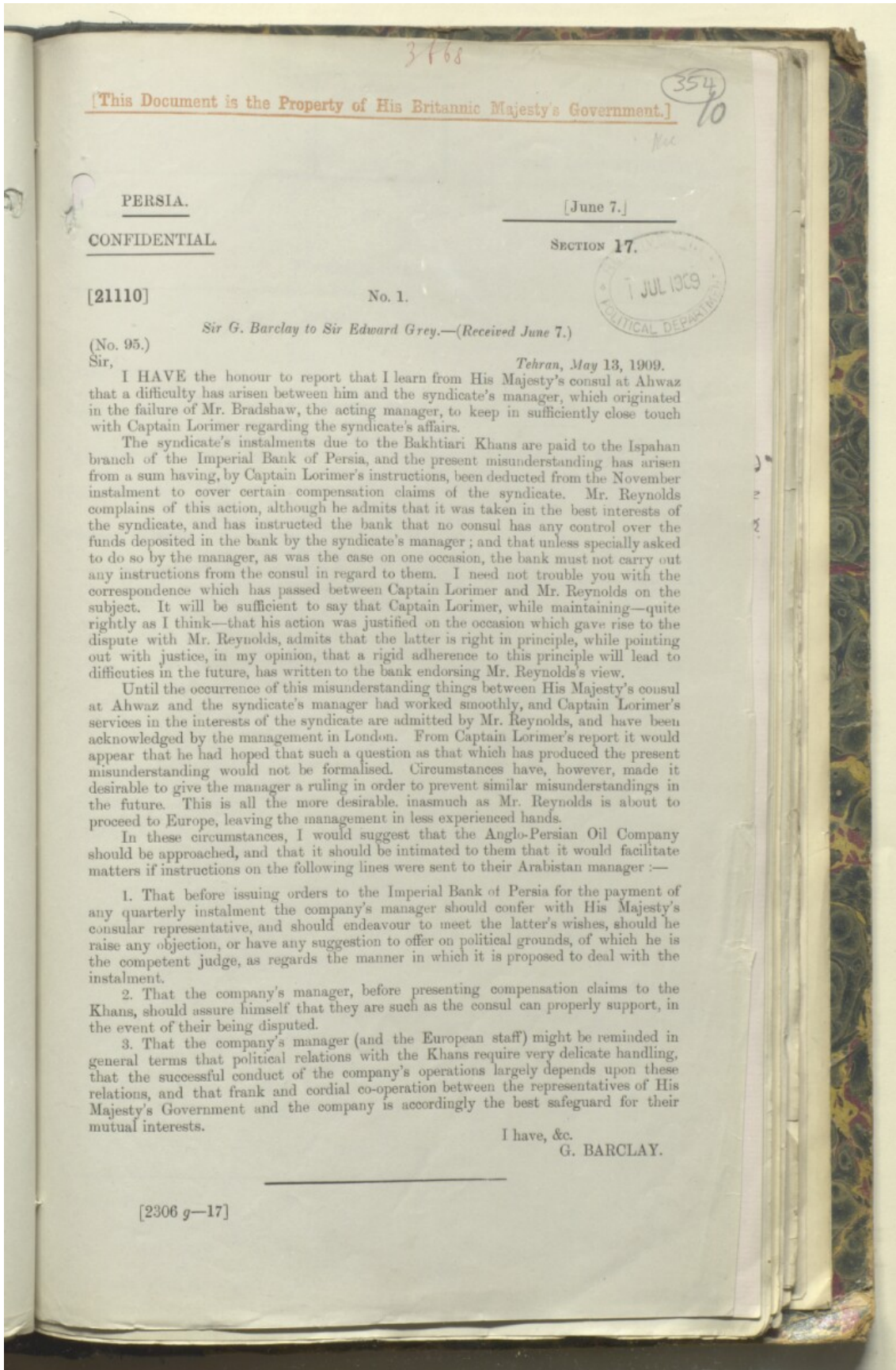


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٣ظ] (٣٣٨/٢٧٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٤ و] (٣٣٨/٢٧٣)



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PERSIA.

[June 7.]

CONFIDENTIAL

SECTION 17.

[21110]

No. 1.

Sir G. Barclay to Sir Edward Grey.—(Received June 7.)

(No. 95.)
Sir,

Tehran, May 13, 1909.

I HAVE the honour to report that I learn from His Majesty's consul at Ahwaz that a difficulty has arisen between him and the syndicate's manager, which originated in the failure of Mr. Bradshaw, the acting manager, to keep in sufficiently close touch with Captain Lorimer regarding the syndicate's affairs.

The syndicate's instalments due to the Bakhtiari Khans are paid to the Ispahan branch of the Imperial Bank of Persia, and the present misunderstanding has arisen from a sum having, by Captain Lorimer's instructions, been deducted from the November instalment to cover certain compensation claims of the syndicate. Mr. Reynolds complains of this action, although he admits that it was taken in the best interests of the syndicate, and has instructed the bank that no consul has any control over the funds deposited in the bank by the syndicate's manager; and that unless specially asked to do so by the manager, as was the case on one occasion, the bank must not carry out any instructions from the consul in regard to them. I need not trouble you with the correspondence which has passed between Captain Lorimer and Mr. Reynolds on the subject. It will be sufficient to say that Captain Lorimer, while maintaining—quite rightly as I think—that his action was justified on the occasion which gave rise to the dispute with Mr. Reynolds, admits that the latter is right in principle, while pointing out with justice, in my opinion, that a rigid adherence to this principle will lead to difficulties in the future, has written to the bank endorsing Mr. Reynolds's view.

Until the occurrence of this misunderstanding things between His Majesty's consul at Ahwaz and the syndicate's manager had worked smoothly, and Captain Lorimer's services in the interests of the syndicate are admitted by Mr. Reynolds, and have been acknowledged by the management in London. From Captain Lorimer's report it would appear that he had hoped that such a question as that which has produced the present misunderstanding would not be formalised. Circumstances have, however, made it desirable to give the manager a ruling in order to prevent similar misunderstandings in the future. This is all the more desirable, inasmuch as Mr. Reynolds is about to proceed to Europe, leaving the management in less experienced hands.

In these circumstances, I would suggest that the Anglo-Persian Oil Company should be approached, and that it should be intimated to them that it would facilitate matters if instructions on the following lines were sent to their Arabistan manager:—

1. That before issuing orders to the Imperial Bank of Persia for the payment of any quarterly instalment the company's manager should confer with His Majesty's consular representative, and should endeavour to meet the latter's wishes, should he raise any objection, or have any suggestion to offer on political grounds, of which he is the competent judge, as regards the manner in which it is proposed to deal with the instalment.

2. That the company's manager, before presenting compensation claims to the Khans, should assure himself that they are such as the consul can properly support, in the event of their being disputed.

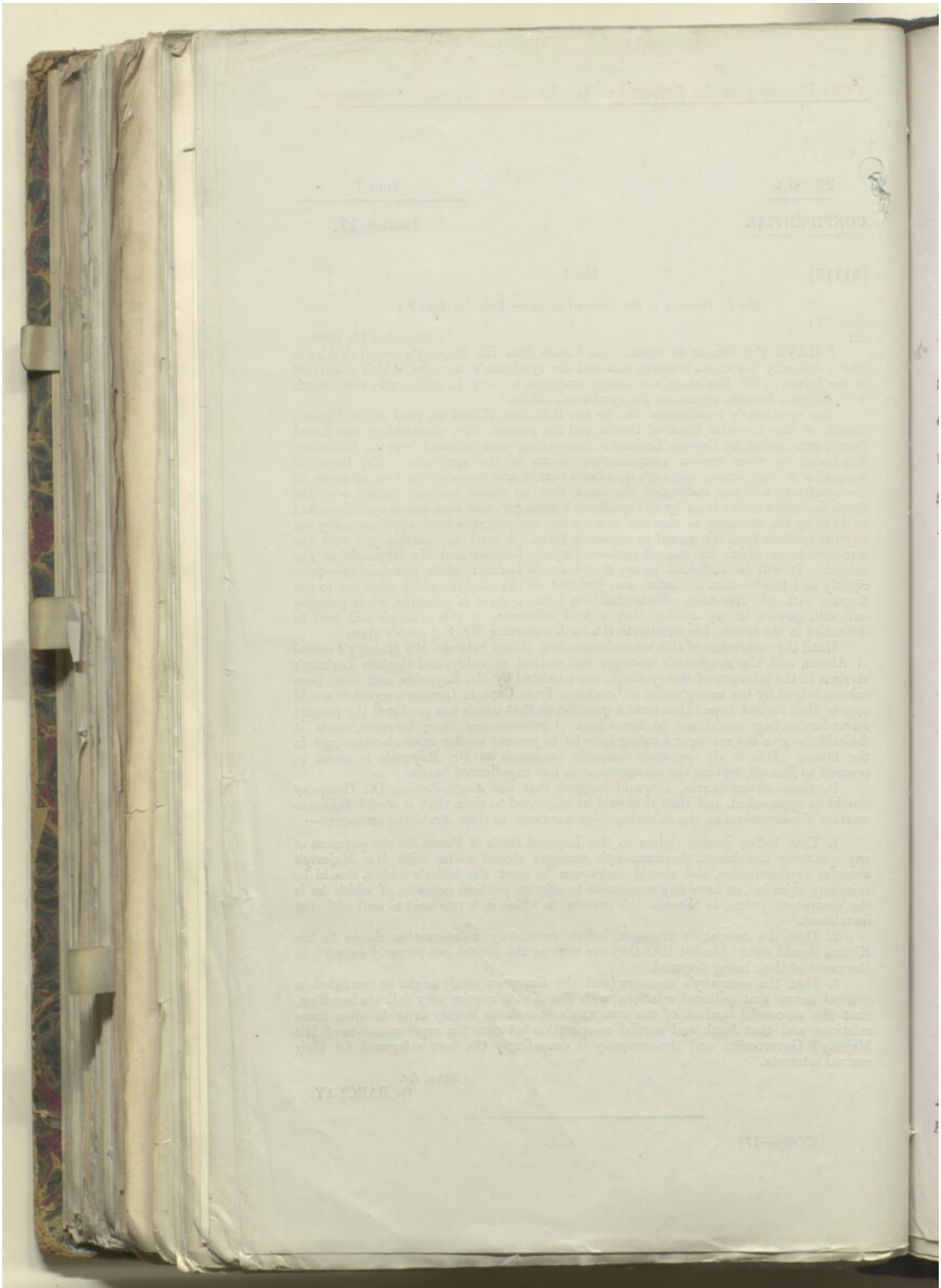
3. That the company's manager (and the European staff) might be reminded in general terms that political relations with the Khans require very delicate handling, that the successful conduct of the company's operations largely depends upon these relations, and that frank and cordial co-operation between the representatives of His Majesty's Government and the company is accordingly the best safeguard for their mutual interests.

I have, &c.
G. BARCLAY.

[2306 g—17]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
 المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٤ظ] (٣٣٨/٢٧٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٥ و] (٣٣٨/٢٧٥)

Register No. **3586-7** 355

Secret Department.

Letters from **70,** Dated **21, 24 June 1909.**
Rec. **21, 23, 24**

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	25-6	KK	Persia. The Anglo-Persian Oil Company and the Sheikh of Mohammerah. Stool advance to Sheikh, question of reversion of rights, Draft Lease.
Secretary of State	25	ap	
Committee	24	h.	
Under Secretary.....			
Secretary of State			

Copy to COPY TO INDIA
25 June 1909
SECRETARY'S No. 26 WSW

FOR USE BY DEPARTMENTS ONLY.

For information.
The 70 is conducting these complicated
negotiations, without consulting us in
detail.

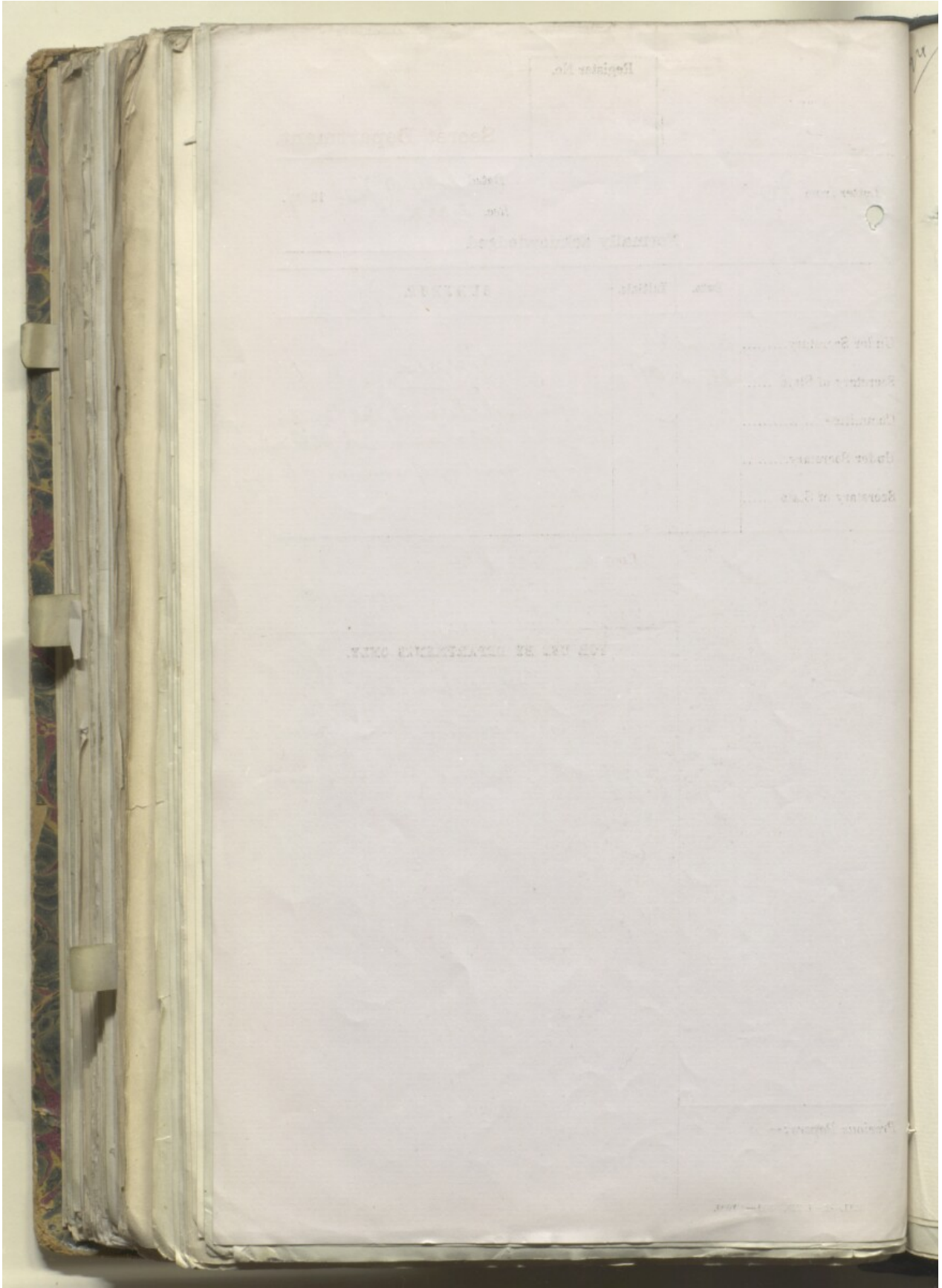
Seen Rol Comtee,
19 JUL 1909

Previous Papers:—

5611—2. I. 725. 600.—4/1909.

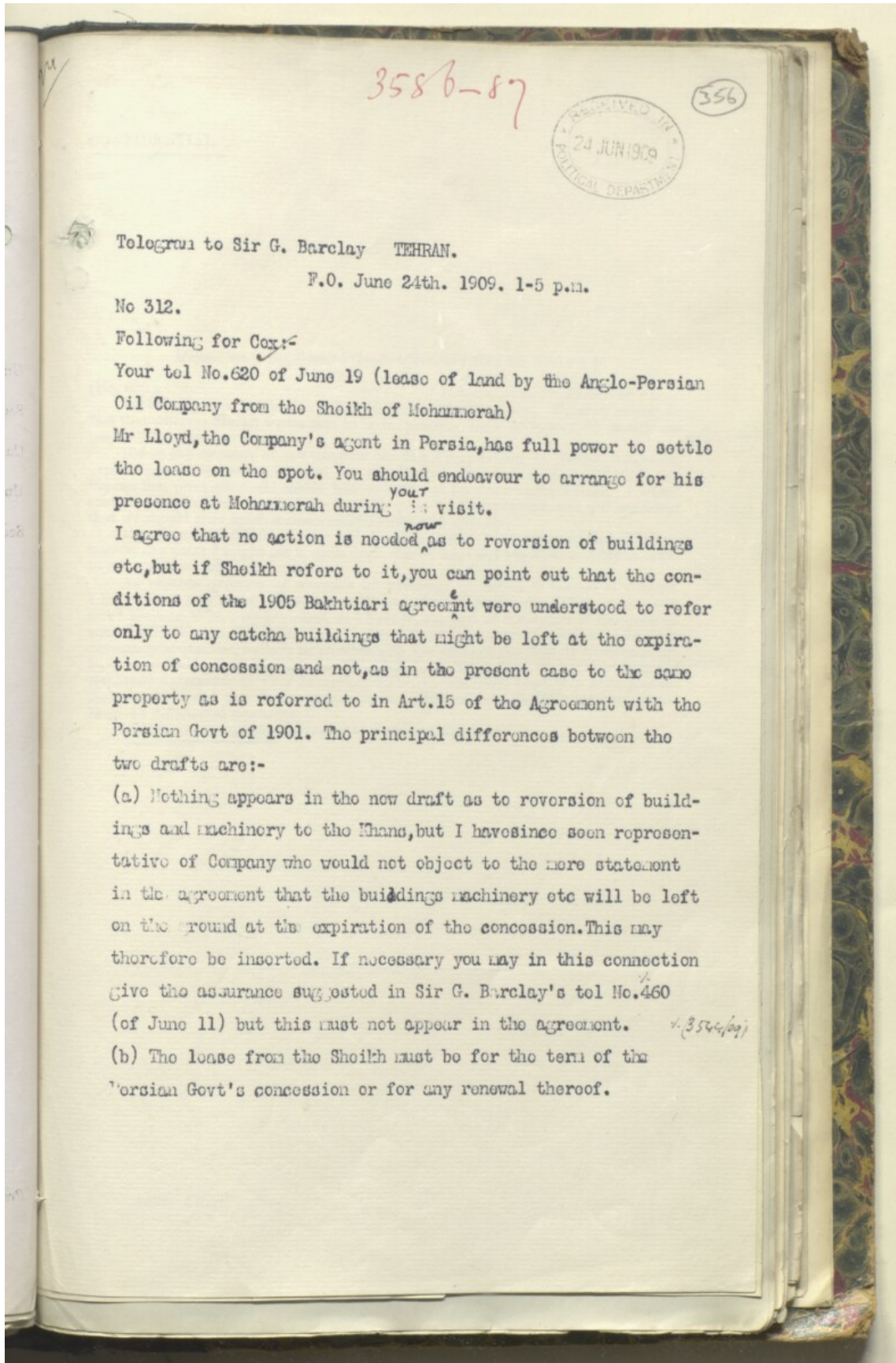


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٥ظ] (٣٣٨/٢٧٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٦ و] (٣٣٨/٢٧٧)



Teletype to Sir G. Barclay TEHRAN.

F.O. June 24th. 1909. 1-5 p.m.

No 312.

Following for Cox:-

Your tel No.620 of June 19 (lease of land by the Anglo-Persian Oil Company from the Shoikh of Mohammerah)

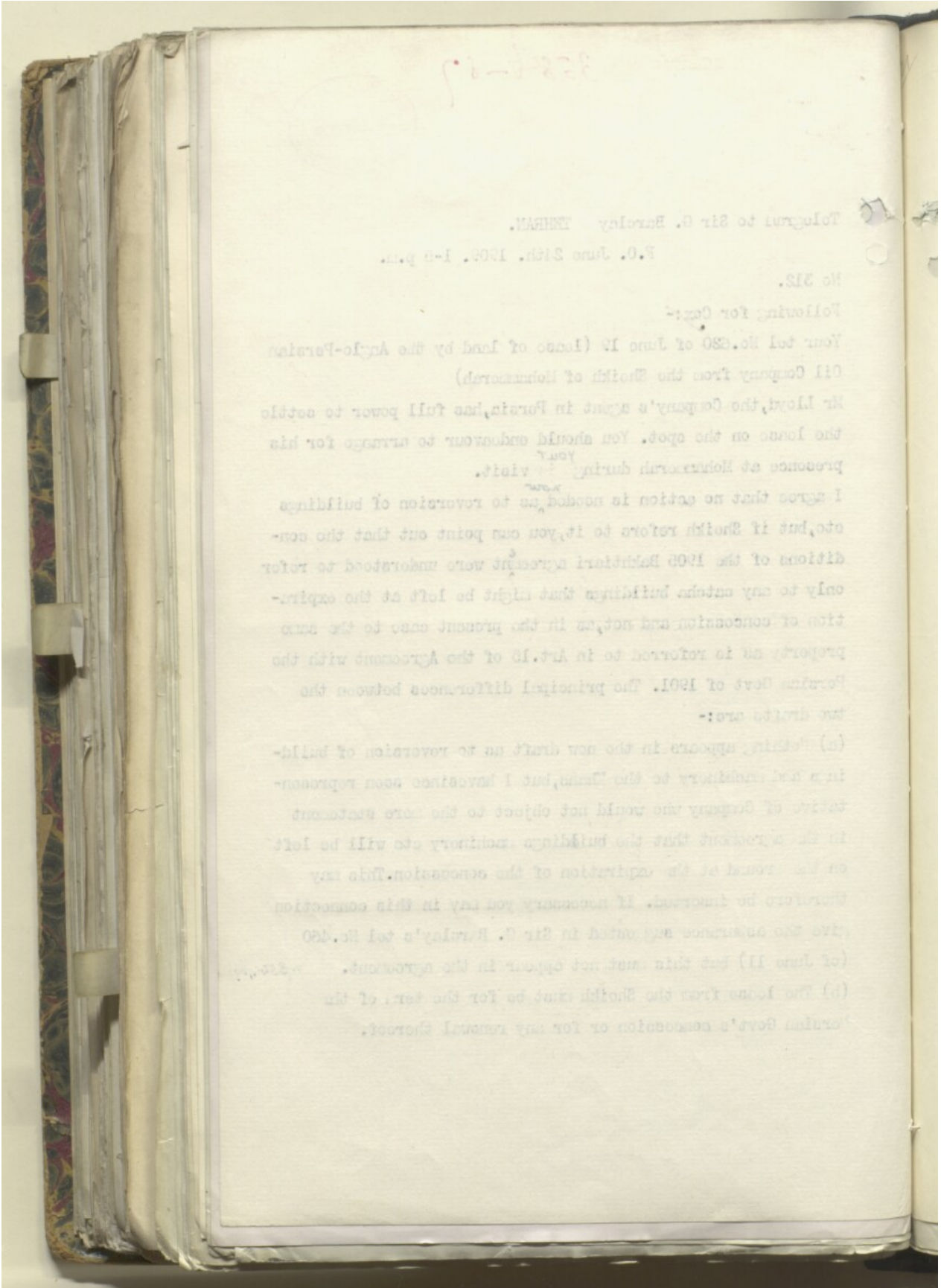
Mr Lloyd, the Company's agent in Persia, has full power to settle the lease on the spot. You should endeavour to arrange for his presence at Mohammerah during ^{your} visit.

I agree that no action is needed ^{now} as to reversion of buildings etc, but if Sheikh refers to it, you can point out that the conditions of the 1905 Bakhtiari agreement were understood to refer only to any catcha buildings that might be left at the expiration of concession and not, as in the present case to the same property as is referred to in Art.15 of the Agreement with the Persian Govt of 1901. The principal differences between the two drafts are:-

- (a) Nothing appears in the new draft as to reversion of buildings and machinery to the Khans, but I have since seen representative of Company who would not object to the mere statement in the agreement that the buildings machinery etc will be left on the ground at the expiration of the concession. This may therefore be inserted. If necessary you may in this connection give the assurance suggested in Sir G. Barclay's tel No.460 (of June 11) but this must not appear in the agreement. (354/69)
- (b) The lease from the Shoikh must be for the term of the Persian Govt's concession or for any renewal thereof.

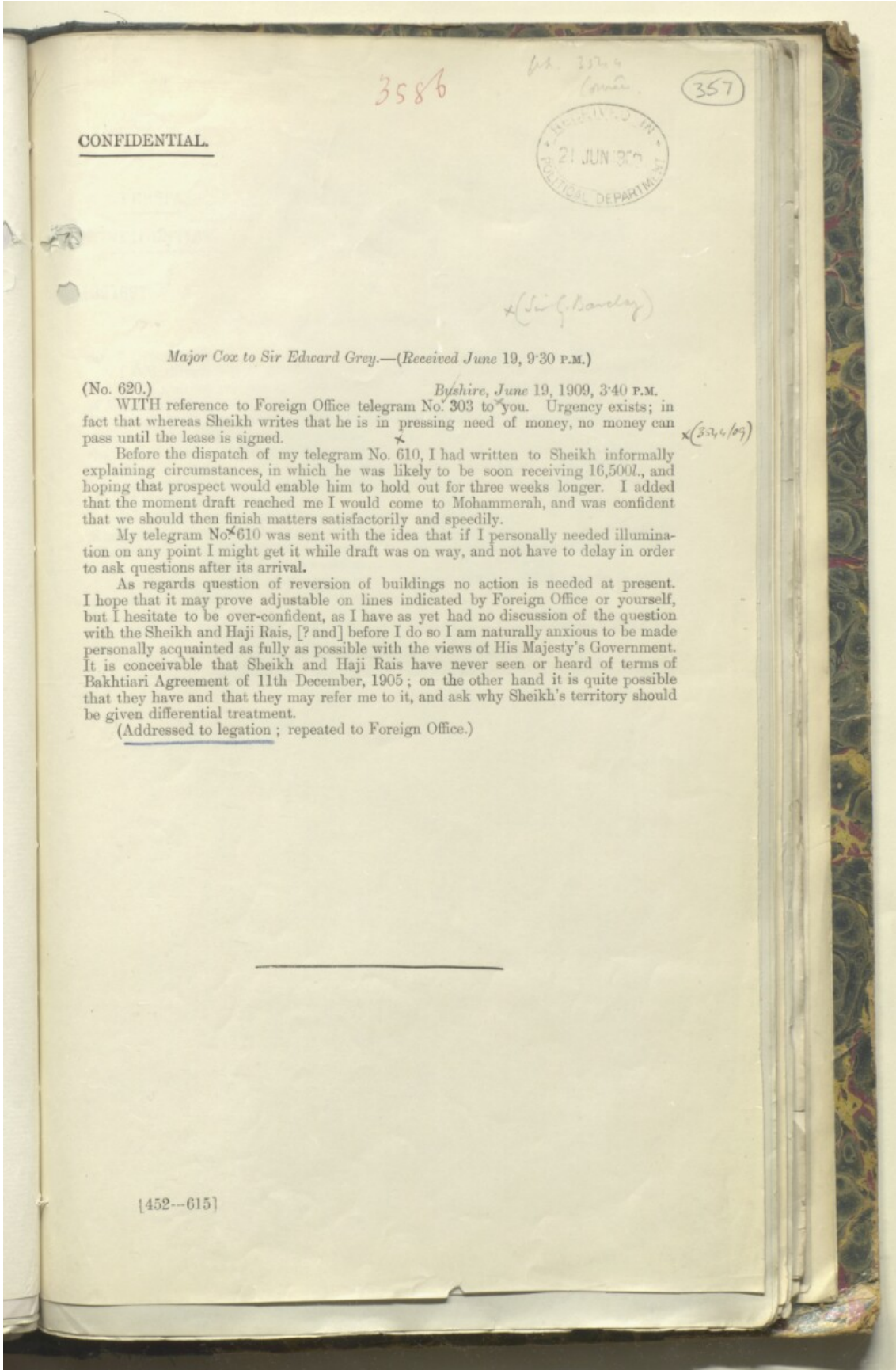


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٦ظ] (٣٣٨/٢٧٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٣٥٧ و] (٣٣٨/٢٧٩)



CONFIDENTIAL

Major Cox to Sir Edward Grey.—(Received June 19, 9:30 P.M.)

(No. 620.)

Byshire, June 19, 1909, 3:40 P.M.

WITH reference to Foreign Office telegram No. 303 to you. Urgency exists; in fact that whereas Sheikh writes that he is in pressing need of money, no money can pass until the lease is signed.

Before the dispatch of my telegram No. 610, I had written to Sheikh informally explaining circumstances, in which he was likely to be soon receiving 16,500l., and hoping that prospect would enable him to hold out for three weeks longer. I added that the moment draft reached me I would come to Mohammerah, and was confident that we should then finish matters satisfactorily and speedily.

My telegram No. 610 was sent with the idea that if I personally needed illumination on any point I might get it while draft was on way, and not have to delay in order to ask questions after its arrival.

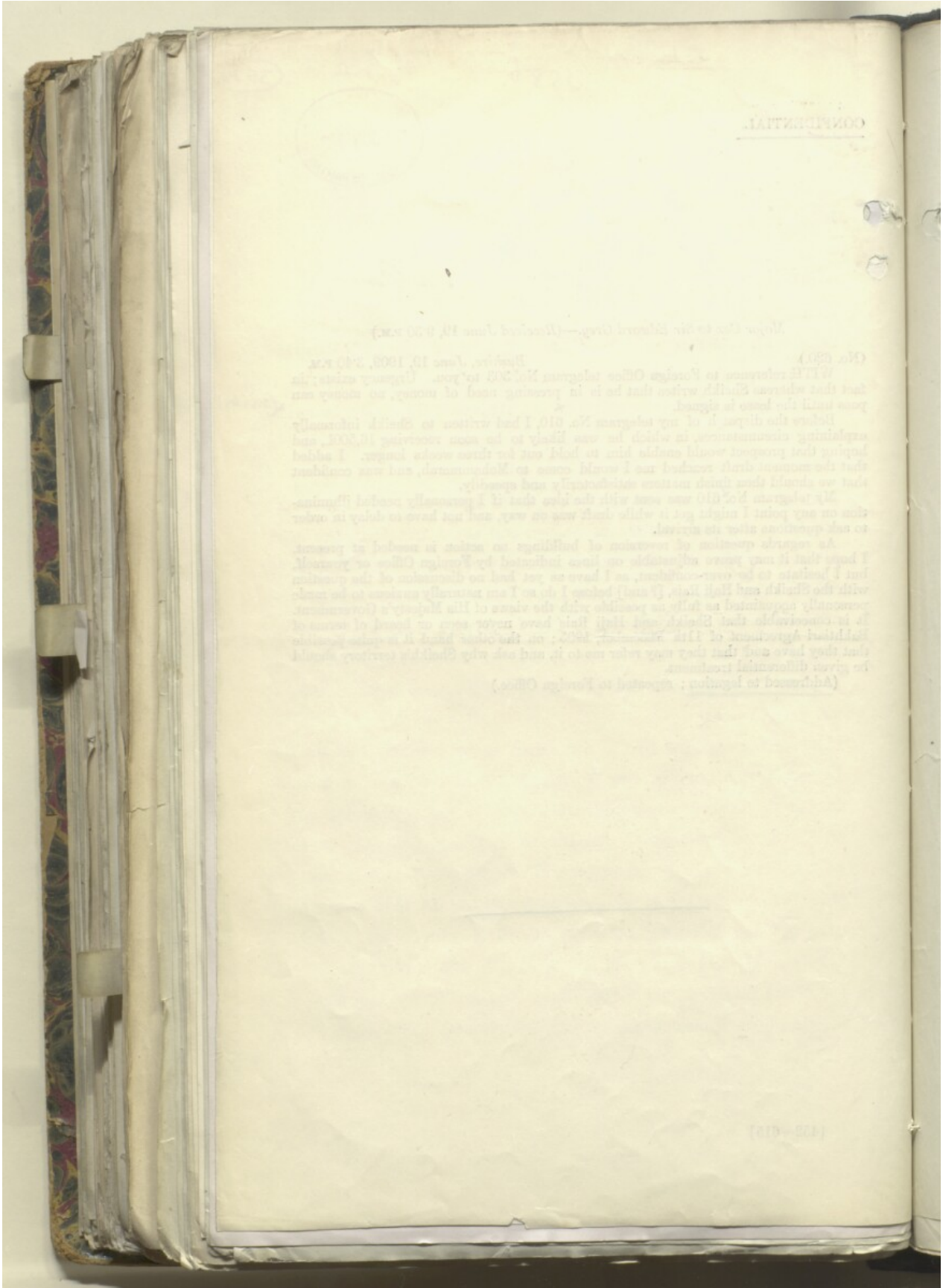
As regards question of reversion of buildings no action is needed at present. I hope that it may prove adjustable on lines indicated by Foreign Office or yourself, but I hesitate to be over-confident, as I have as yet had no discussion of the question with the Sheikh and Haji Rais, [? and] before I do so I am naturally anxious to be made personally acquainted as fully as possible with the views of His Majesty's Government. It is conceivable that Sheikh and Haji Rais have never seen or heard of terms of Bakhtiari Agreement of 11th December, 1905; on the other hand it is quite possible that they have and that they may refer me to it, and ask why Sheikh's territory should be given differential treatment.

(Addressed to legation; repeated to Foreign Office.)

[452--615]

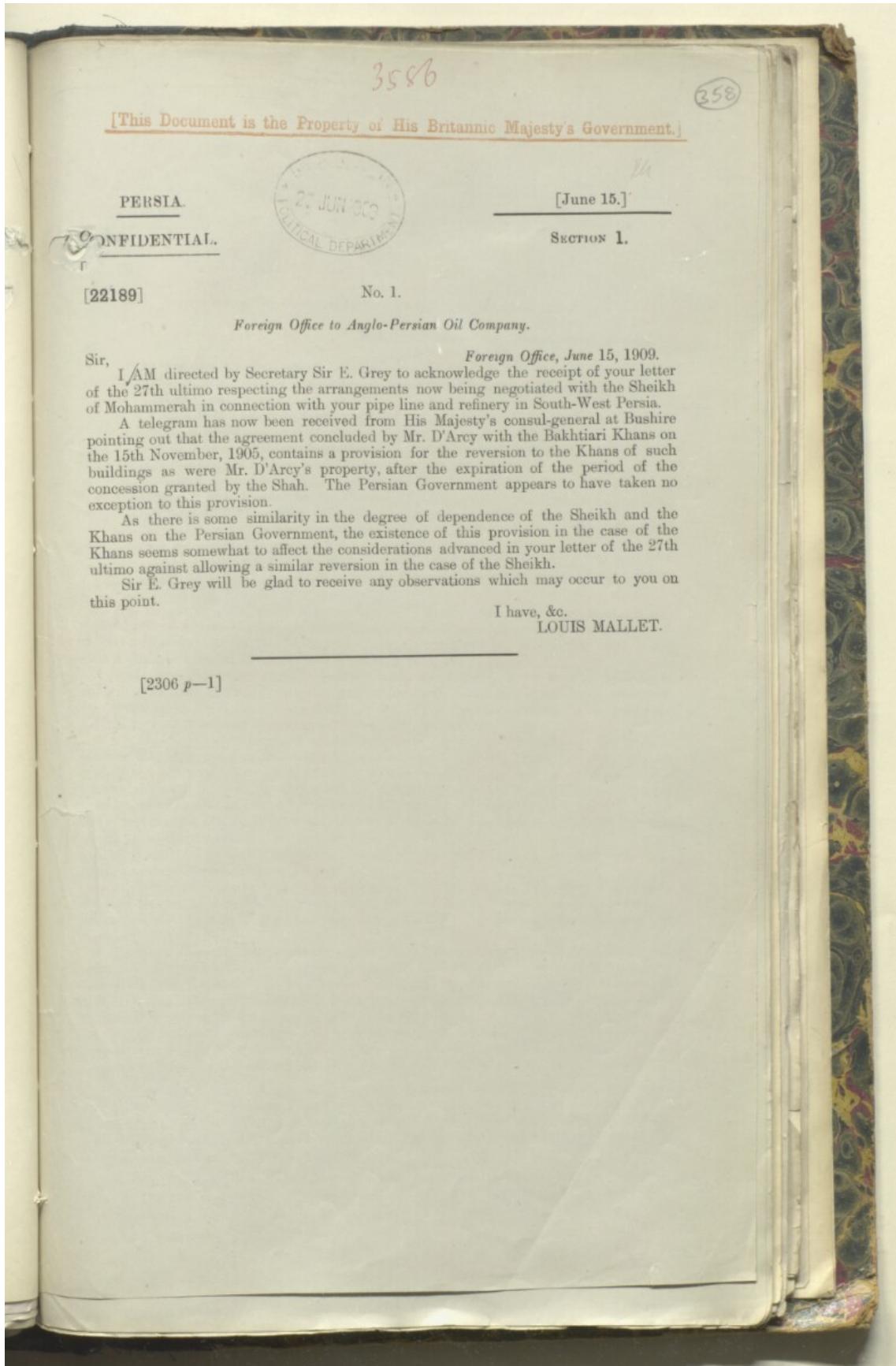


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٧ظ] (٣٣٨/٢٨٠)



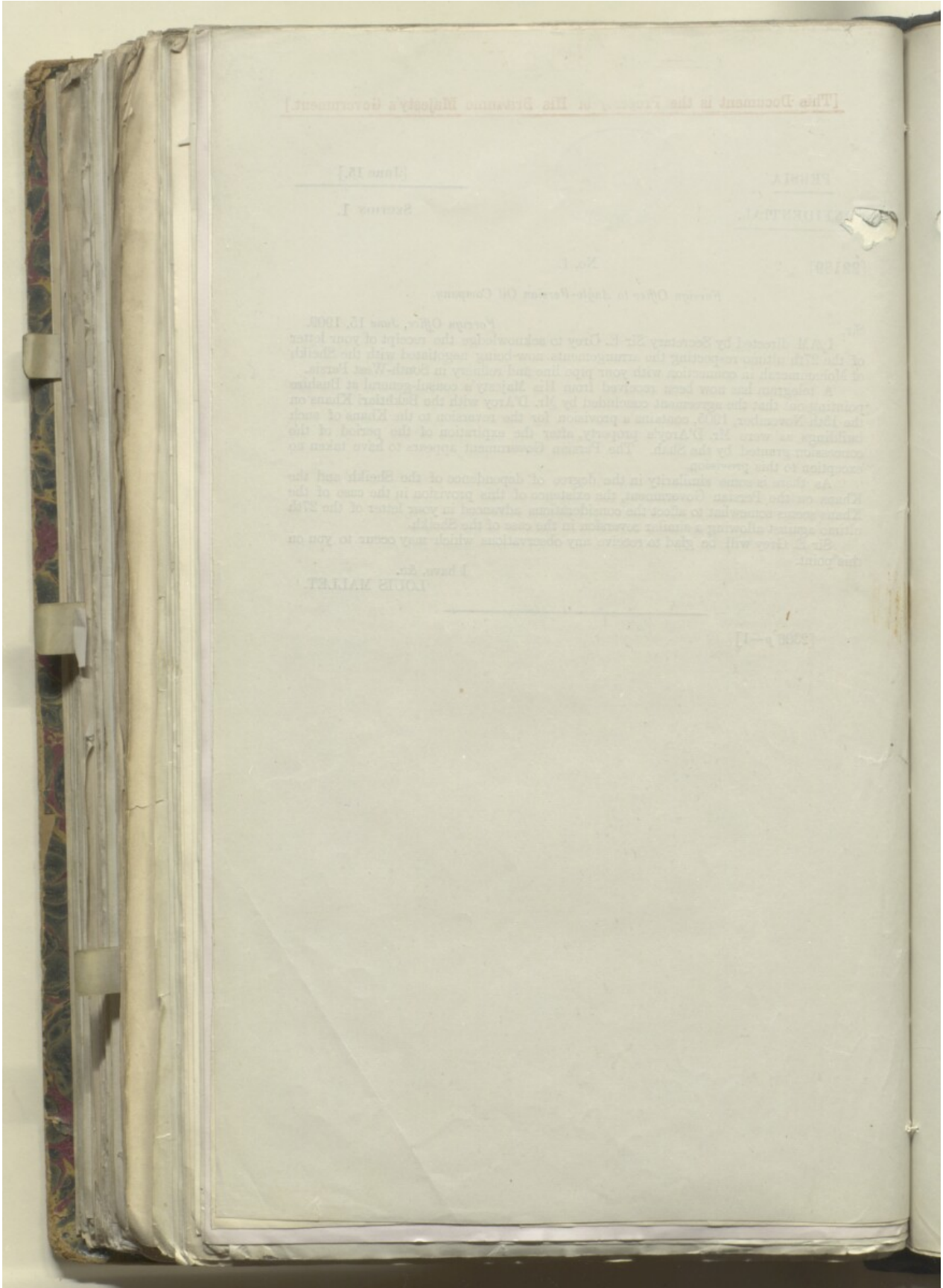


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٨ و] (٣٣٨/٢٨١)



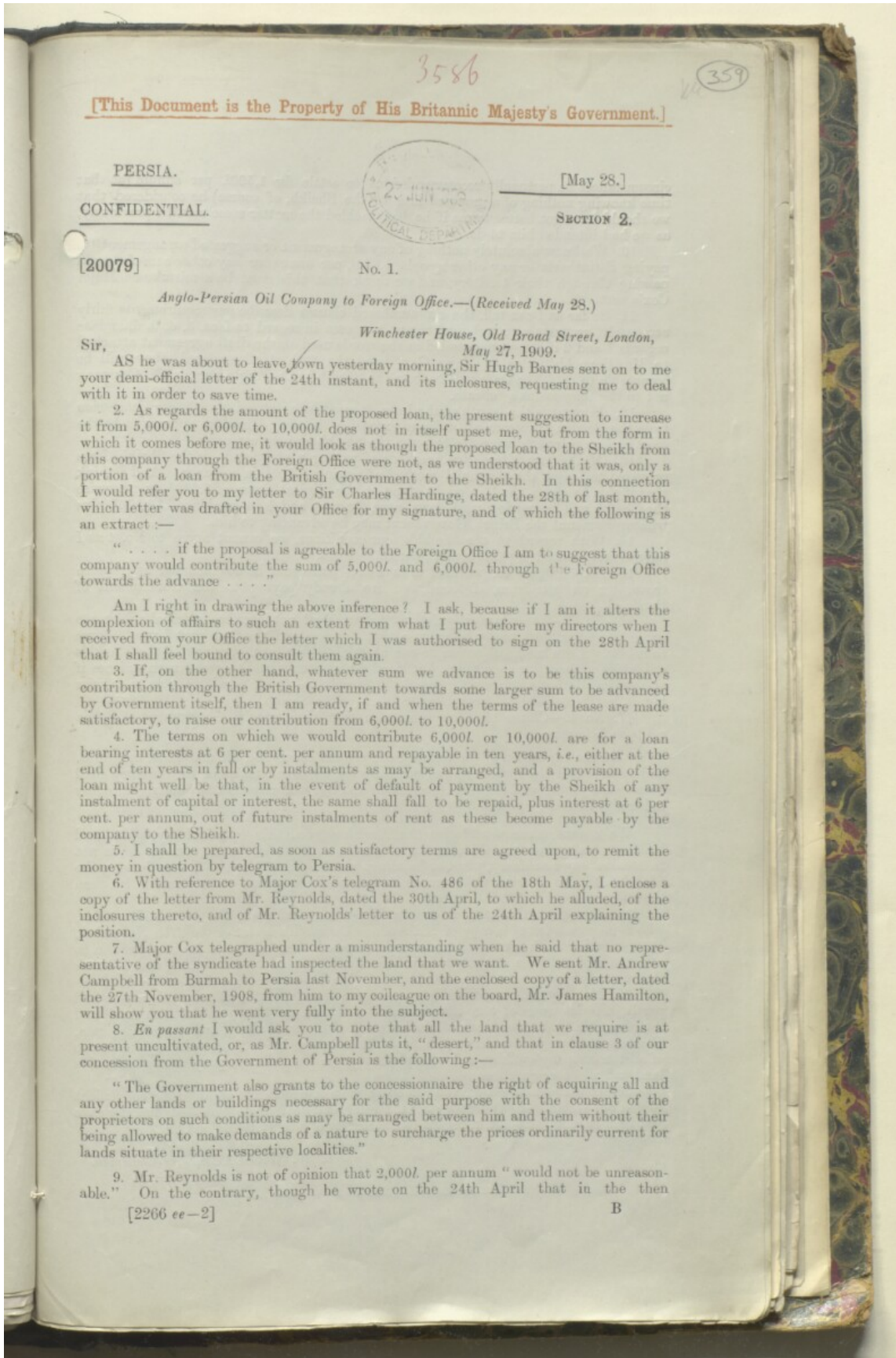


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٨ظ] (٣٣٨/٢٨٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٩ و] (٣٣٨/٢٨٣)



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PERSIA.

[May 28.]

CONFIDENTIAL

SECTION 2.

[20079]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received May 28.)

Winchester House, Old Broad Street, London,
May 27, 1909.

Sir,

AS he was about to leave town yesterday morning, Sir Hugh Barnes sent on to me your demi-official letter of the 24th instant, and its inclosures, requesting me to deal with it in order to save time.

2. As regards the amount of the proposed loan, the present suggestion to increase it from 5,000*l.* or 6,000*l.* to 10,000*l.* does not in itself upset me, but from the form in which it comes before me, it would look as though the proposed loan to the Sheikh from this company through the Foreign Office were not, as we understood that it was, only a portion of a loan from the British Government to the Sheikh. In this connection I would refer you to my letter to Sir Charles Hardinge, dated the 28th of last month, which letter was drafted in your Office for my signature, and of which the following is an extract:—

" . . . if the proposal is agreeable to the Foreign Office I am to suggest that this company would contribute the sum of 5,000*l.* and 6,000*l.* through the Foreign Office towards the advance"

Am I right in drawing the above inference? I ask, because if I am it alters the complexion of affairs to such an extent from what I put before my directors when I received from your Office the letter which I was authorised to sign on the 28th April that I shall feel bound to consult them again.

3. If, on the other hand, whatever sum we advance is to be this company's contribution through the British Government towards some larger sum to be advanced by Government itself, then I am ready, if and when the terms of the lease are made satisfactory, to raise our contribution from 6,000*l.* to 10,000*l.*

4. The terms on which we would contribute 6,000*l.* or 10,000*l.* are for a loan bearing interests at 6 per cent. per annum and repayable in ten years, i.e., either at the end of ten years in full or by instalments as may be arranged, and a provision of the loan might well be that, in the event of default of payment by the Sheikh of any instalment of capital or interest, the same shall fall to be repaid, plus interest at 6 per cent. per annum, out of future instalments of rent as these become payable by the company to the Sheikh.

5. I shall be prepared, as soon as satisfactory terms are agreed upon, to remit the money in question by telegram to Persia.

6. With reference to Major Cox's telegram No. 486 of the 18th May, I enclose a copy of the letter from Mr. Reynolds, dated the 30th April, to which he alluded, of the inclosures thereto, and of Mr. Reynolds' letter to us of the 24th April explaining the position.

7. Major Cox telegraphed under a misunderstanding when he said that no representative of the syndicate had inspected the land that we want. We sent Mr. Andrew Campbell from Burmah to Persia last November, and the enclosed copy of a letter, dated the 27th November, 1908, from him to my colleague on the board, Mr. James Hamilton, will show you that he went very fully into the subject.

8. *En passant* I would ask you to note that all the land that we require is at present uncultivated, or, as Mr. Campbell puts it, "desert," and that in clause 3 of our concession from the Government of Persia is the following:—

"The Government also grants to the concessionaire the right of acquiring all and any other lands or buildings necessary for the said purpose with the consent of the proprietors on such conditions as may be arranged between him and them without their being allowed to make demands of a nature to surcharge the prices ordinarily current for lands situate in their respective localities."

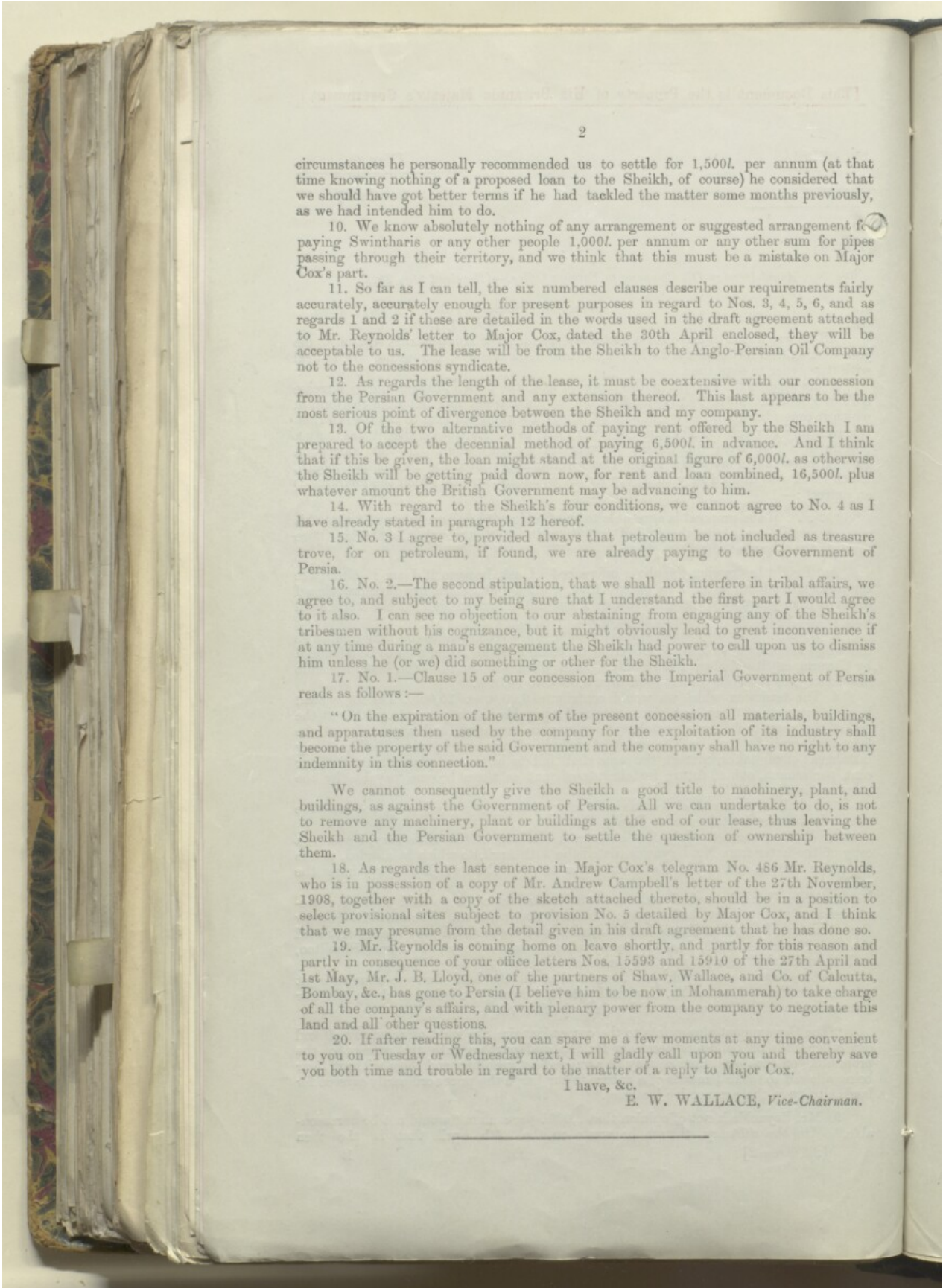
9. Mr. Reynolds is not of opinion that 2,000*l.* per annum "would not be unreasonable." On the contrary, though he wrote on the 24th April that in the then

[2266 ee-2]

B



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٥٩ظ] (٣٣٨/٢٨٤)



circumstances he personally recommended us to settle for 1,500*l.* per annum (at that time knowing nothing of a proposed loan to the Sheikh, of course) he considered that we should have got better terms if he had tackled the matter some months previously, as we had intended him to do.

10. We know absolutely nothing of any arrangement or suggested arrangement for paying Swintharis or any other people 1,000*l.* per annum or any other sum for pipes passing through their territory, and we think that this must be a mistake on Major Cox's part.

11. So far as I can tell, the six numbered clauses describe our requirements fairly accurately, accurately enough for present purposes in regard to Nos. 3, 4, 5, 6, and as regards 1 and 2 if these are detailed in the words used in the draft agreement attached to Mr. Reynolds' letter to Major Cox, dated the 30th April enclosed, they will be acceptable to us. The lease will be from the Sheikh to the Anglo-Persian Oil Company not to the concessions syndicate.

12. As regards the length of the lease, it must be coextensive with our concession from the Persian Government and any extension thereof. This last appears to be the most serious point of divergence between the Sheikh and my company.

13. Of the two alternative methods of paying rent offered by the Sheikh I am prepared to accept the decennial method of paying 6,500*l.* in advance. And I think that if this be given, the loan might stand at the original figure of 6,000*l.* as otherwise the Sheikh will be getting paid down now, for rent and loan combined, 16,500*l.* plus whatever amount the British Government may be advancing to him.

14. With regard to the Sheikh's four conditions, we cannot agree to No. 4 as I have already stated in paragraph 12 hereof.

15. No. 3 I agree to, provided always that petroleum be not included as treasure trove, for on petroleum, if found, we are already paying to the Government of Persia.

16. No. 2.—The second stipulation, that we shall not interfere in tribal affairs, we agree to, and subject to my being sure that I understand the first part I would agree to it also. I can see no objection to our abstaining from engaging any of the Sheikh's tribesmen without his cognizance, but it might obviously lead to great inconvenience if at any time during a man's engagement the Sheikh had power to call upon us to dismiss him unless he (or we) did something or other for the Sheikh.

17. No. 1.—Clause 15 of our concession from the Imperial Government of Persia reads as follows:—

"On the expiration of the terms of the present concession all materials, buildings, and apparatuses then used by the company for the exploitation of its industry shall become the property of the said Government and the company shall have no right to any indemnity in this connection."

We cannot consequently give the Sheikh a good title to machinery, plant, and buildings, as against the Government of Persia. All we can undertake to do, is not to remove any machinery, plant or buildings at the end of our lease, thus leaving the Sheikh and the Persian Government to settle the question of ownership between them.

18. As regards the last sentence in Major Cox's telegram No. 456 Mr. Reynolds, who is in possession of a copy of Mr. Andrew Campbell's letter of the 27th November, 1908, together with a copy of the sketch attached thereto, should be in a position to select provisional sites subject to provision No. 5 detailed by Major Cox, and I think that we may presume from the detail given in his draft agreement that he has done so.

19. Mr. Reynolds is coming home on leave shortly, and partly for this reason and partly in consequence of your office letters Nos. 15593 and 15910 of the 27th April and 1st May, Mr. J. B. Lloyd, one of the partners of Shaw, Wallace, and Co. of Calcutta, Bombay, &c., has gone to Persia (I believe him to be now in Mohammerah) to take charge of all the company's affairs, and with plenary power from the company to negotiate this land and all other questions.

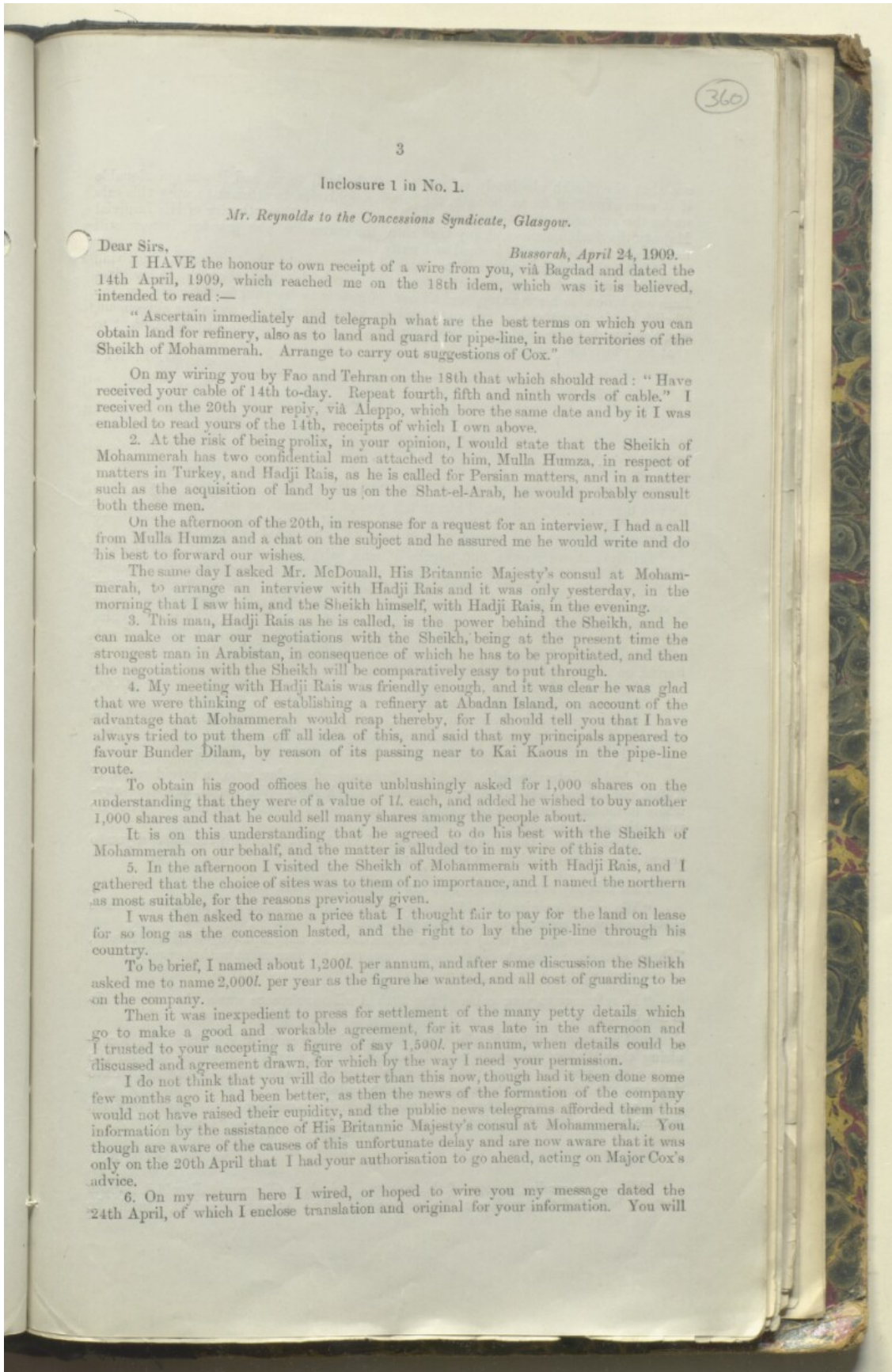
20. If after reading this, you can spare me a few moments at any time convenient to you on Tuesday or Wednesday next, I will gladly call upon you and thereby save you both time and trouble in regard to the matter of a reply to Major Cox.

I have, &c.

E. W. WALLACE, *Vice-Chairman.*



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٠ و] (٣٣٨/٢٨٥)



3

Inclosure 1 in No. 1.

Mr. Reynolds to the Concessions Syndicate, Glasgow.

Dear Sirs,

Bussorah, April 24, 1909.

I HAVE the honour to own receipt of a wire from you, via Bagdad and dated the 14th April, 1909, which reached me on the 18th idem, which was it is believed, intended to read:—

"Ascertain immediately and telegraph what are the best terms on which you can obtain land for refinery, also as to land and guard for pipe-line, in the territories of the Sheikh of Mohammerah. Arrange to carry out suggestions of Cox."

On my wiring you by Fao and Tehran on the 18th that which should read: "Have received your cable of 14th to-day. Repeat fourth, fifth and ninth words of cable." I received on the 20th your reply, via Aleppo, which bore the same date and by it I was enabled to read yours of the 14th, receipts of which I own above.

2. At the risk of being prolix, in your opinion, I would state that the Sheikh of Mohammerah has two confidential men attached to him, Mulla Humza, in respect of matters in Turkey, and Hadji Rais, as he is called for Persian matters, and in a matter such as the acquisition of land by us on the Shat-el-Arab, he would probably consult both these men.

On the afternoon of the 20th, in response for a request for an interview, I had a call from Mulla Humza and a chat on the subject and he assured me he would write and do his best to forward our wishes.

The same day I asked Mr. McDouall, His Britannic Majesty's consul at Mohammerah, to arrange an interview with Hadji Rais and it was only yesterday, in the morning that I saw him, and the Sheikh himself, with Hadji Rais, in the evening.

3. This man, Hadji Rais as he is called, is the power behind the Sheikh, and he can make or mar our negotiations with the Sheikh, being at the present time the strongest man in Arabistan, in consequence of which he has to be propitiated, and then the negotiations with the Sheikh will be comparatively easy to put through.

4. My meeting with Hadji Rais was friendly enough, and it was clear he was glad that we were thinking of establishing a refinery at Abadan Island, on account of the advantage that Mohammerah would reap thereby, for I should tell you that I have always tried to put them off all idea of this, and said that my principals appeared to favour Bunder Dilam, by reason of its passing near to Kai Kaous in the pipe-line route.

To obtain his good offices he quite unblushingly asked for 1,000 shares on the understanding that they were of a value of 1l. each, and added he wished to buy another 1,000 shares and that he could sell many shares among the people about.

It is on this understanding that he agreed to do his best with the Sheikh of Mohammerah on our behalf, and the matter is alluded to in my wire of this date.

5. In the afternoon I visited the Sheikh of Mohammerah with Hadji Rais, and I gathered that the choice of sites was to them of no importance, and I named the northern as most suitable, for the reasons previously given.

I was then asked to name a price that I thought fair to pay for the land on lease for so long as the concession lasted, and the right to lay the pipe-line through his country.

To be brief, I named about 1,200l. per annum, and after some discussion the Sheikh asked me to name 2,000l. per year as the figure he wanted, and all cost of guarding to be on the company.

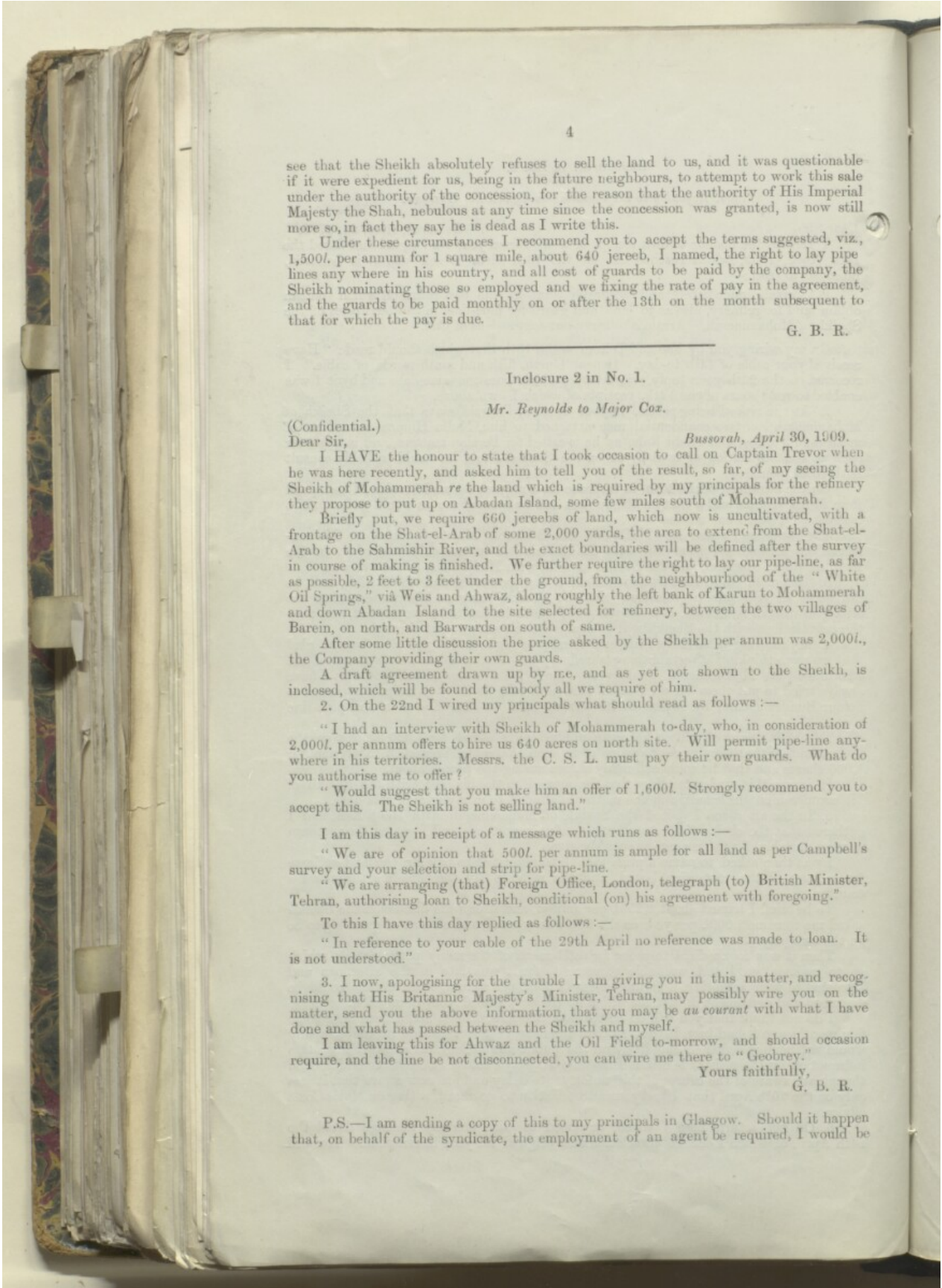
Then it was inexpedient to press for settlement of the many petty details which go to make a good and workable agreement, for it was late in the afternoon and I trusted to your accepting a figure of say 1,500l. per annum, when details could be discussed and agreement drawn, for which by the way I need your permission.

I do not think that you will do better than this now, though had it been done some few months ago it had been better, as then the news of the formation of the company would not have raised their cupidity, and the public news telegrams afforded them this information by the assistance of His Britannic Majesty's consul at Mohammerah. You though are aware of the causes of this unfortunate delay and are now aware that it was only on the 20th April that I had your authorisation to go ahead, acting on Major Cox's advice.

6. On my return here I wired, or hoped to wire you my message dated the 24th April, of which I enclose translation and original for your information. You will



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see that the Sheikh absolutely refuses to sell the land to us, and it was questionable if it were expedient for us, being in the future neighbours, to attempt to work this sale under the authority of the concession, for the reason that the authority of His Imperial Majesty the Shah, nebulous at any time since the concession was granted, is now still more so, in fact they say he is dead as I write this.

Under these circumstances I recommend you to accept the terms suggested, viz., 1,500*l.* per annum for 1 square mile, about 640 jereeb, I named, the right to lay pipe lines any where in his country, and all cost of guards to be paid by the company, the Sheikh nominating those so employed and we fixing the rate of pay in the agreement, and the guards to be paid monthly on or after the 13th on the month subsequent to that for which the pay is due.

G. B. R.

Inclosure 2 in No. 1.

Mr. Reynolds to Major Cox.

(Confidential.)

Bussorah, April 30, 1909.

Dear Sir,

I HAVE the honour to state that I took occasion to call on Captain Trevor when he was here recently, and asked him to tell you of the result, so far, of my seeing the Sheikh of Mohammerah *re* the land which is required by my principals for the refinery they propose to put up on Abadan Island, some few miles south of Mohammerah.

Briefly put, we require 660 jereeb of land, which now is uncultivated, with a frontage on the Shat-el-Arab of some 2,000 yards, the area to extend from the Shat-el-Arab to the Sahnishir River, and the exact boundaries will be defined after the survey in course of making is finished. We further require the right to lay our pipe-line, as far as possible, 2 feet to 3 feet under the ground, from the neighbourhood of the "White Oil Springs," *via* Weis and Ahwaz, along roughly the left bank of Karun to Mohammerah and down Abadan Island to the site selected for refinery, between the two villages of Baren, on north, and Barwards on south of same.

After some little discussion the price asked by the Sheikh per annum was 2,000*l.*, the Company providing their own guards.

A draft agreement drawn up by me, and as yet not shown to the Sheikh, is inclosed, which will be found to embody all we require of him.

2. On the 22nd I wired my principals what should read as follows:—

"I had an interview with Sheikh of Mohammerah to-day, who, in consideration of 2,000*l.* per annum offers to hire us 640 acres on north site. Will permit pipe-line anywhere in his territories. Messrs. the C. S. L. must pay their own guards. What do you authorise me to offer?"

"Would suggest that you make him an offer of 1,600*l.* Strongly recommend you to accept this. The Sheikh is not selling land."

I am this day in receipt of a message which runs as follows:—

"We are of opinion that 500*l.* per annum is ample for all land as per Campbell's survey and your selection and strip for pipe-line.

"We are arranging (that) Foreign Office, London, telegraph (to) British Minister, Tehran, authorising loan to Sheikh, conditional (on) his agreement with foregoing."

To this I have this day replied as follows:—

"In reference to your cable of the 29th April no reference was made to loan. It is not understood."

3. I now, apologising for the trouble I am giving you in this matter, and recognising that His Britannic Majesty's Minister, Tehran, may possibly wire you on the matter, send you the above information, that you may be *au courant* with what I have done and what has passed between the Sheikh and myself.

I am leaving this for Ahwaz and the Oil Field to-morrow, and should occasion require, and the line be not disconnected, you can wire me there to "Geobrey."

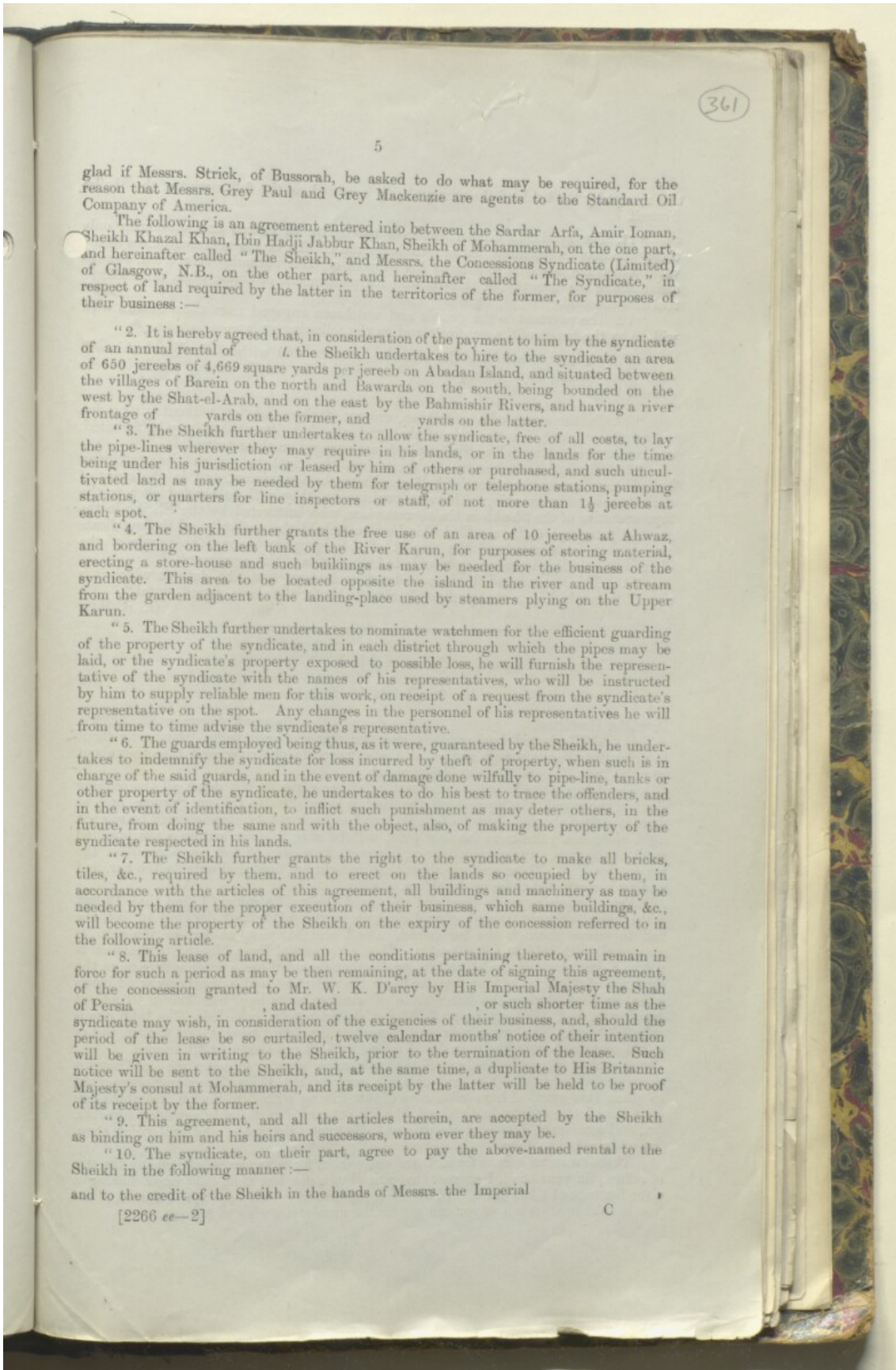
Yours faithfully,

G. B. R.

P.S.—I am sending a copy of this to my principals in Glasgow. Should it happen that, on behalf of the syndicate, the employment of an agent be required, I would be



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glad if Messrs. Strick, of Bussorah, be asked to do what may be required, for the reason that Messrs. Grey Paul and Grey Mackenzie are agents to the Standard Oil Company of America.

The following is an agreement entered into between the Sardar Arfa, Amir Ioman, Sheikh Khazal Khan, Ibn Hadji Jabbur Khan, Sheikh of Mohammerah, on the one part, and hereinafter called "The Sheikh," and Messrs. the Concessions Syndicate (Limited) of Glasgow, N.B., on the other part, and hereinafter called "The Syndicate," in respect of land required by the latter in the territories of the former, for purposes of their business:—

"2. It is hereby agreed that, in consideration of the payment to him by the syndicate of an annual rental of 4 the Sheikh undertakes to hire to the syndicate an area of 650 jereeb of 4,669 square yards per jereeb on Abadan Island, and situated between the villages of Bairein on the north and Bawarda on the south, being bounded on the west by the Shat-el-Arab, and on the east by the Bahmishir Rivers, and having a river frontage of yards on the former, and yards on the latter.

"3. The Sheikh further undertakes to allow the syndicate, free of all costs, to lay the pipe-lines wherever they may require in his lands, or in the lands for the time being under his jurisdiction or leased by him of others or purchased, and such uncultivated land as may be needed by them for telegraph or telephone stations, pumping stations, or quarters for line inspectors or staff, of not more than 1½ jereeb at each spot.

"4. The Sheikh further grants the free use of an area of 10 jereeb at Ahwaz, and bordering on the left bank of the River Karun, for purposes of storing material, erecting a store-house and such buildings as may be needed for the business of the syndicate. This area to be located opposite the island in the river and up stream from the garden adjacent to the landing-place used by steamers plying on the Upper Karun.

"5. The Sheikh further undertakes to nominate watchmen for the efficient guarding of the property of the syndicate, and in each district through which the pipes may be laid, or the syndicate's property exposed to possible loss, he will furnish the representative of the syndicate with the names of his representatives, who will be instructed by him to supply reliable men for this work, on receipt of a request from the syndicate's representative on the spot. Any changes in the personnel of his representatives he will from time to time advise the syndicate's representative.

"6. The guards employed being thus, as it were, guaranteed by the Sheikh, he undertakes to indemnify the syndicate for loss incurred by theft of property, when such is in charge of the said guards, and in the event of damage done wilfully to pipe-line, tanks or other property of the syndicate, he undertakes to do his best to trace the offenders, and in the event of identification, to inflict such punishment as may deter others, in the future, from doing the same and with the object, also, of making the property of the syndicate respected in his lands.

"7. The Sheikh further grants the right to the syndicate to make all bricks, tiles, &c., required by them, and to erect on the lands so occupied by them, in accordance with the articles of this agreement, all buildings and machinery as may be needed by them for the proper execution of their business, which same buildings, &c., will become the property of the Sheikh on the expiry of the concession referred to in the following article.

"8. This lease of land, and all the conditions pertaining thereto, will remain in force for such a period as may be then remaining, at the date of signing this agreement, of the concession granted to Mr. W. K. D'arcy by His Imperial Majesty the Shah of Persia, and dated, or such shorter time as the syndicate may wish, in consideration of the exigencies of their business, and, should the period of the lease be so curtailed, twelve calendar months' notice of their intention will be given in writing to the Sheikh, prior to the termination of the lease. Such notice will be sent to the Sheikh, and, at the same time, a duplicate to His Britannic Majesty's consul at Mohammerah, and its receipt by the latter will be held to be proof of its receipt by the former.

"9. This agreement, and all the articles therein, are accepted by the Sheikh as binding on him and his heirs and successors, whom ever they may be.

"10. The syndicate, on their part, agree to pay the above-named rental to the Sheikh in the following manner:—

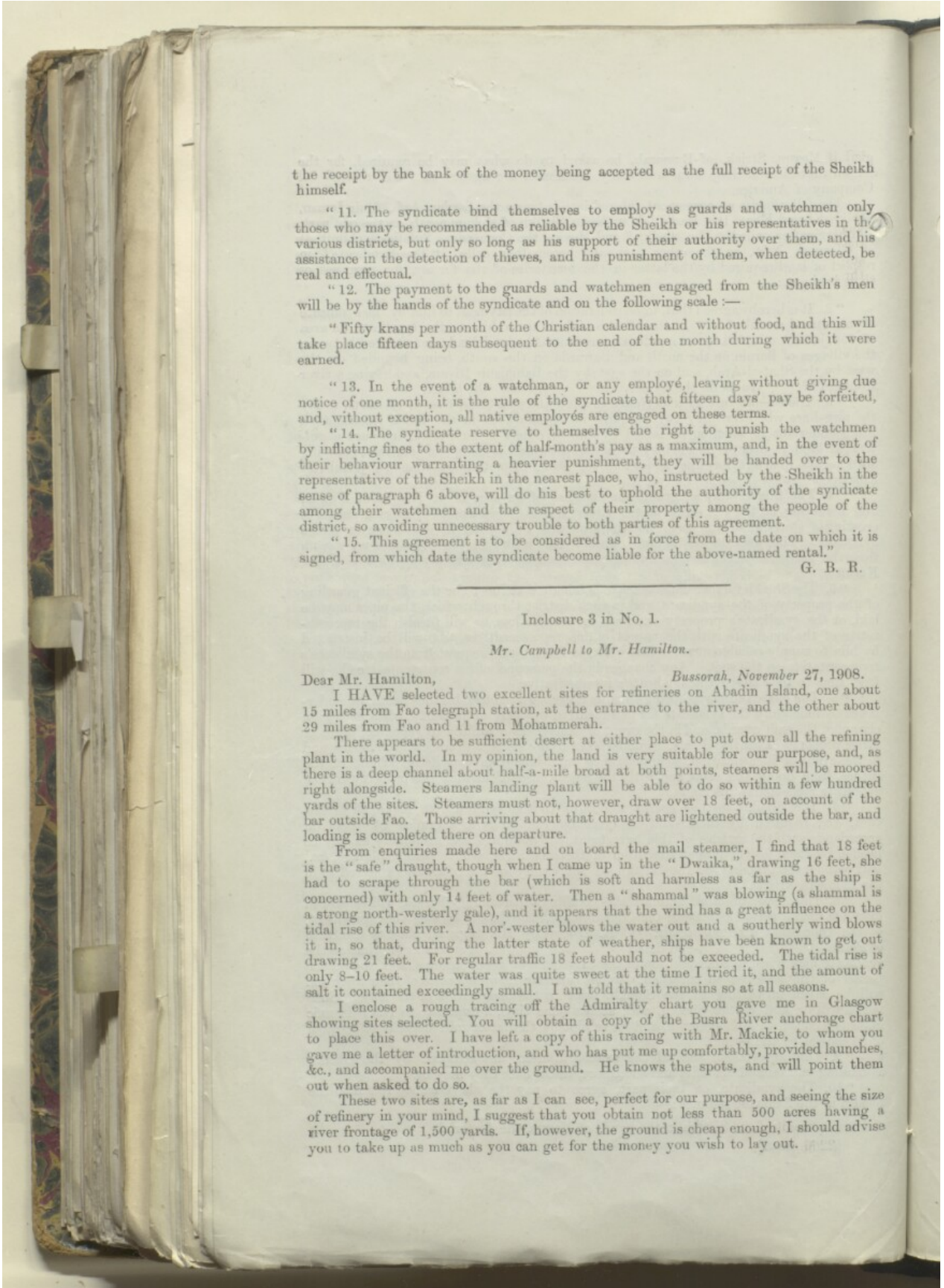
and to the credit of the Sheikh in the hands of Messrs. the Imperial

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the receipt by the bank of the money being accepted as the full receipt of the Sheikh himself.

"11. The syndicate bind themselves to employ as guards and watchmen only those who may be recommended as reliable by the Sheikh or his representatives in the various districts, but only so long as his support of their authority over them, and his assistance in the detection of thieves, and his punishment of them, when detected, be real and effectual.

"12. The payment to the guards and watchmen engaged from the Sheikh's men will be by the hands of the syndicate and on the following scale:—

"Fifty krans per month of the Christian calendar and without food, and this will take place fifteen days subsequent to the end of the month during which it were earned.

"13. In the event of a watchman, or any employé, leaving without giving due notice of one month, it is the rule of the syndicate that fifteen days' pay be forfeited, and, without exception, all native employés are engaged on these terms.

"14. The syndicate reserve to themselves the right to punish the watchmen by inflicting fines to the extent of half-month's pay as a maximum, and, in the event of their behaviour warranting a heavier punishment, they will be handed over to the representative of the Sheikh in the nearest place, who, instructed by the Sheikh in the sense of paragraph 6 above, will do his best to uphold the authority of the syndicate among their watchmen and the respect of their property among the people of the district, so avoiding unnecessary trouble to both parties of this agreement.

"15. This agreement is to be considered as in force from the date on which it is signed, from which date the syndicate become liable for the above-named rental."

G. B. R.

Inclosure 3 in No. 1.

Mr. Campbell to Mr. Hamilton.

Dear Mr. Hamilton,

Bussorah, November 27, 1908.

I HAVE selected two excellent sites for refineries on Abadin Island, one about 15 miles from Fao telegraph station, at the entrance to the river, and the other about 29 miles from Fao and 11 from Mohammerah.

There appears to be sufficient desert at either place to put down all the refining plant in the world. In my opinion, the land is very suitable for our purpose, and, as there is a deep channel about half-a-mile broad at both points, steamers will be moored right alongside. Steamers landing plant will be able to do so within a few hundred yards of the sites. Steamers must not, however, draw over 18 feet, on account of the bar outside Fao. Those arriving about that draught are lightened outside the bar, and loading is completed there on departure.

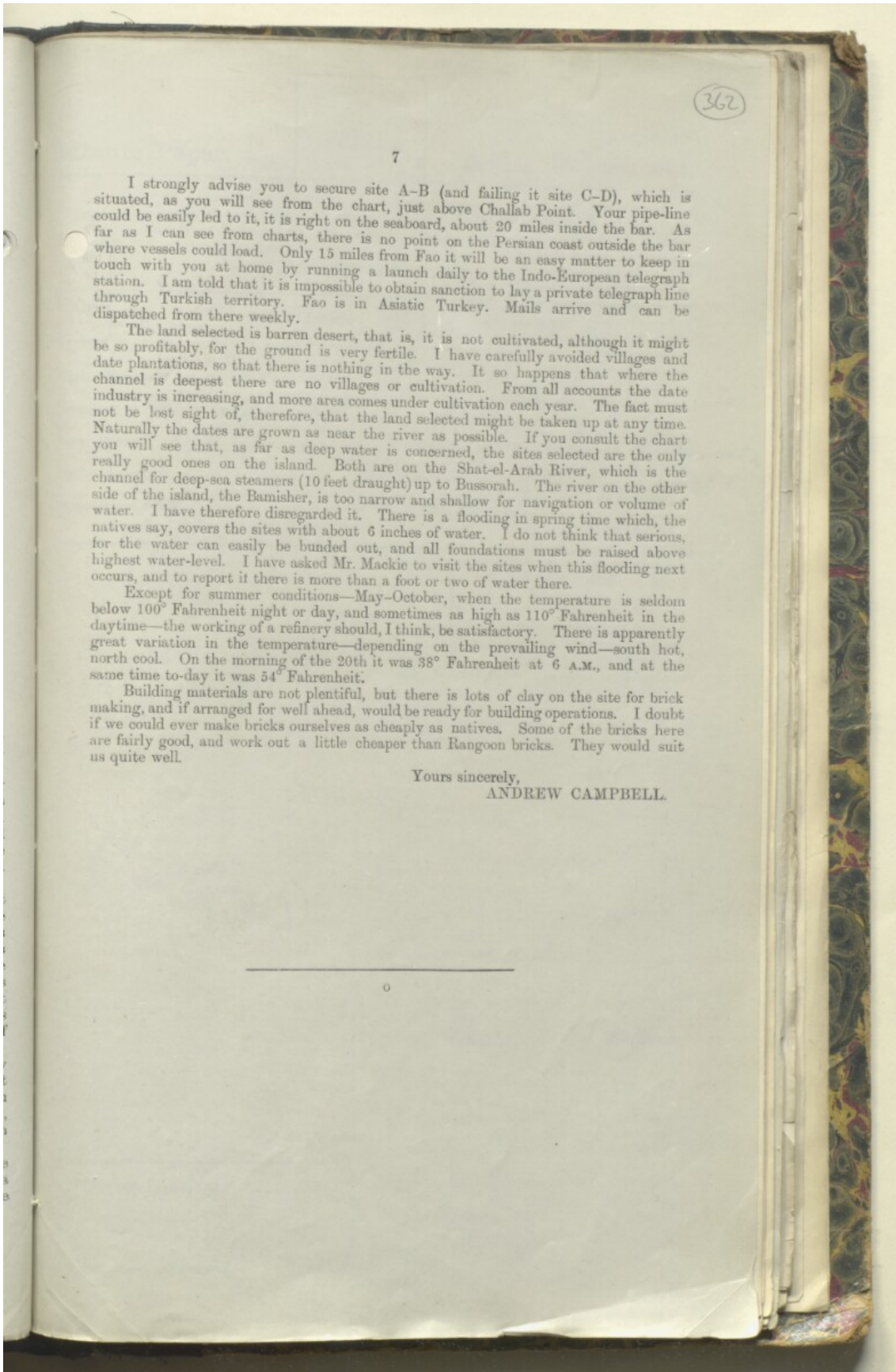
From enquiries made here and on board the mail steamer, I find that 18 feet is the "safe" draught, though when I came up in the "Dwaika," drawing 16 feet, she had to scrape through the bar (which is soft and harmless as far as the ship is concerned) with only 14 feet of water. Then a "shammal" was blowing (a shammal is a strong north-westerly gale), and it appears that the wind has a great influence on the tidal rise of this river. A nor-wester blows the water out and a southerly wind blows it in, so that, during the latter state of weather, ships have been known to get out drawing 21 feet. For regular traffic 18 feet should not be exceeded. The tidal rise is only 8-10 feet. The water was quite sweet at the time I tried it, and the amount of salt it contained exceedingly small. I am told that it remains so at all seasons.

I enclose a rough tracing off the Admiralty chart you gave me in Glasgow showing sites selected. You will obtain a copy of the Busra River anchorage chart to place this over. I have left a copy of this tracing with Mr. Mackie, to whom you gave me a letter of introduction, and who has put me up comfortably, provided launches, &c., and accompanied me over the ground. He knows the spots, and will point them out when asked to do so.

These two sites are, as far as I can see, perfect for our purpose, and seeing the size of refinery in your mind, I suggest that you obtain not less than 500 acres having a river frontage of 1,500 yards. If, however, the ground is cheap enough, I should advise you to take up as much as you can get for the money you wish to lay out.



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I strongly advise you to secure site A-B (and failing it site C-D), which is situated, as you will see from the chart, just above Chalab Point. Your pipe-line could be easily led to it, it is right on the seaboard, about 20 miles inside the bar. As far as I can see from charts, there is no point on the Persian coast outside the bar where vessels could load. Only 15 miles from Fao it will be an easy matter to keep in touch with you at home by running a launch daily to the Indo-European telegraph station. I am told that it is impossible to obtain sanction to lay a private telegraph line through Turkish territory. Fao is in Asiatic Turkey. Mails arrive and can be dispatched from there weekly.

The land selected is barren desert, that is, it is not cultivated, although it might be so profitably, for the ground is very fertile. I have carefully avoided villages and date plantations, so that there is nothing in the way. It so happens that where the channel is deepest there are no villages or cultivation. From all accounts the date industry is increasing, and more area comes under cultivation each year. The fact must not be lost sight of, therefore, that the land selected might be taken up at any time. Naturally the dates are grown as near the river as possible. If you consult the chart you will see that, as far as deep water is concerned, the sites selected are the only really good ones on the island. Both are on the Shat-el-Arab River, which is the channel for deep-sea steamers (10 feet draught) up to Bussorah. The river on the other side of the island, the Bamisher, is too narrow and shallow for navigation or volume of water. I have therefore disregarded it. There is a flooding in spring time which, the natives say, covers the sites with about 6 inches of water. I do not think that serious, for the water can easily be banded out, and all foundations must be raised above highest water-level. I have asked Mr. Mackie to visit the sites when this flooding next occurs, and to report it there is more than a foot or two of water there.

Except for summer conditions—May—October, when the temperature is seldom below 100° Fahrenheit night or day, and sometimes as high as 110° Fahrenheit in the daytime—the working of a refinery should, I think, be satisfactory. There is apparently great variation in the temperature—depending on the prevailing wind—south hot, north cool. On the morning of the 20th it was 38° Fahrenheit at 6 A.M., and at the same time to-day it was 54° Fahrenheit.

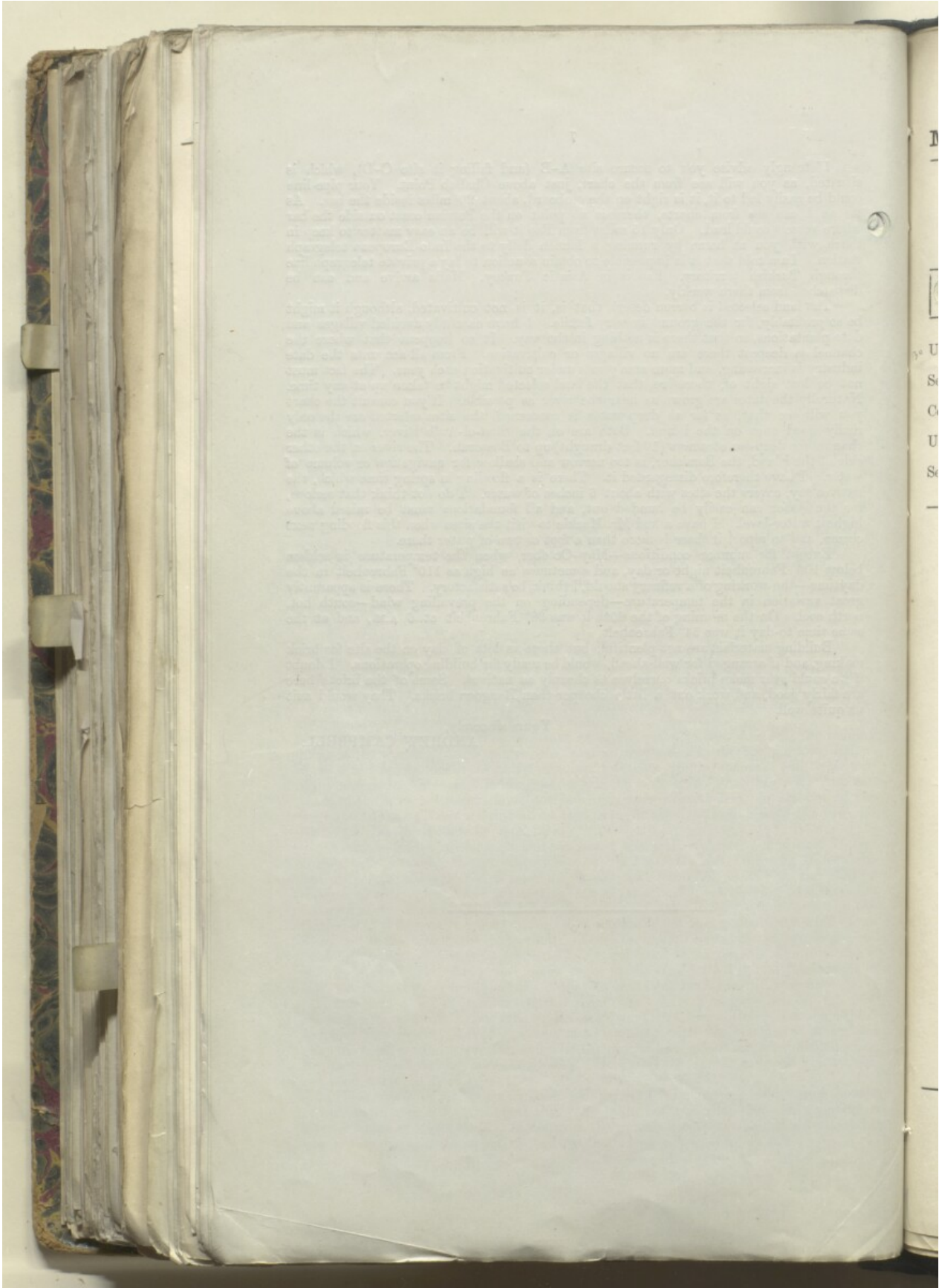
Building materials are not plentiful, but there is lots of clay on the site for brick making, and if arranged for well ahead, would be ready for building operations. I doubt if we could ever make bricks ourselves as cheaply as natives. Some of the bricks here are fairly good, and work out a little cheaper than Rangoon bricks. They would suit us quite well.

Yours sincerely,
ANDREW CAMPBELL.

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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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Register No. 352+4

Minute Paper. Secret Department.

Letters from 70. Dated 10, 11, 12, 14 } June 1909.
Rec. 10, 12, 14

Formally acknowledged Wk

	Date.	Initials.	SUBJECT.
Under Secretary	18.6	Wk	<p style="text-align: center;">Persia</p> <p>Question of loan to Sheikh of Mohammed & Asto reversion of buildings of Oil Co. on Abadan Island, & Telegrams.</p>
Secretary of State	19	af	
Committee	21.	Wk.	
Under Secretary			
Secretary of State			

Copy to COPY TO INDIA
11 & 18 June 1909
SECRETARY'S NO. 24225

For information.

The intention now is to, the vizier
to a temporary settlement in the
Oil Co's loan & the return, the
Shah is to be to be he will have
a loan of £10,000, & more of £6000,
as originally proposed.

The money is to be from the Oil Co,
but the loan is to be in the name of
the Govt.

A condition of the loan, it will be
remembered, is that the right of ^{control} ~~management~~
over the Kanun is reserved to
British Capital. (Approved by Board,
6th May, 1906. [5427/09])

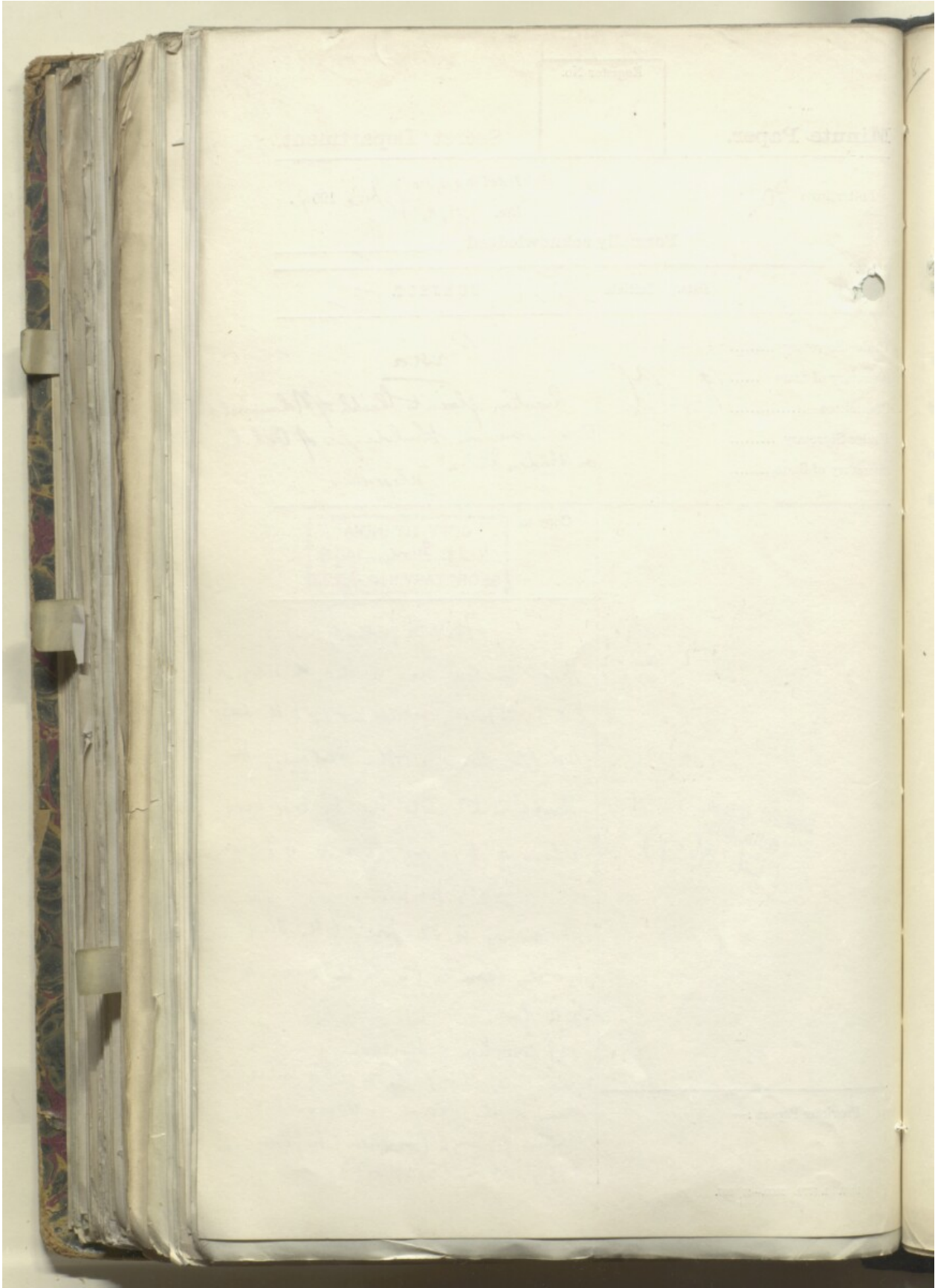
Seen Pol. Com. ee.,
6 JUL 1909
(with 3586-7)

Previous Papers:—
3551

1637. I. 1779. 2000.—10/1907.

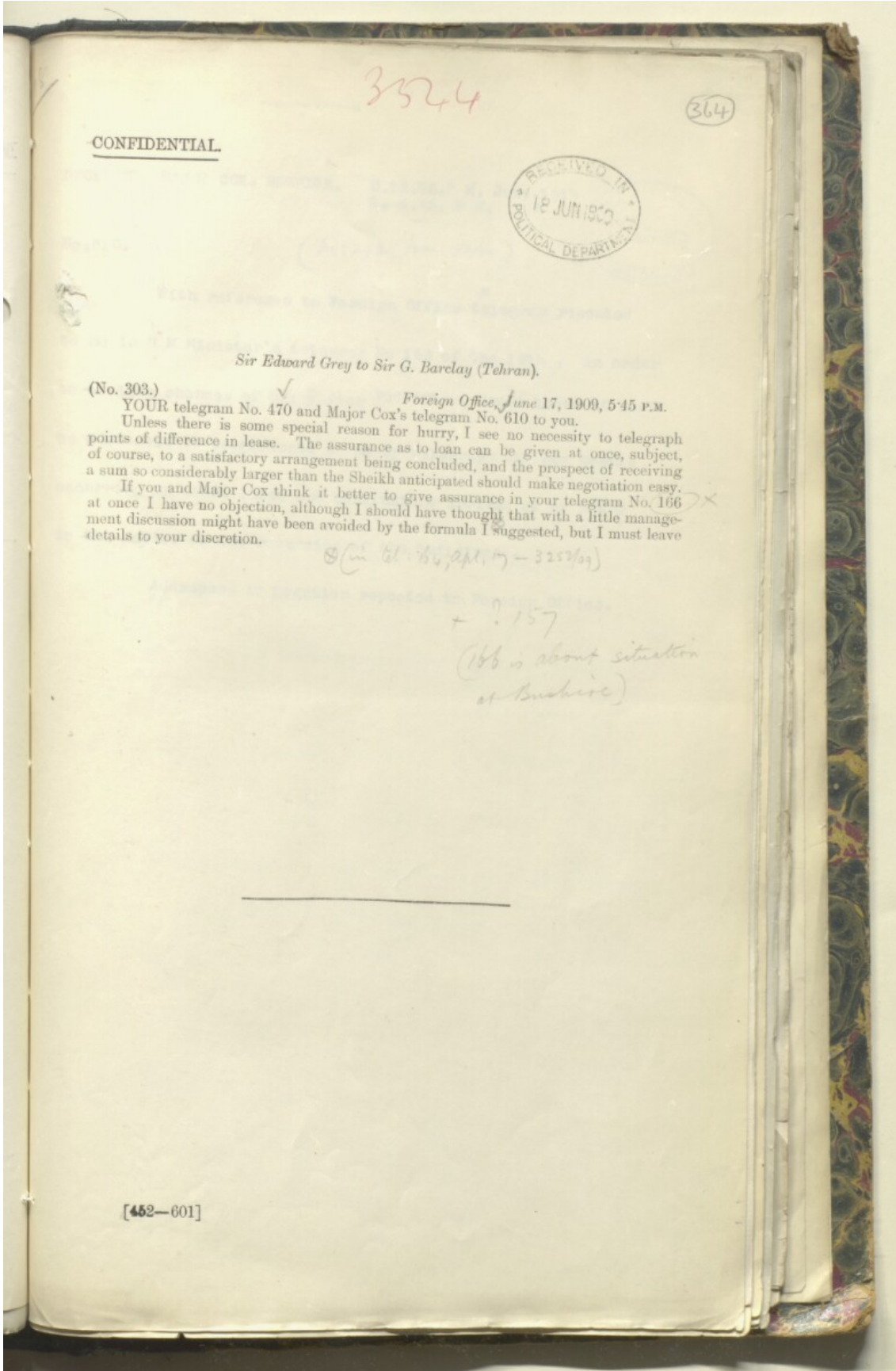


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٣ظ] (٣٣٨/٢٩٢)



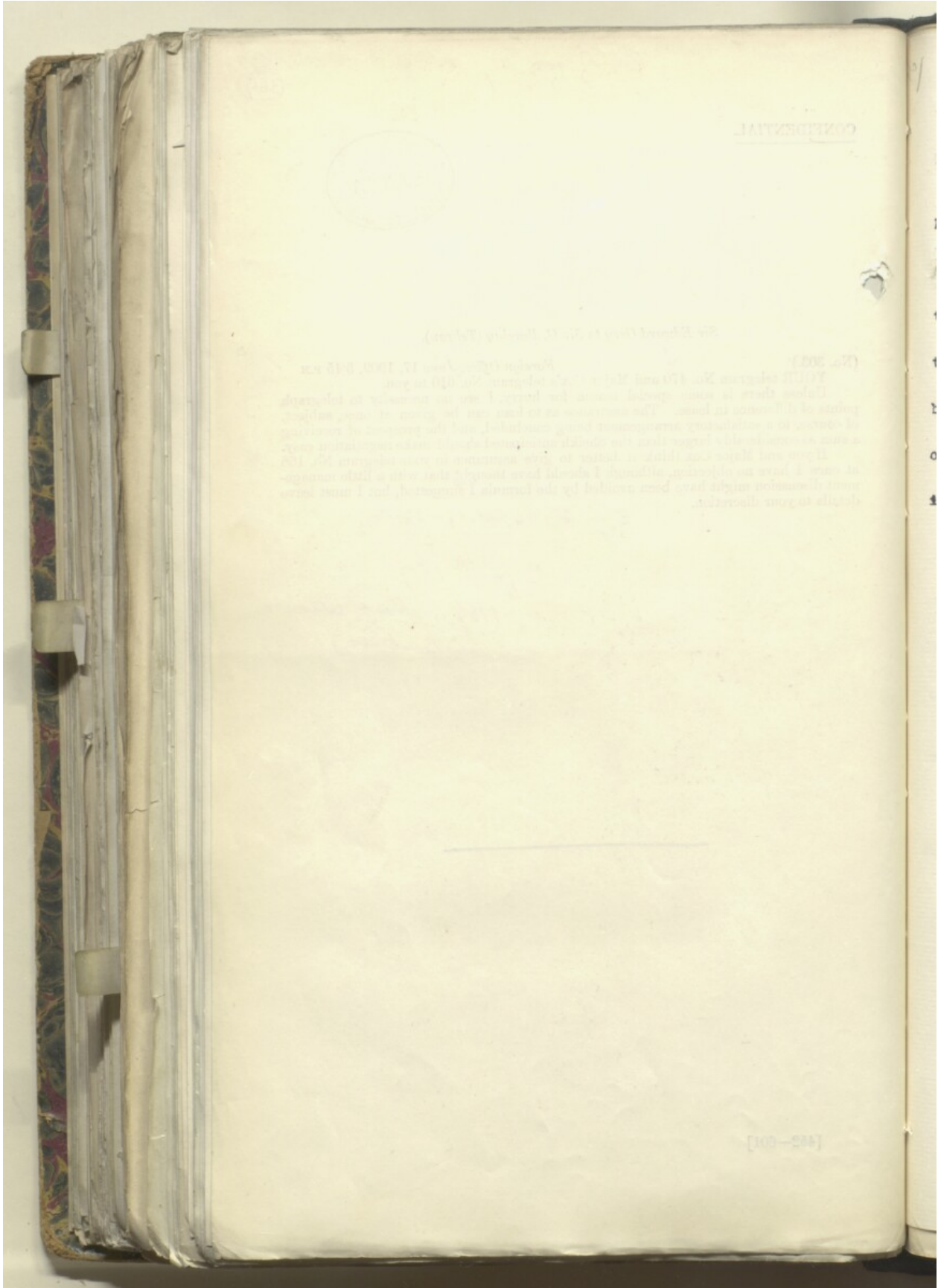


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٤ و] (٣٣٨/٢٩٣)



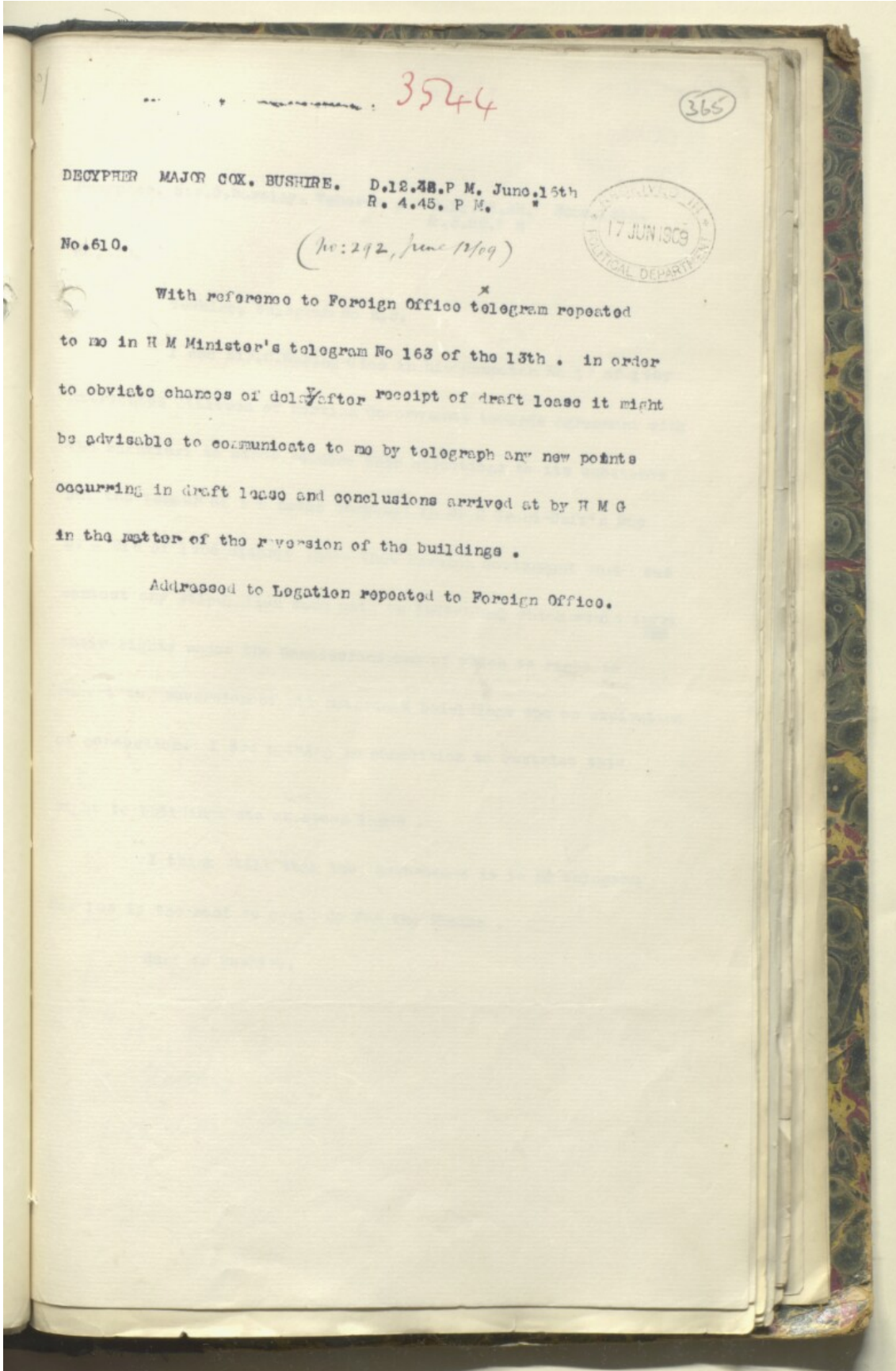


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٤ظ] (٣٣٨/٢٩٤)



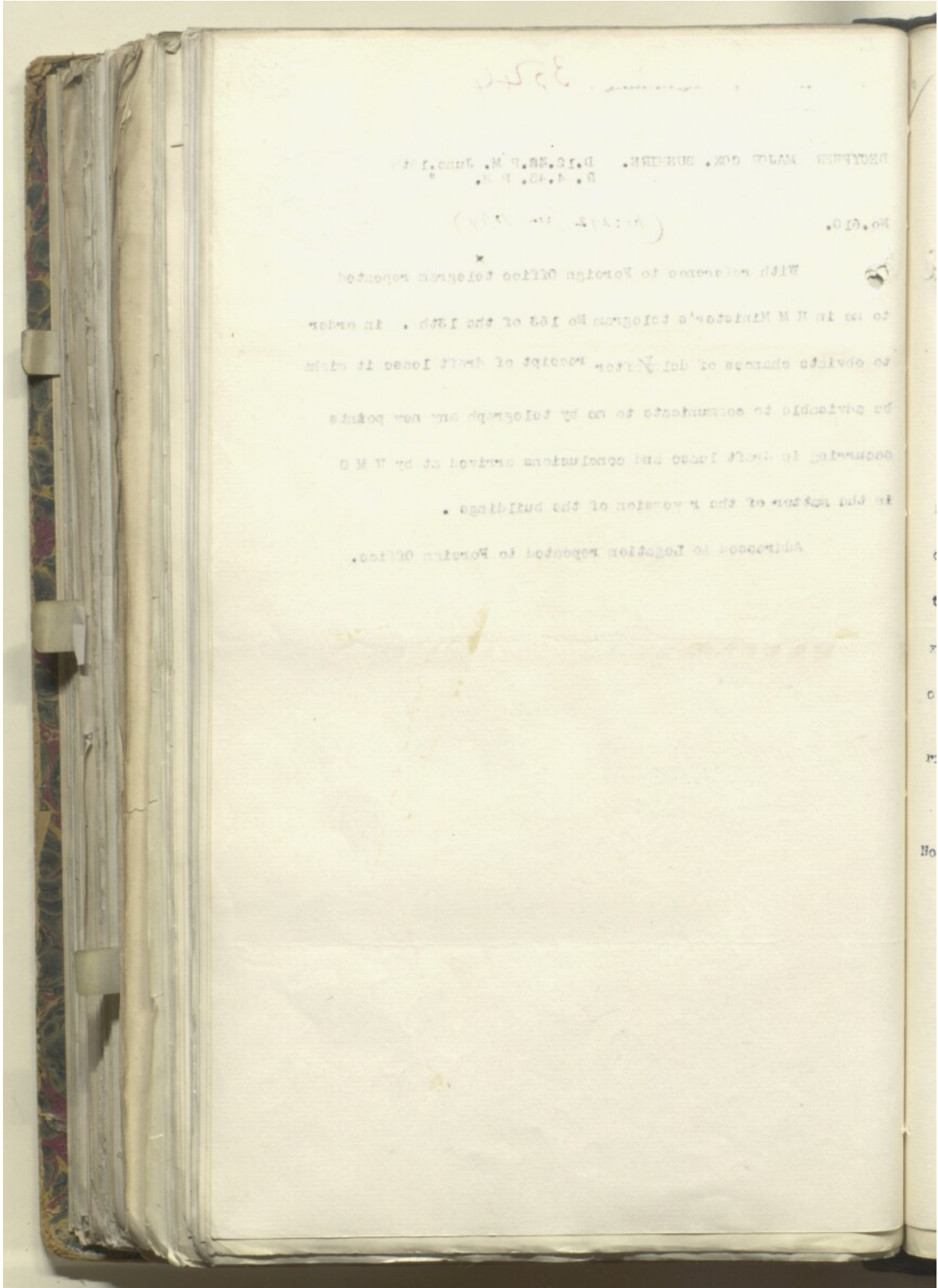


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٥ و] (٣٣٨/٢٩٥)



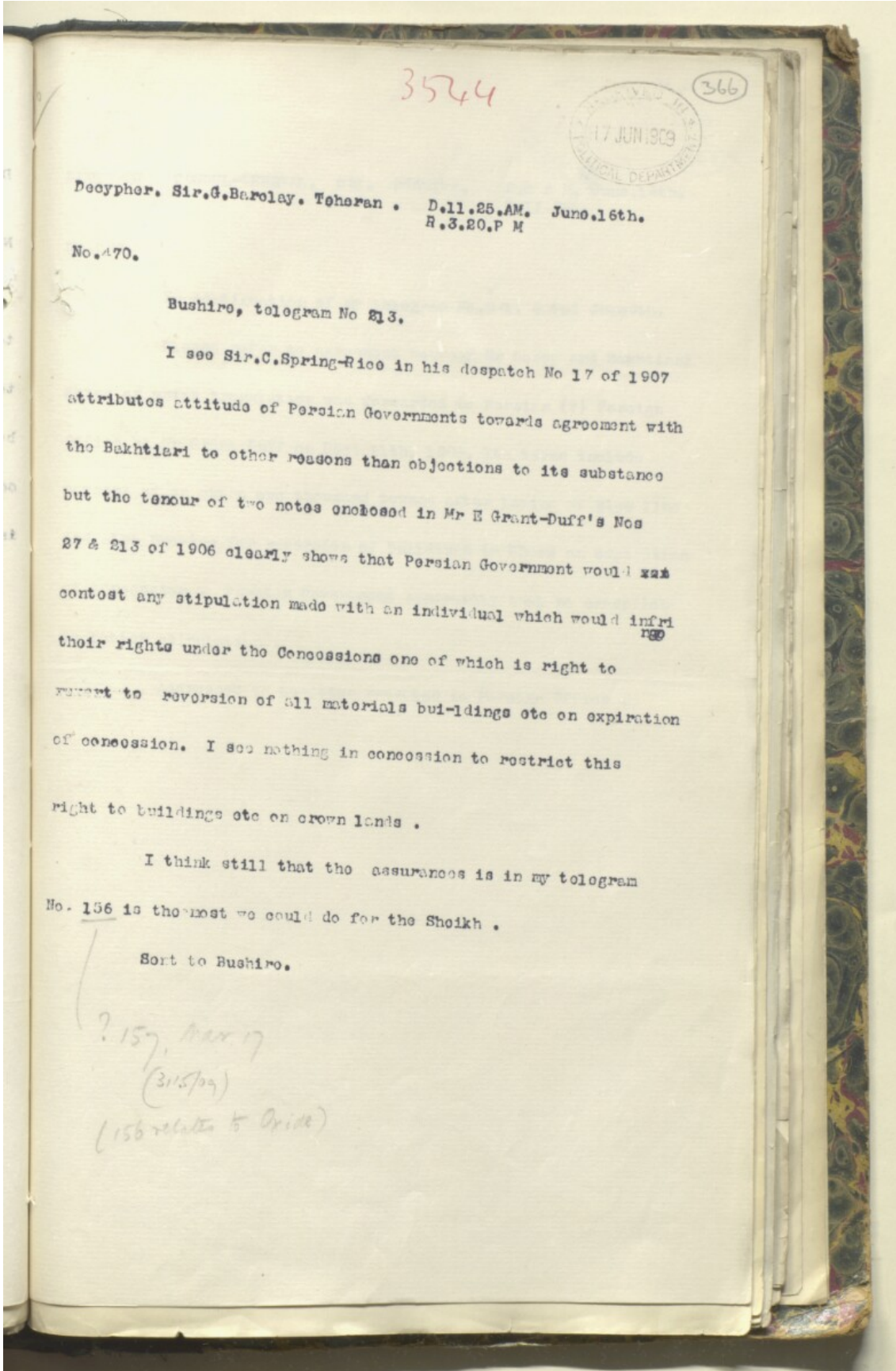


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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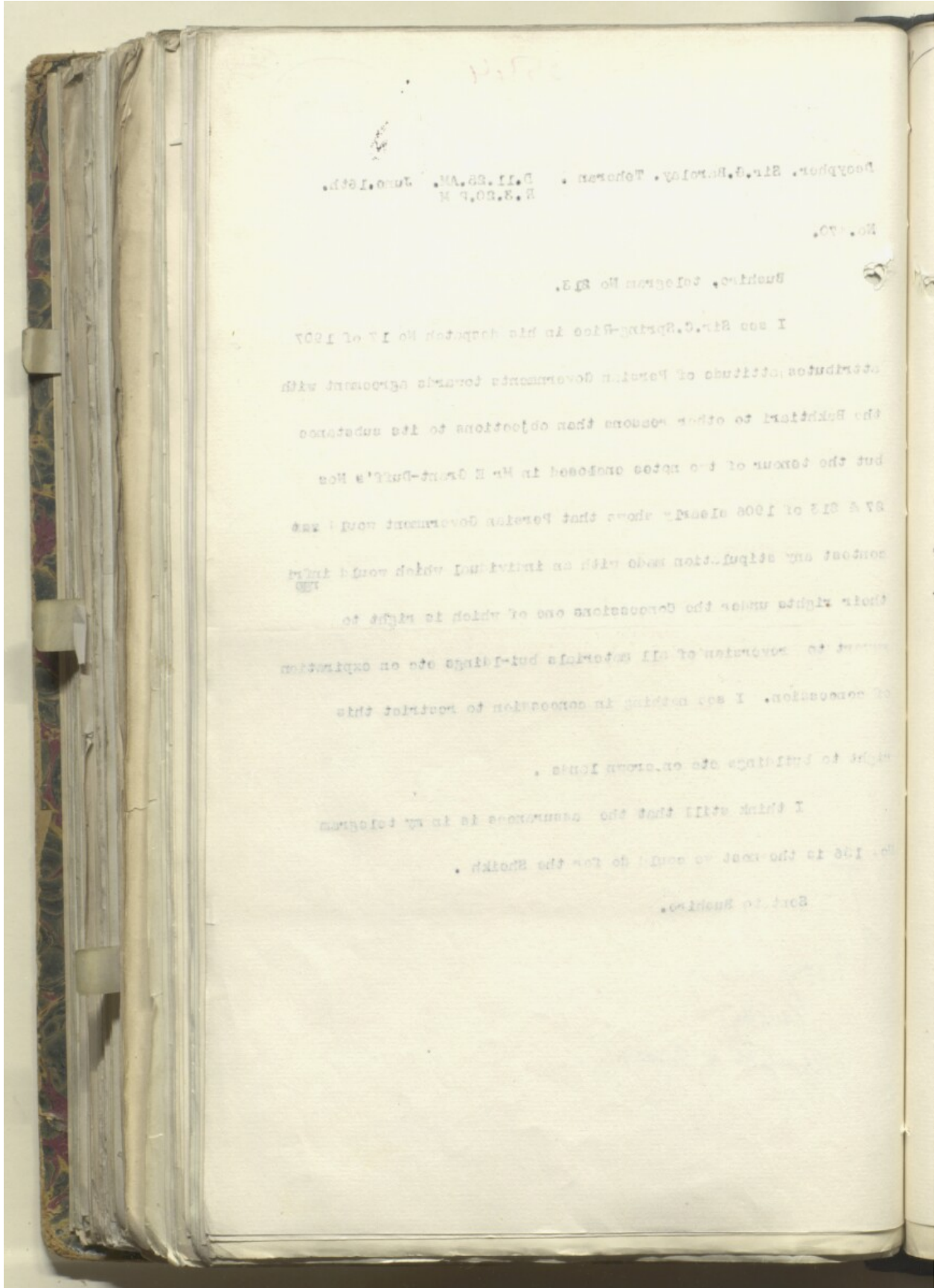


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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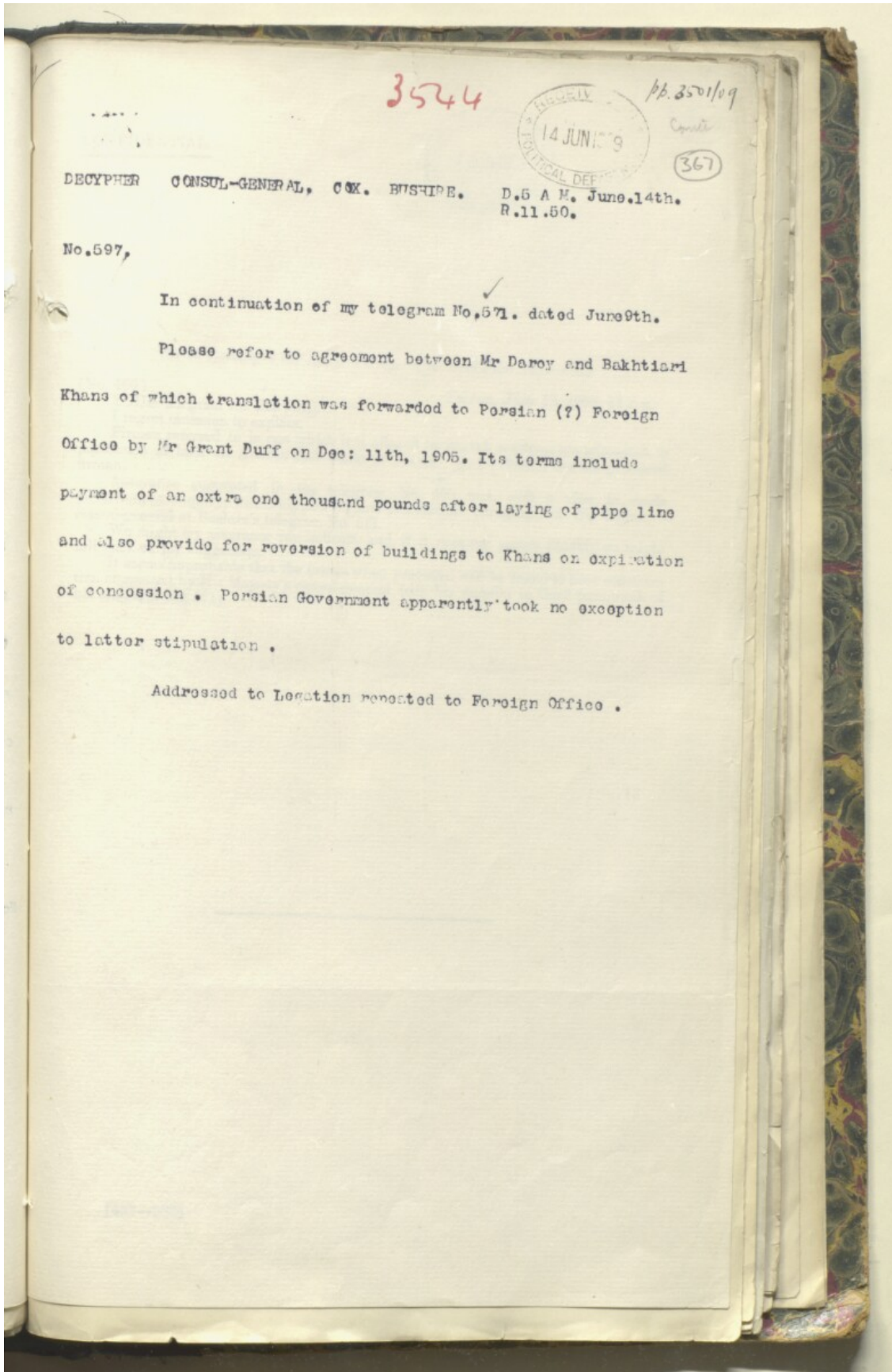


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
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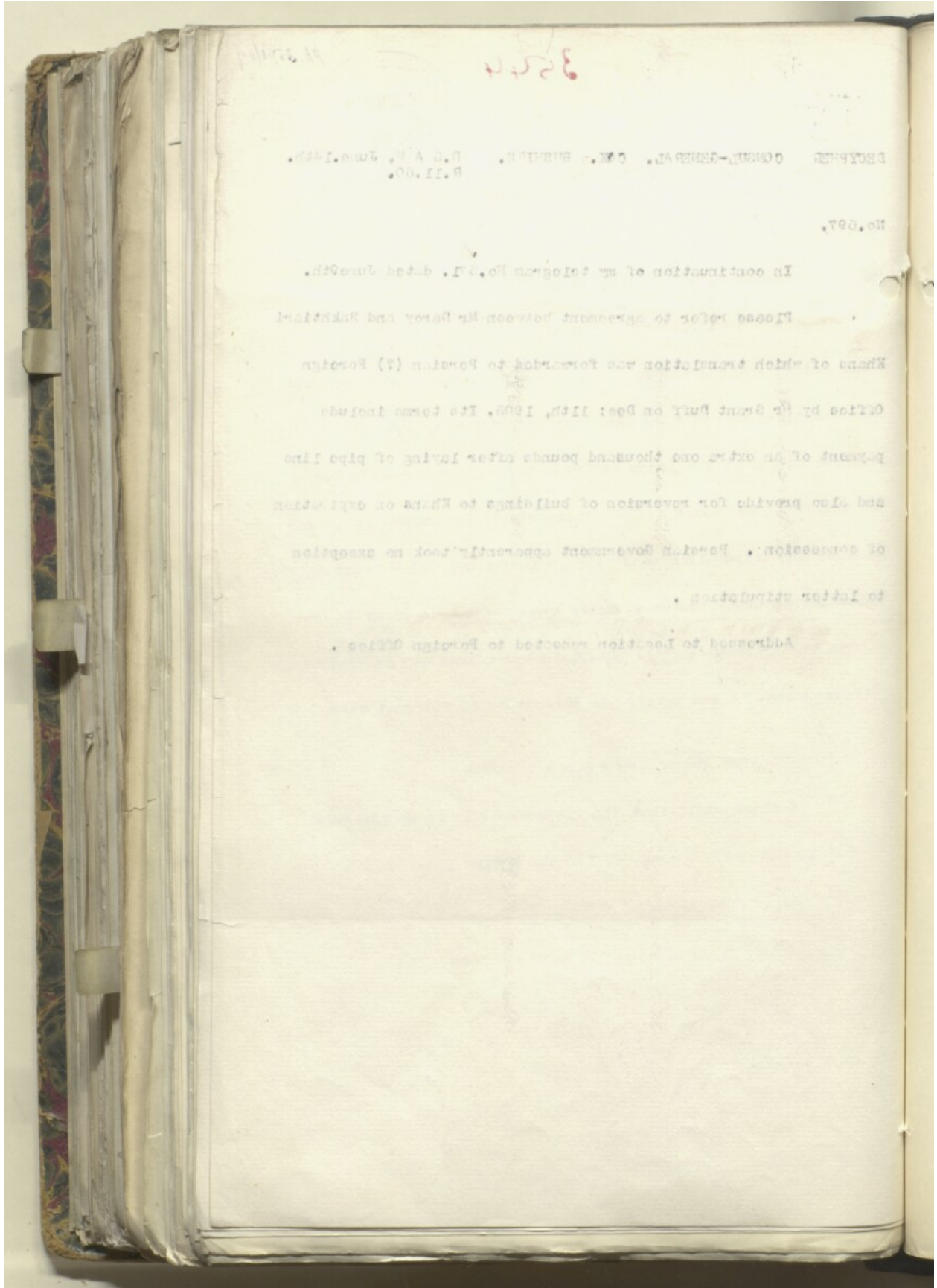


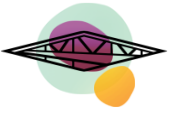
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٧ و] (٣٣٨/٢٩٩)



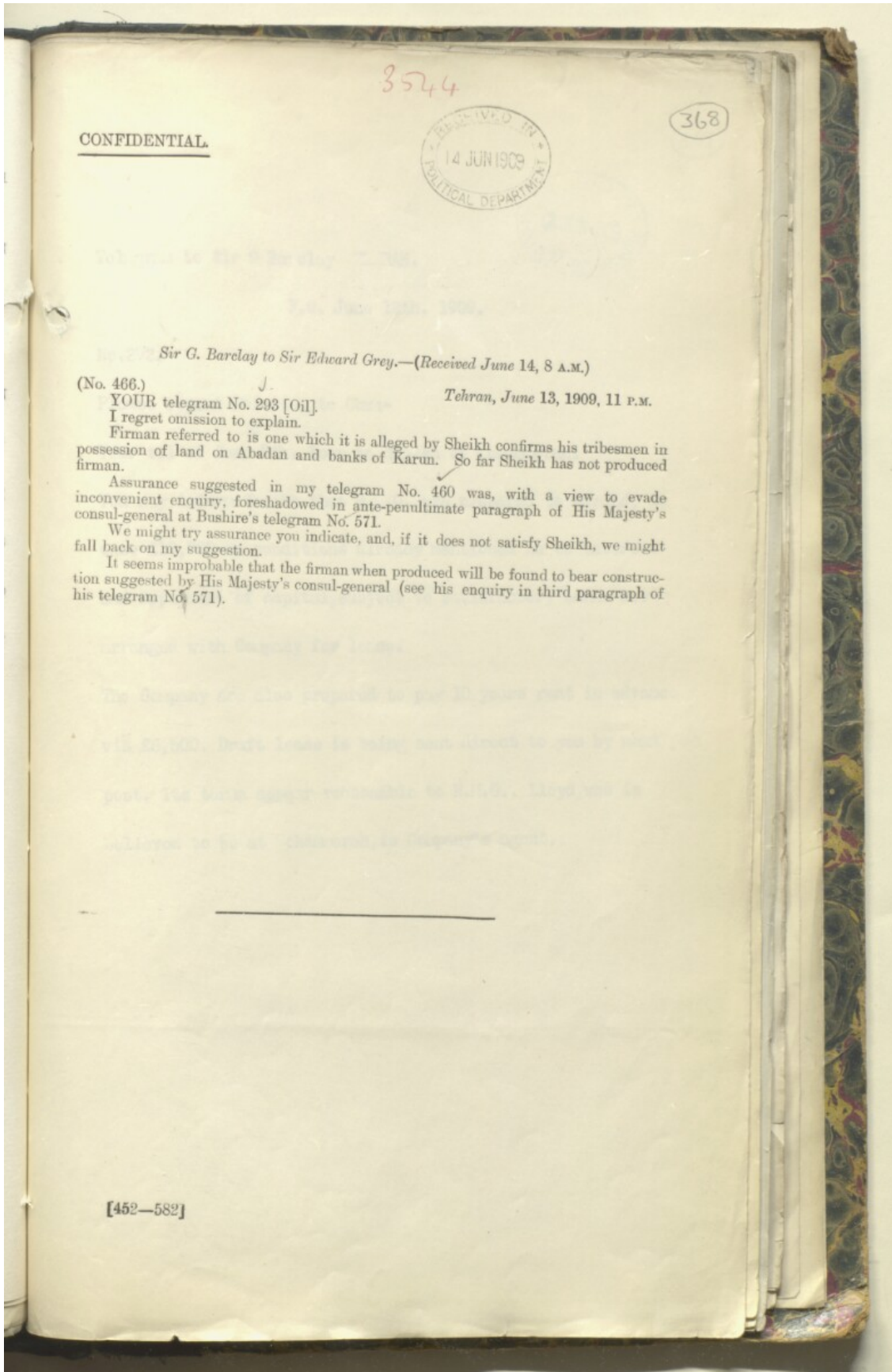


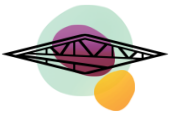
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
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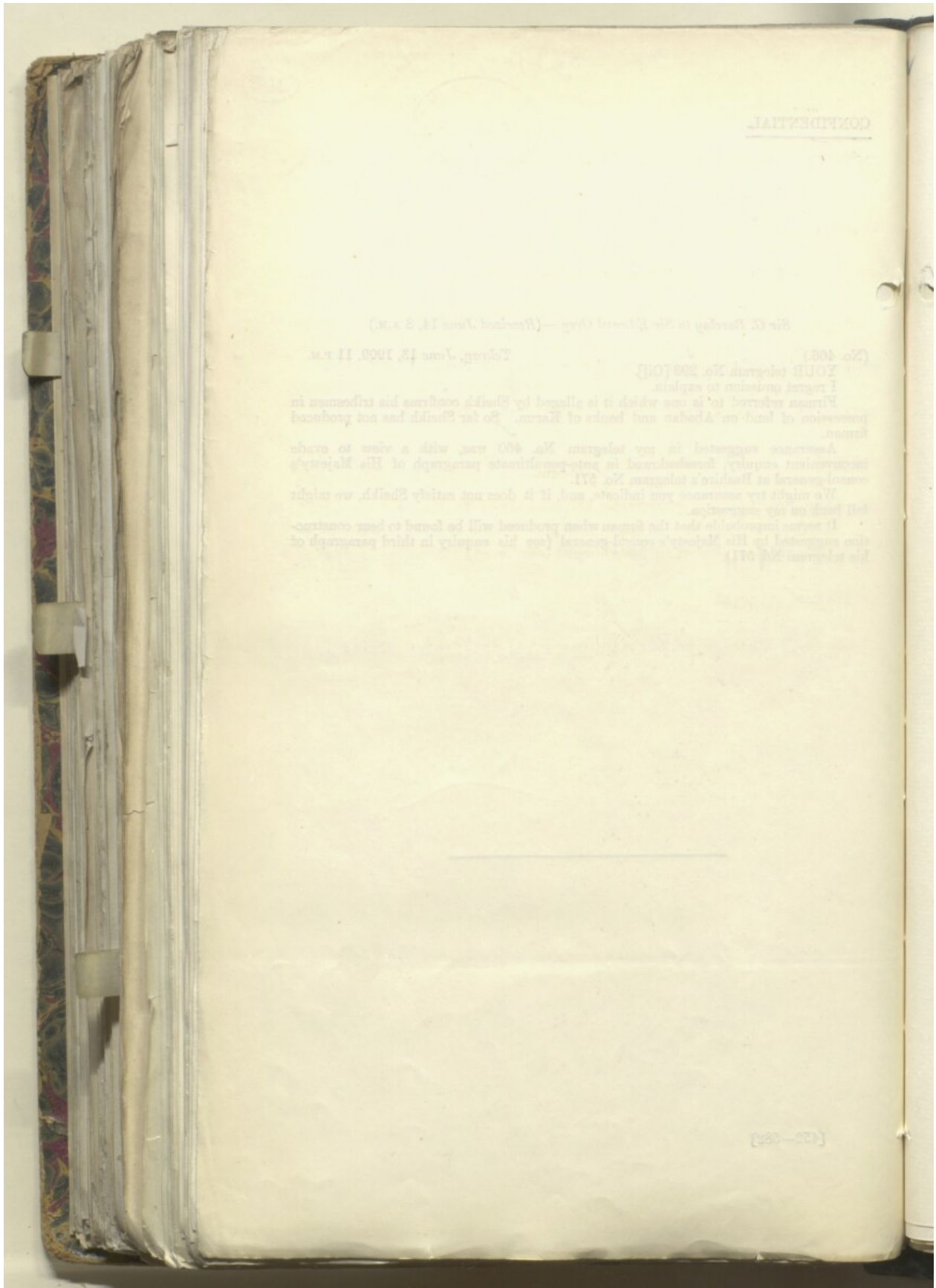


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٨ و] (٣٣٨/٣٠١)



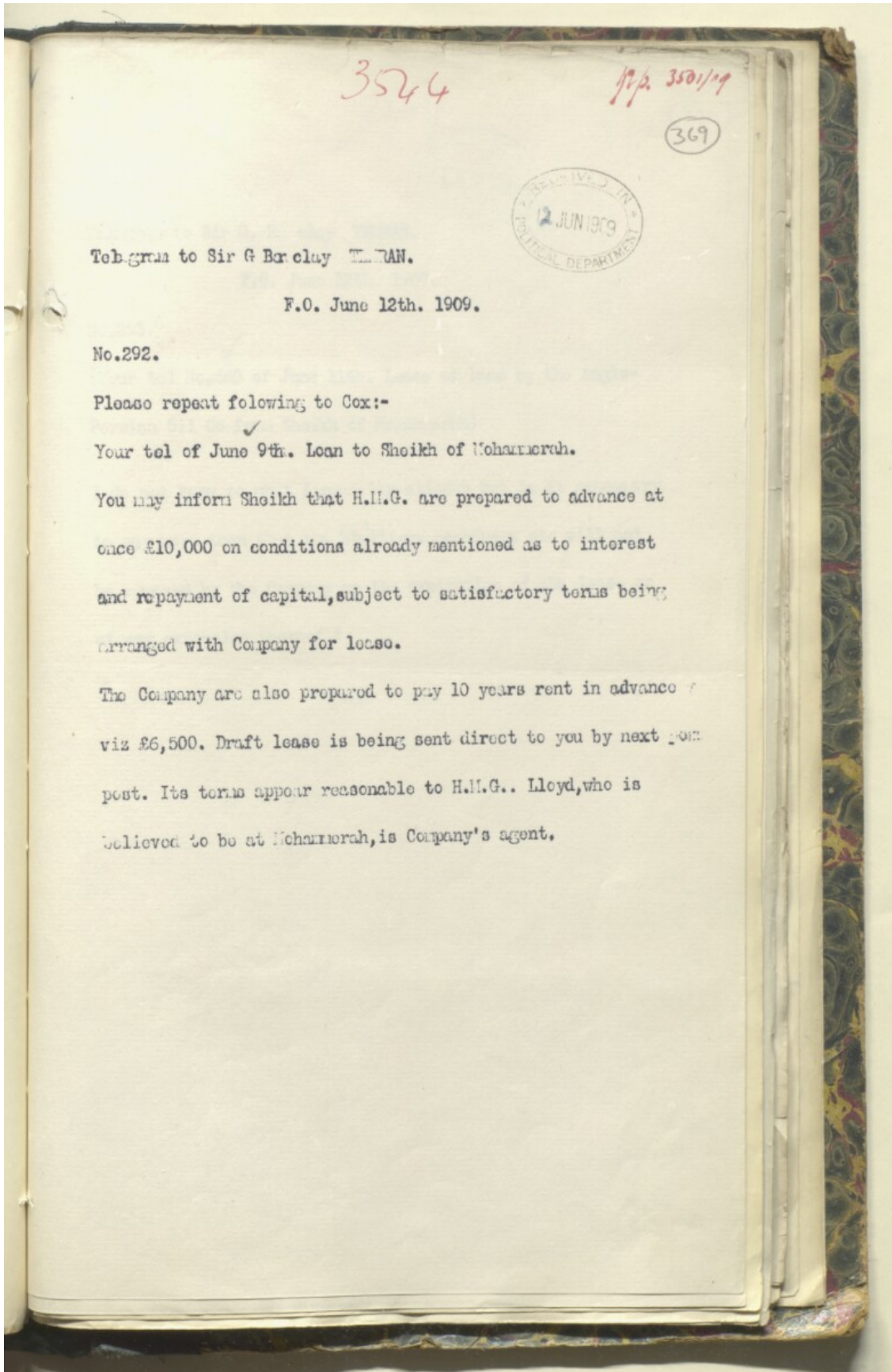


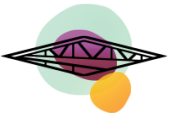
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
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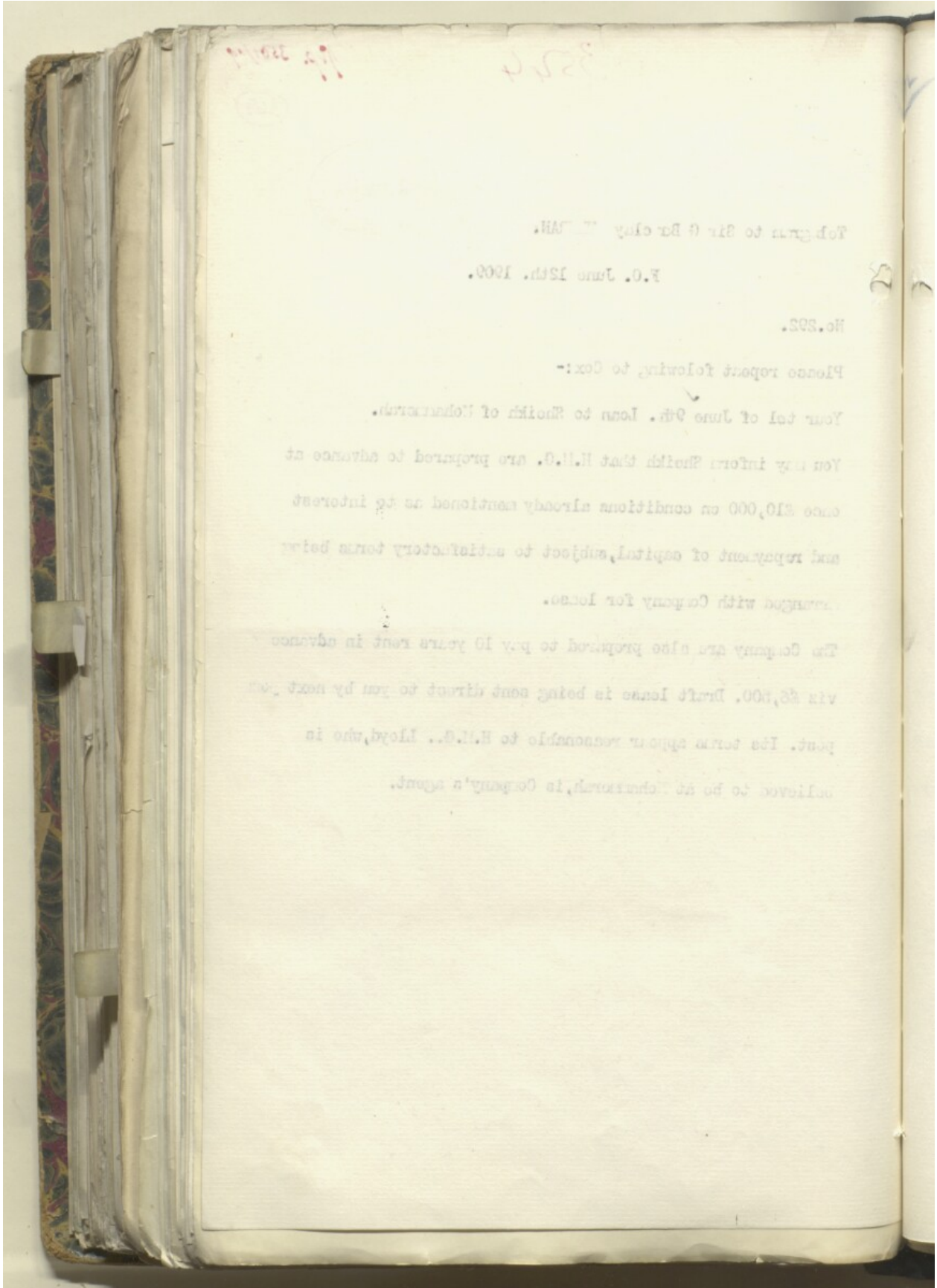


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٩ و] (٣٣٨/٣٠٣)



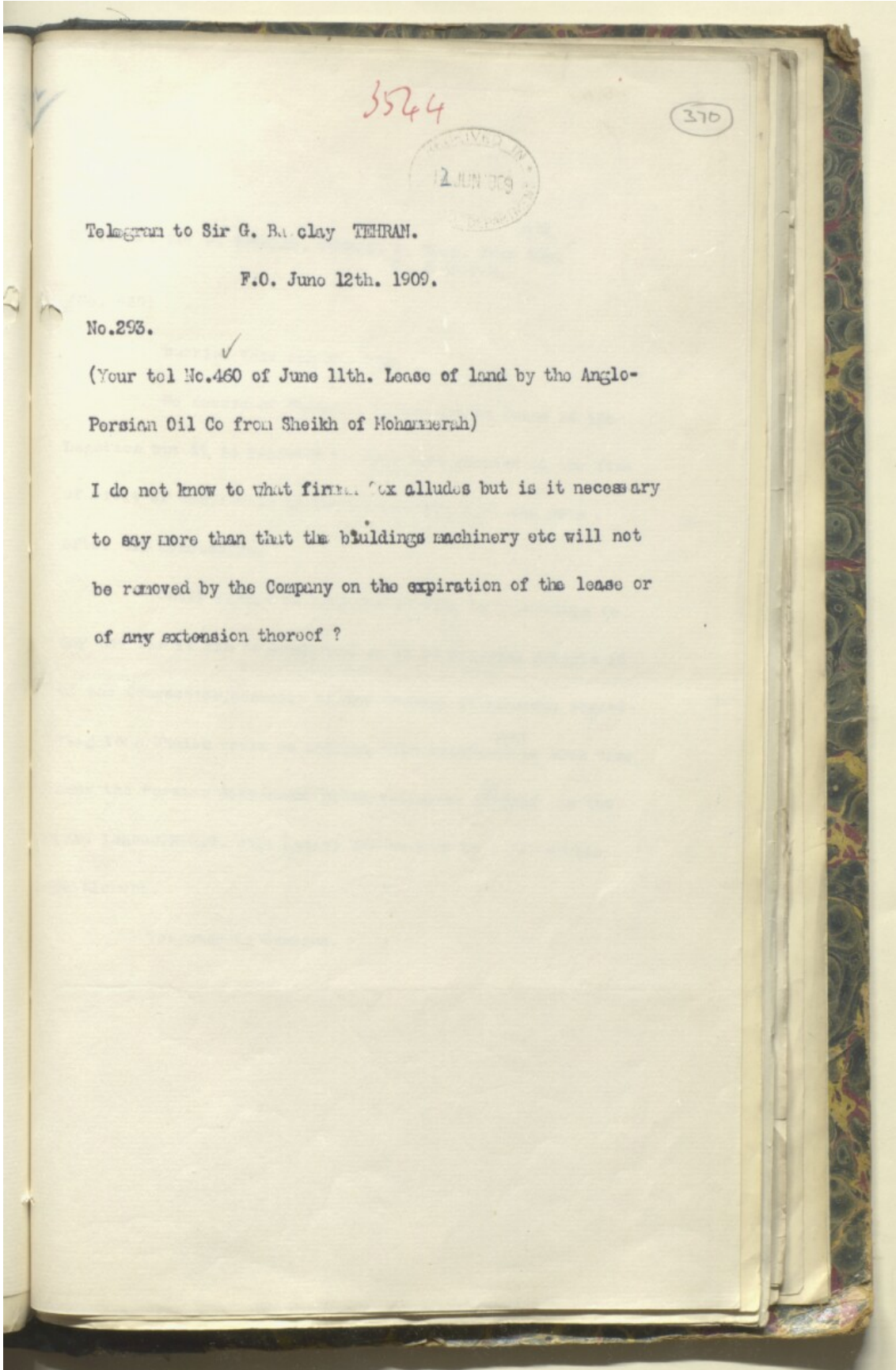


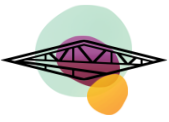
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٦٩ظ] (٣٣٨/٣٠٤)



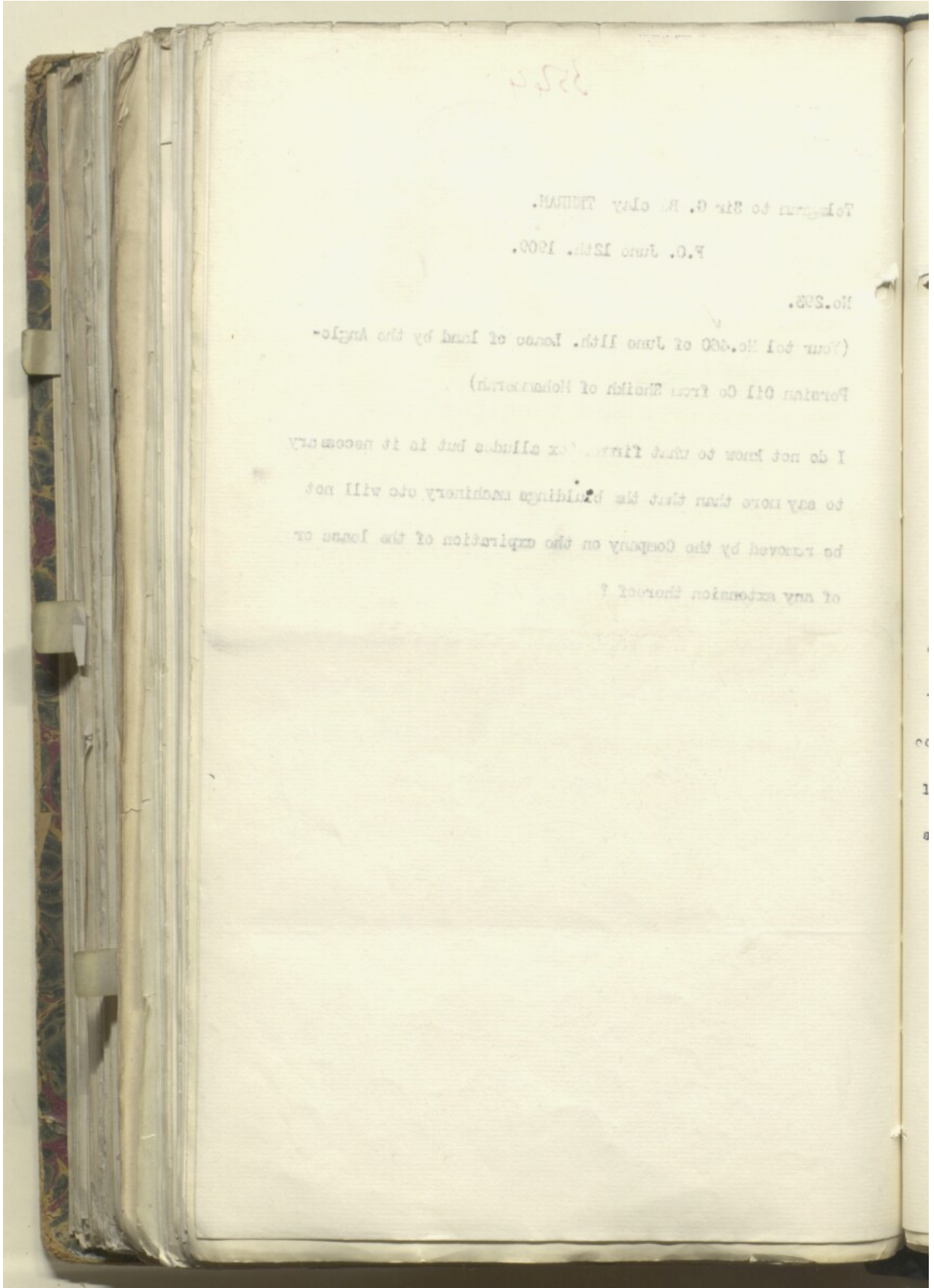


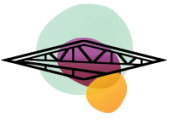
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٠ و] (٣٣٨/٣٠٥)



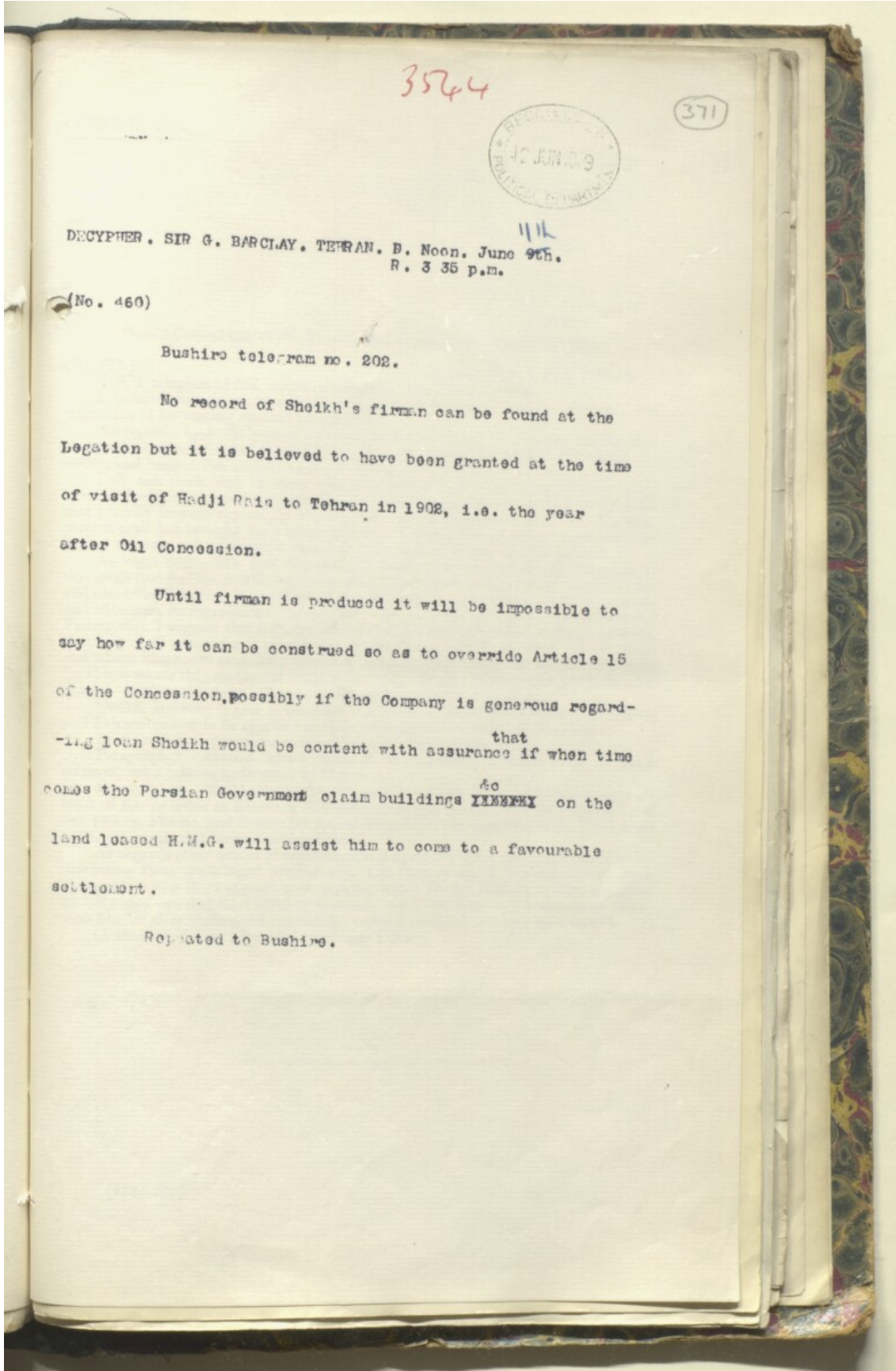


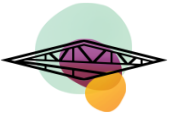
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٠ظ] (٣٣٨/٣٠٦)



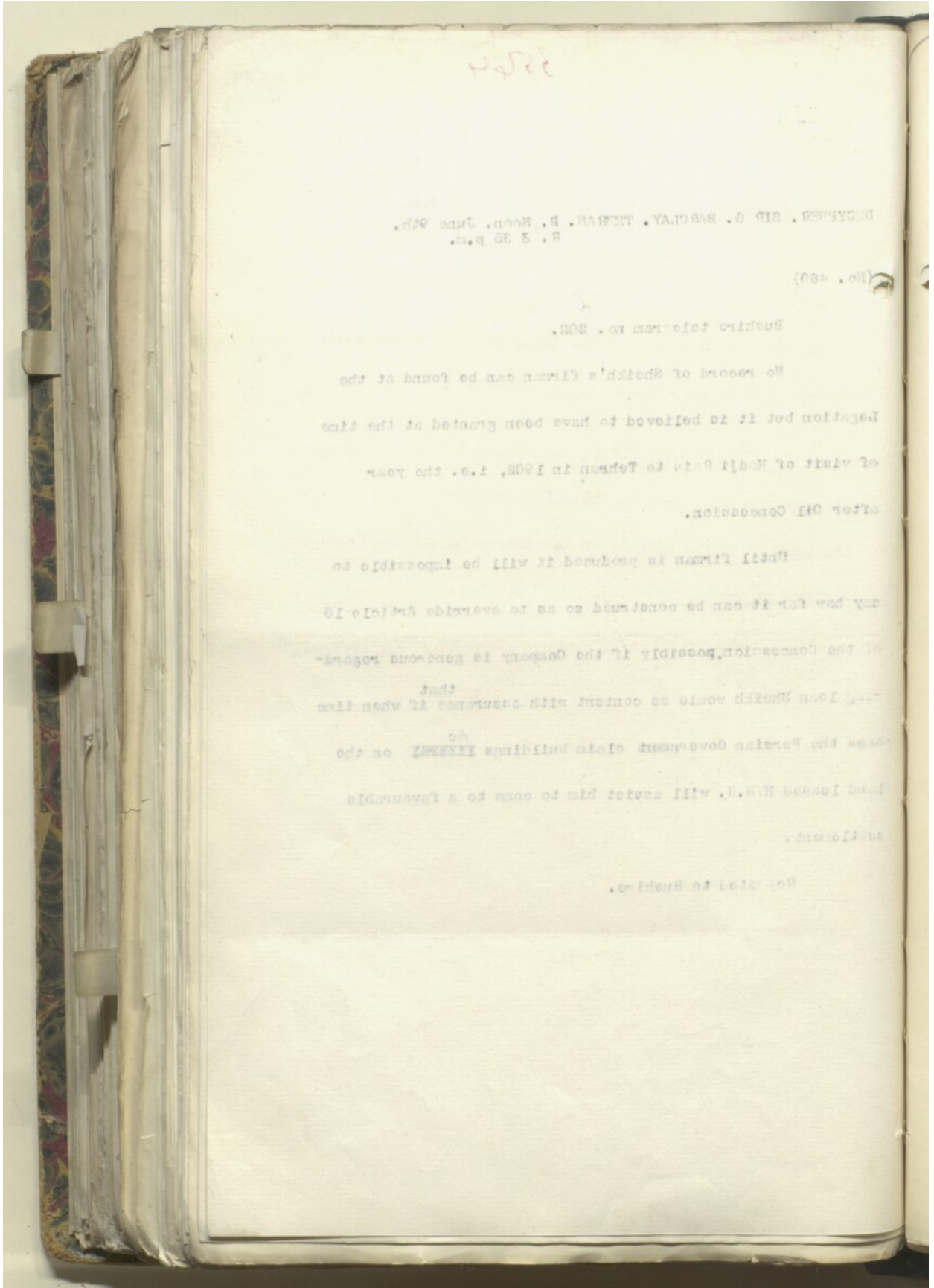


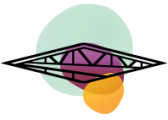
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
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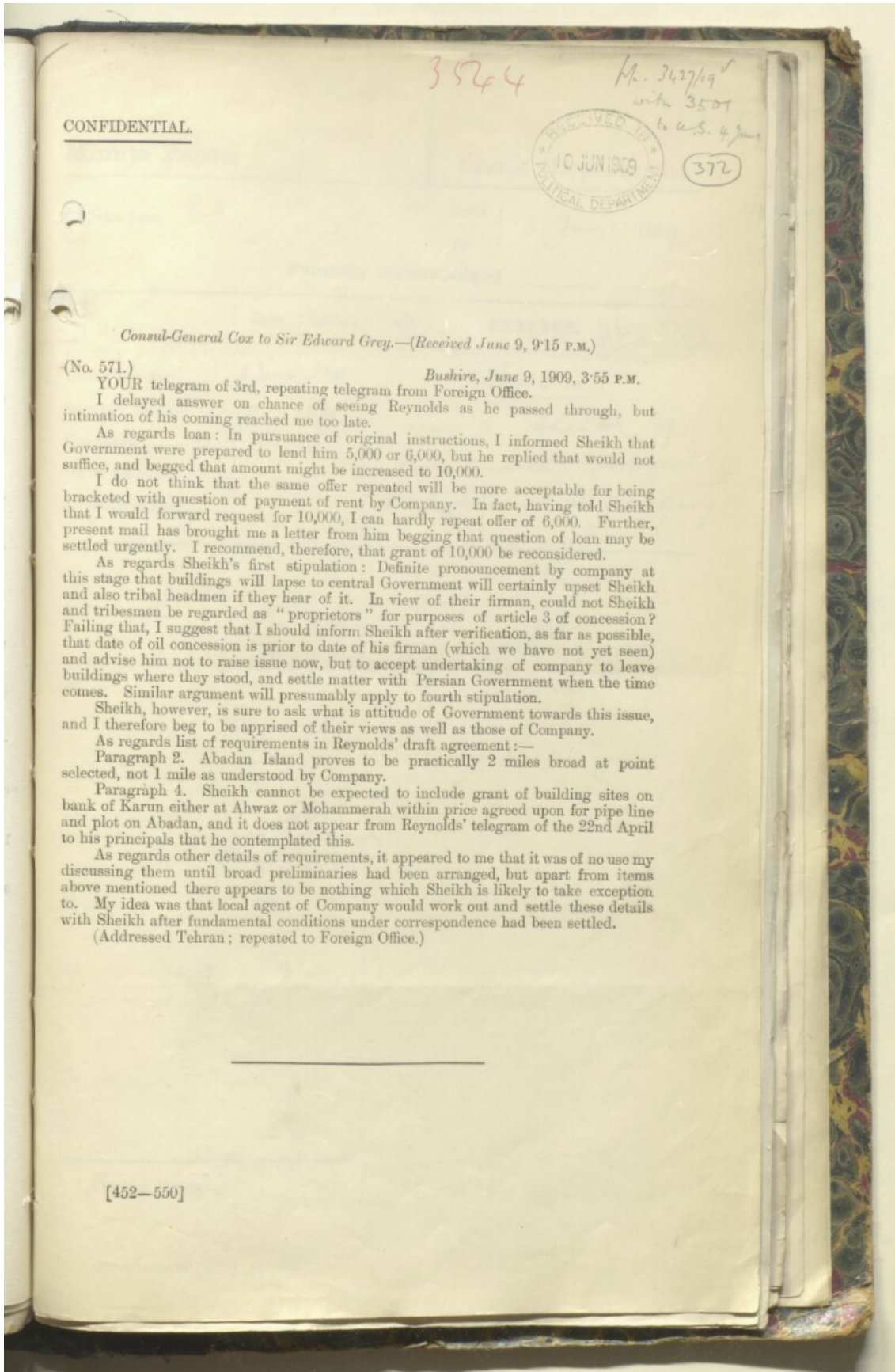


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧١ظ] (٣٣٨/٣٠٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٢ و] (٣٣٨/٣٠٩)



CONFIDENTIAL.

Consul-General Cox to Sir Edward Grey.—(Received June 9, 9:15 P.M.)

(No. 571.)

Bushire, June 9, 1909, 3:55 P.M.

YOUR telegram of 3rd, repeating telegram from Foreign Office.

I delayed answer on chance of seeing Reynolds as he passed through, but intimation of his coming reached me too late.

As regards loan: In pursuance of original instructions, I informed Sheikh that Government were prepared to lend him 5,000 or 6,000, but he replied that would not suffice, and begged that amount might be increased to 10,000.

I do not think that the same offer repeated will be more acceptable for being bracketed with question of payment of rent by Company. In fact, having told Sheikh that I would forward request for 10,000, I can hardly repeat offer of 6,000. Further, present mail has brought me a letter from him begging that question of loan may be settled urgently. I recommend, therefore, that grant of 10,000 be reconsidered.

As regards Sheikh's first stipulation: Definite pronouncement by company at this stage that buildings will lapse to central Government will certainly upset Sheikh and also tribal headmen if they hear of it. In view of their firman, could not Sheikh and tribesmen be regarded as "proprietors" for purposes of article 3 of concession? Failing that, I suggest that I should inform Sheikh after verification, as far as possible, that date of oil concession is prior to date of his firman (which we have not yet seen) and advise him not to raise issue now, but to accept undertaking of company to leave buildings where they stood, and settle matter with Persian Government when the time comes. Similar argument will presumably apply to fourth stipulation.

Sheikh, however, is sure to ask what is attitude of Government towards this issue, and I therefore beg to be apprised of their views as well as those of Company.

As regards list of requirements in Reynolds' draft agreement:—

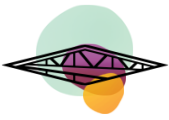
Paragraph 2. Abadan Island proves to be practically 2 miles broad at point selected, not 1 mile as understood by Company.

Paragraph 4. Sheikh cannot be expected to include grant of building sites on bank of Karun either at Ahwaz or Mohammerah within price agreed upon for pipe line and plot on Abadan, and it does not appear from Reynolds' telegram of the 22nd April to his principals that he contemplated this.

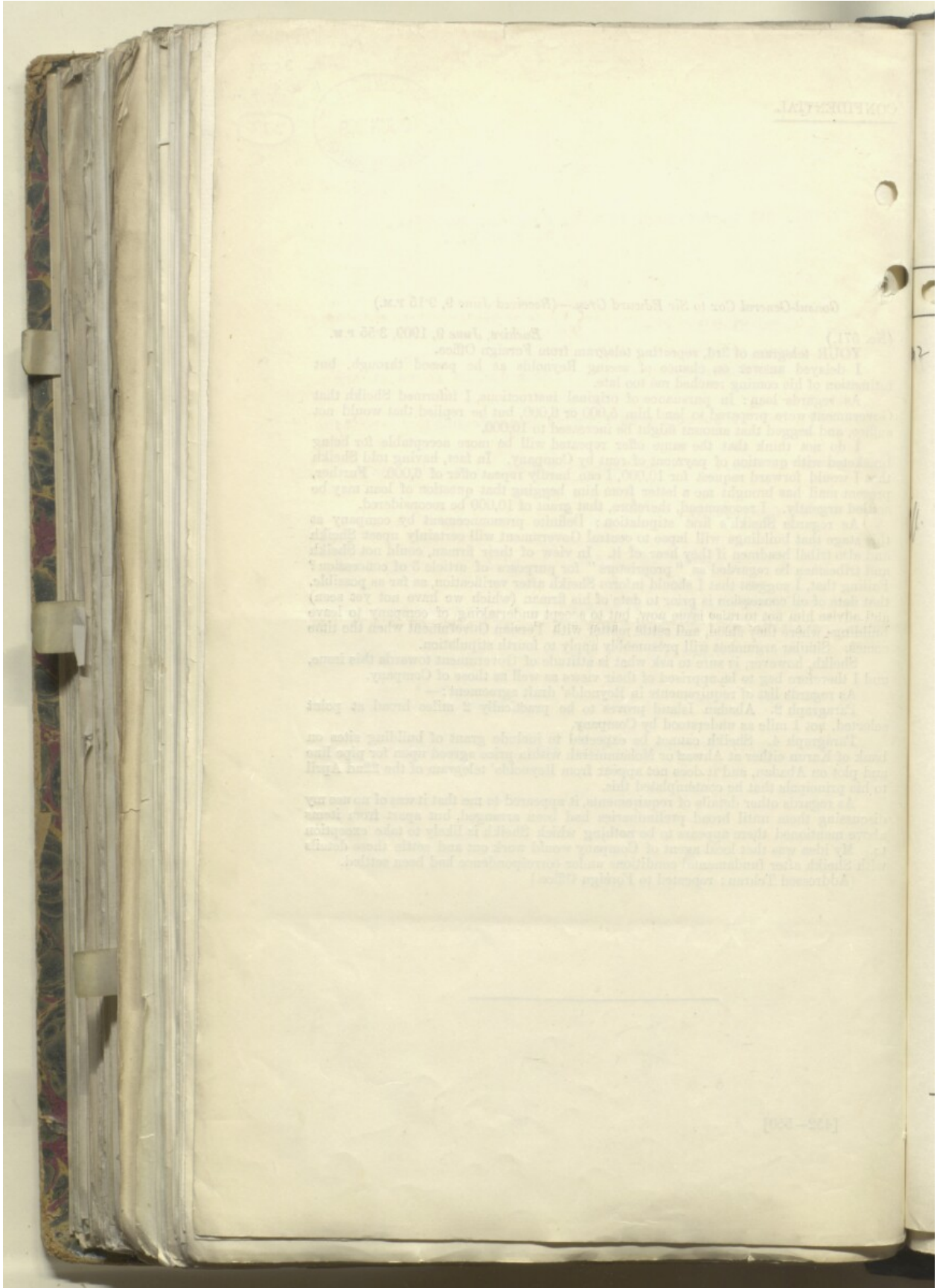
As regards other details of requirements, it appeared to me that it was of no use my discussing them until broad preliminaries had been arranged, but apart from items above mentioned there appears to be nothing which Sheikh is likely to take exception to. My idea was that local agent of Company would work out and settle these details with Sheikh after fundamental conditions under correspondence had been settled.

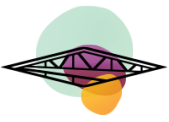
(Addressed Tehran; repeated to Foreign Office.)

[452—550]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأتجلو-فارسية" [٣٧٢ظ] (٣٣٨/٣١٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٣ و] (٣٣٨/٣١١)

Register No. 3501 (373)

Minute Paper. Secret Department.

Letter from F.O. Dated } 3 June 1909.
Rec. }

Formally acknowledged

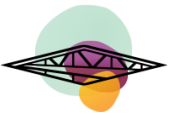
	Date.	Initials.	SUBJECT.
Under Secretary	4 June	ms	Persia.
Secretary of State	7	af	Loan to Sheikh of
Committee	10	M.	Mohammerah: proposals of
Under Secretary			the Anglo-Persian Oil Company.
Secretary of State			

Copy to India 4 June of. 23
25 - 26
LW
for information.

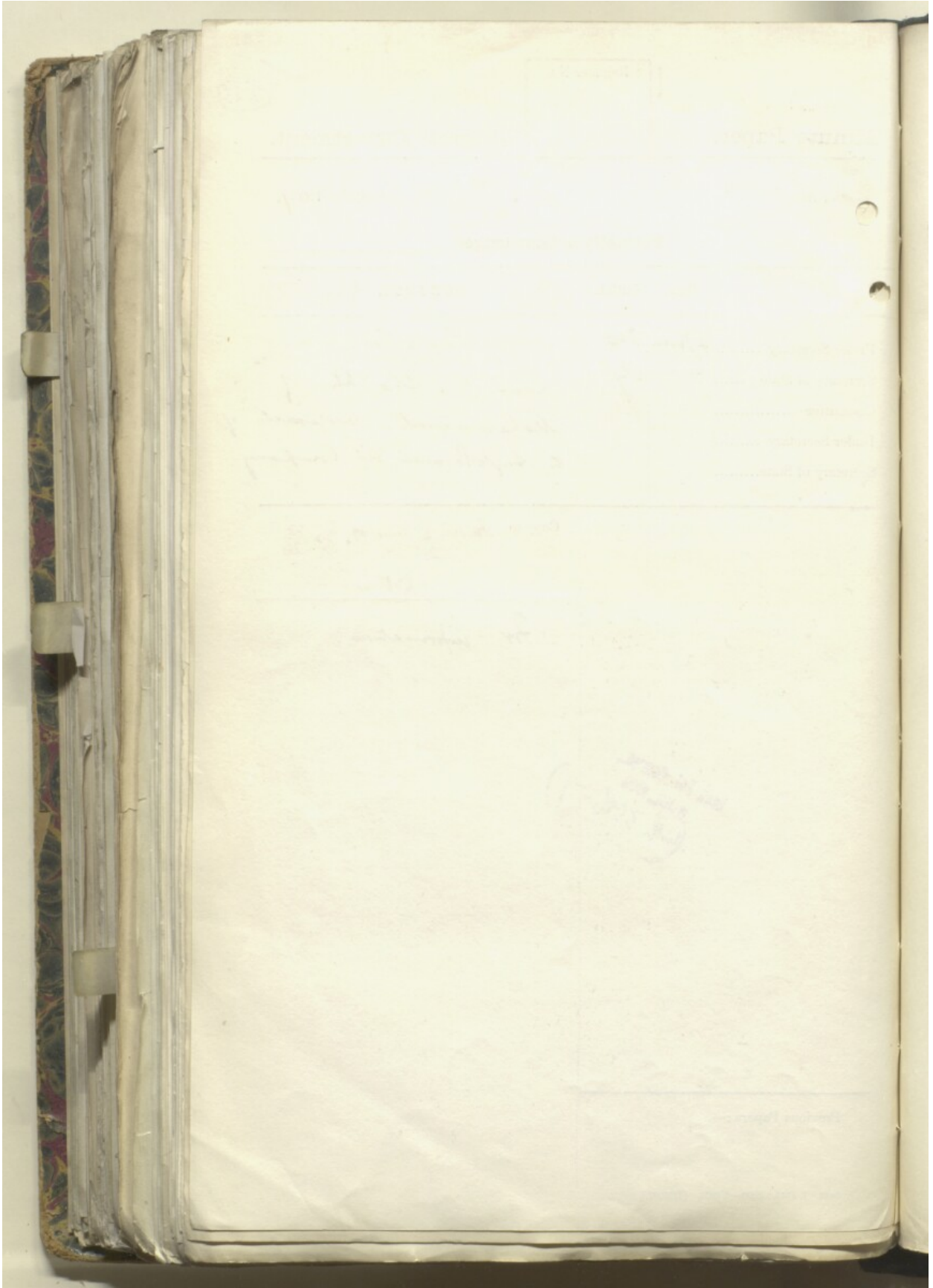
Seen Pol Comra.
9 JUL 1909
(with 3506-7)

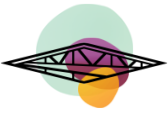
Previous Papers:—

3489. I. 1135. 2000.—6/1908. [1779/07.]

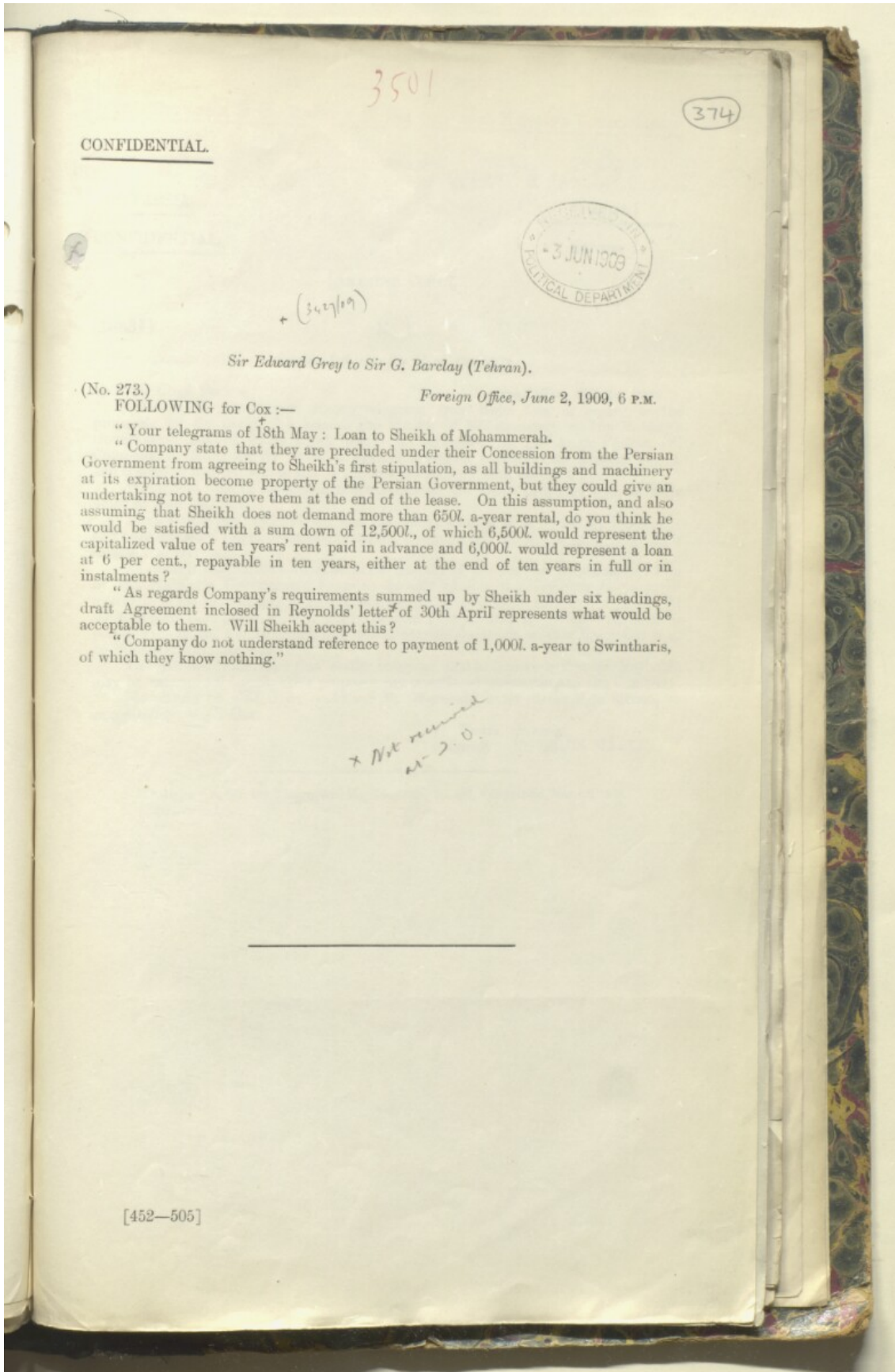


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٣ظ] (٣٣٨/٣١٢)



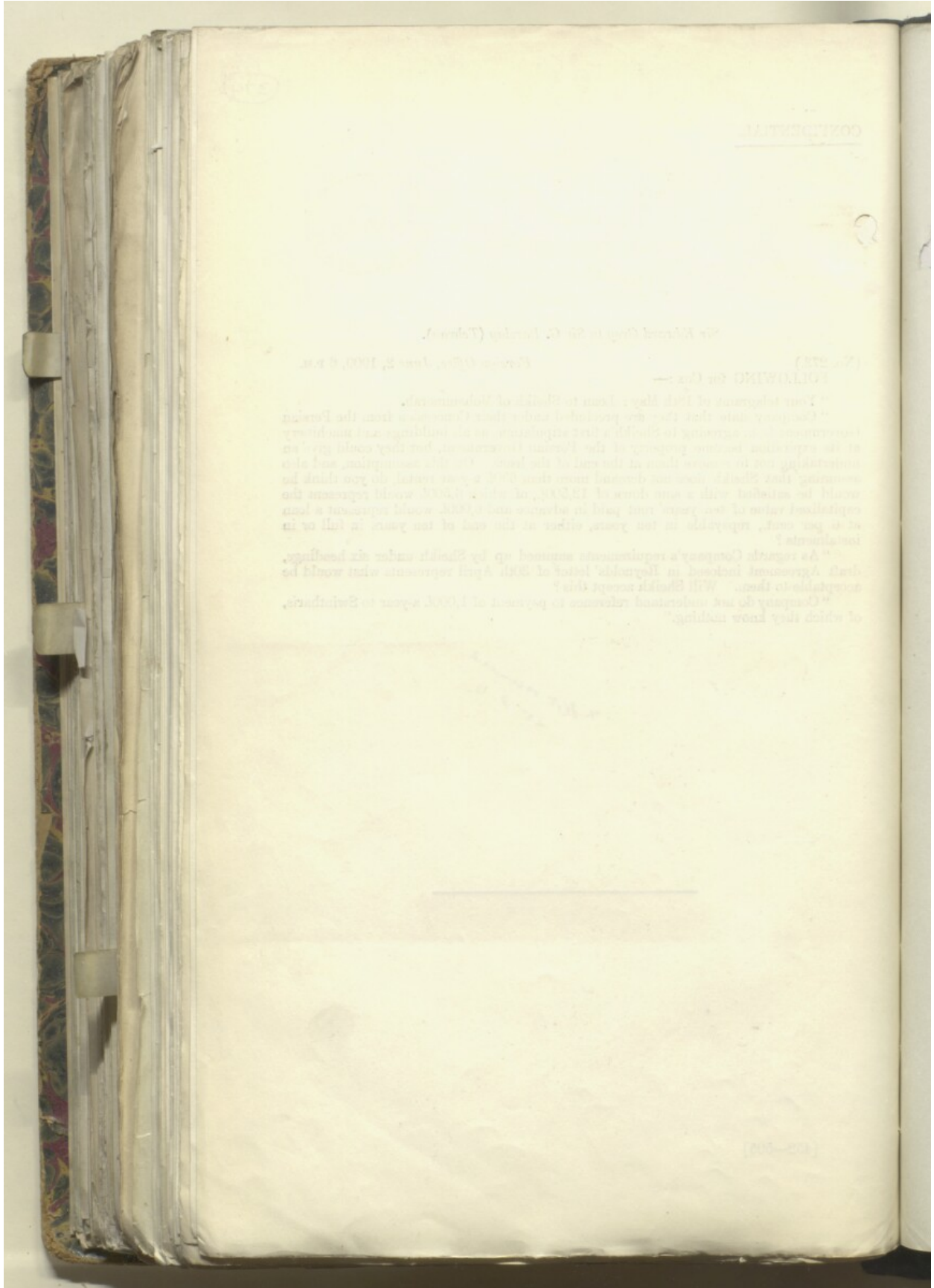


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٤ و] (٣٣٨/٣١٣)



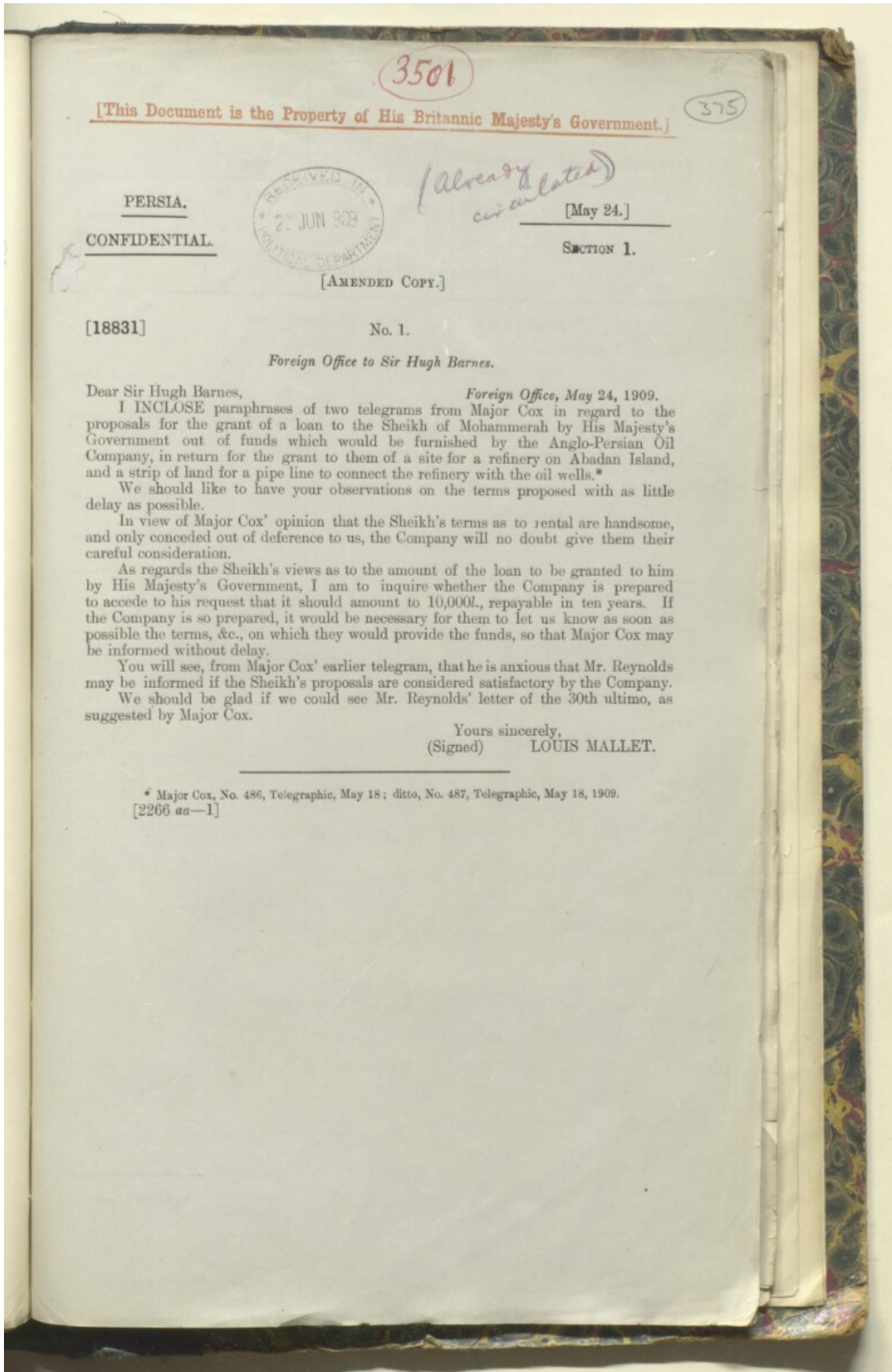


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٤ظ] (٣٣٨/٣١٤)



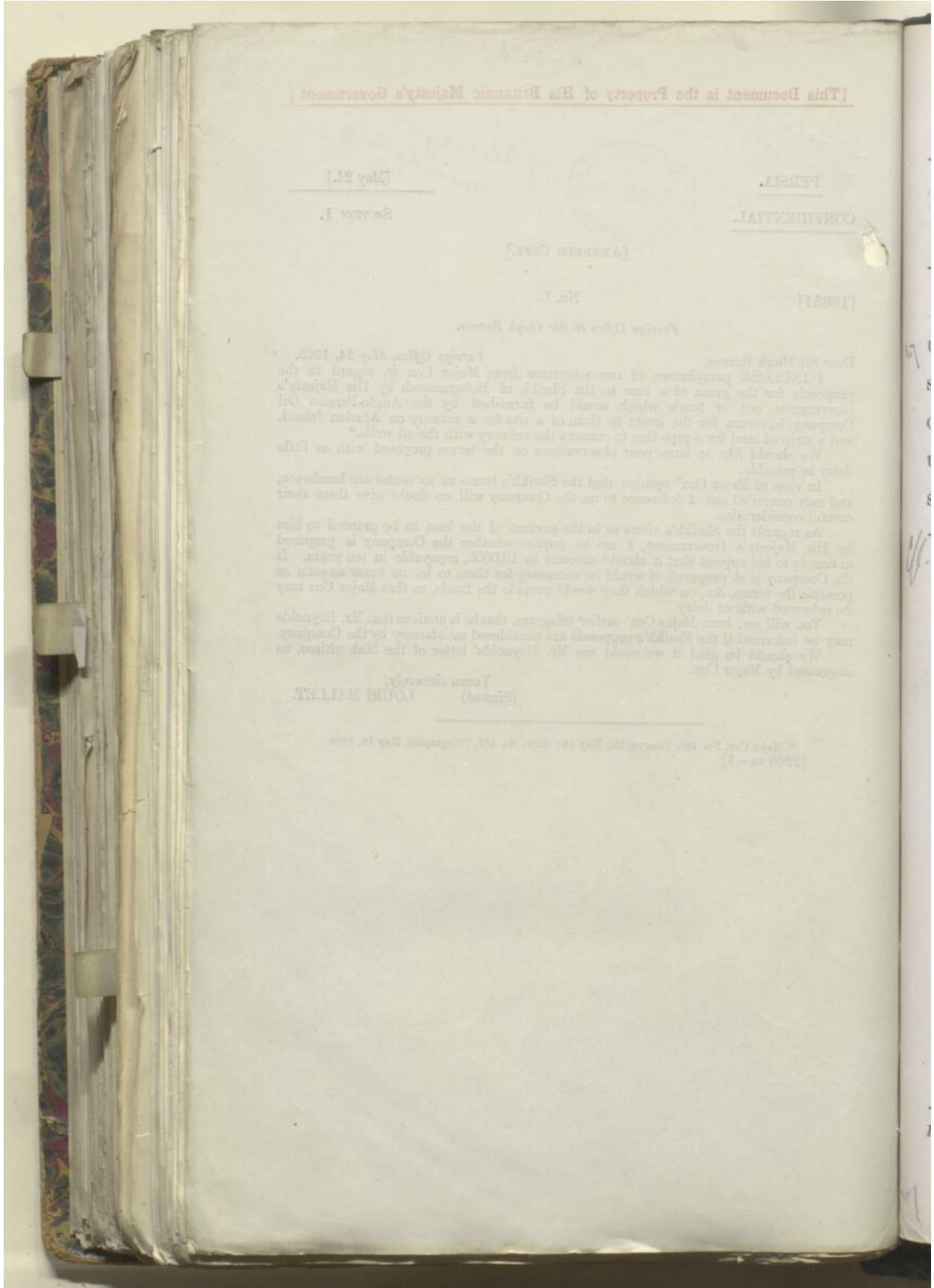


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٥ و] (٣٣٨/٣١٥)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٥ظ] (٣٣٨/٣١٦)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٦ و] (٣٣٨/٣١٧)

Register No. 3427

376

Secret Department.

Letter from FO,

Dated 18 May 1909.

Rec. 19 26 May

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary.....	19.5	W	Persia. ^{WST} Mohammerah. Major Cox's negotiations with the Sheikh regarding a loan, and the requirements of the Oil Company. Reports from Major Cox of 18th May.
Secretary of State	20	AP	
Committee	"	M.	
Under Secretary.....			
Secretary of State			

Copy to India 21 May 09 } and see interim.
Seq 21.

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For information

It is apparently for the FO to deal
direct with the Oil Co. in respect of
the matters discussed in these telegrams
from Major Cox. India is not
directly concerned.

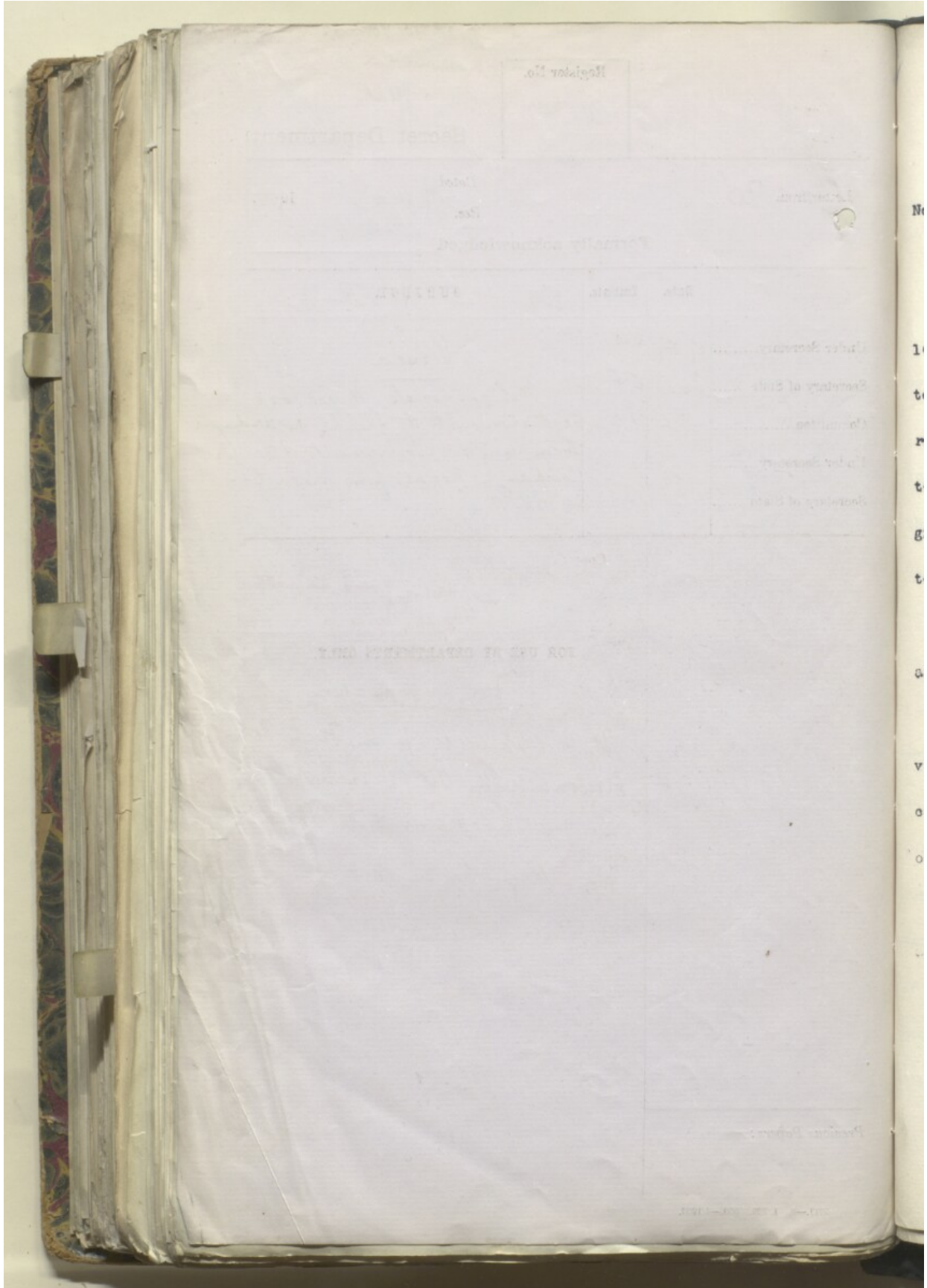
Scan Pol. Com. 04,
24 MAY 1909

Previous Papers:—
3342
619

5611.—2 I. 725. 500.—4/1909.

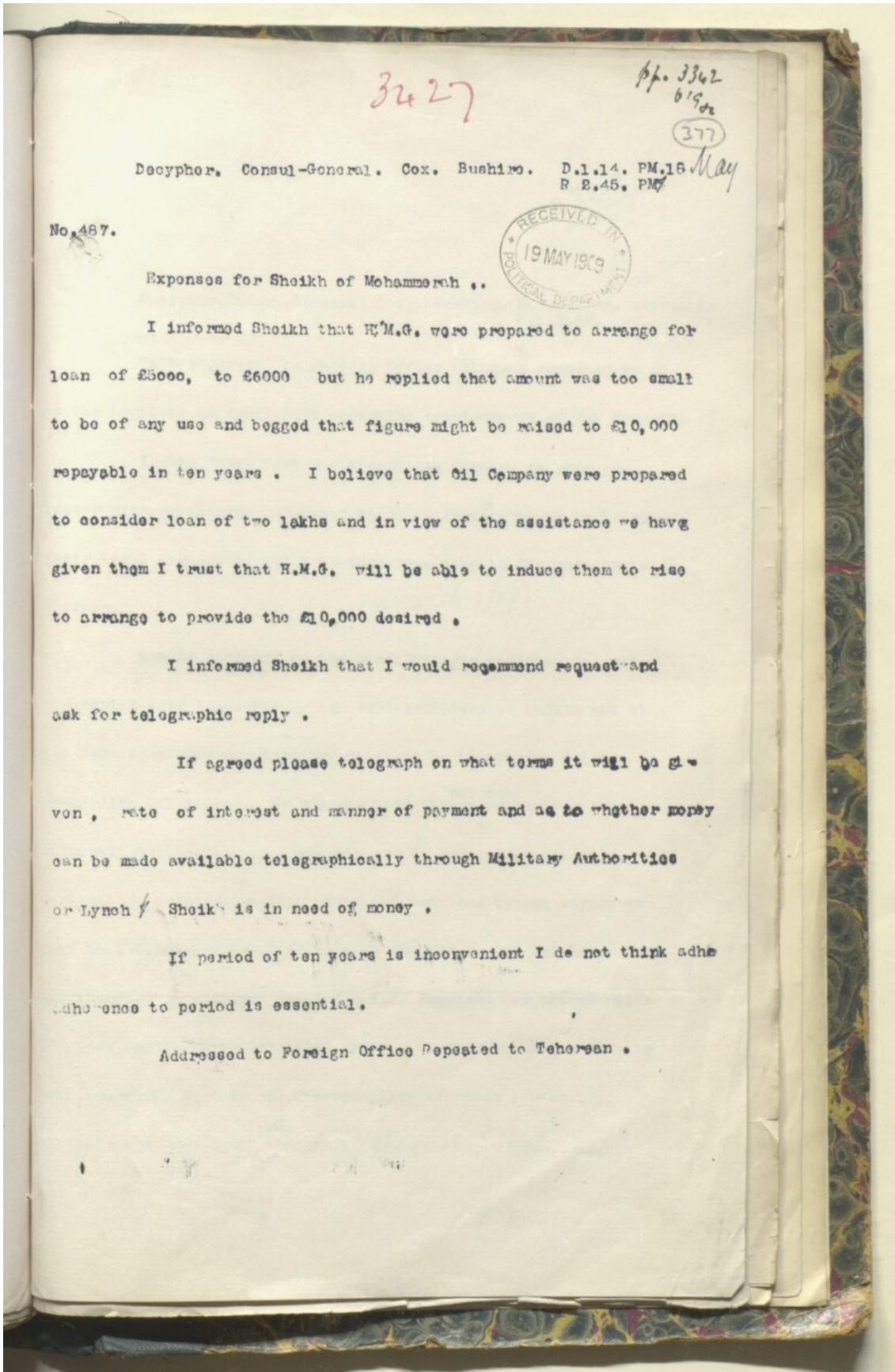


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٦ظ] (٣٣٨/٣١٨)



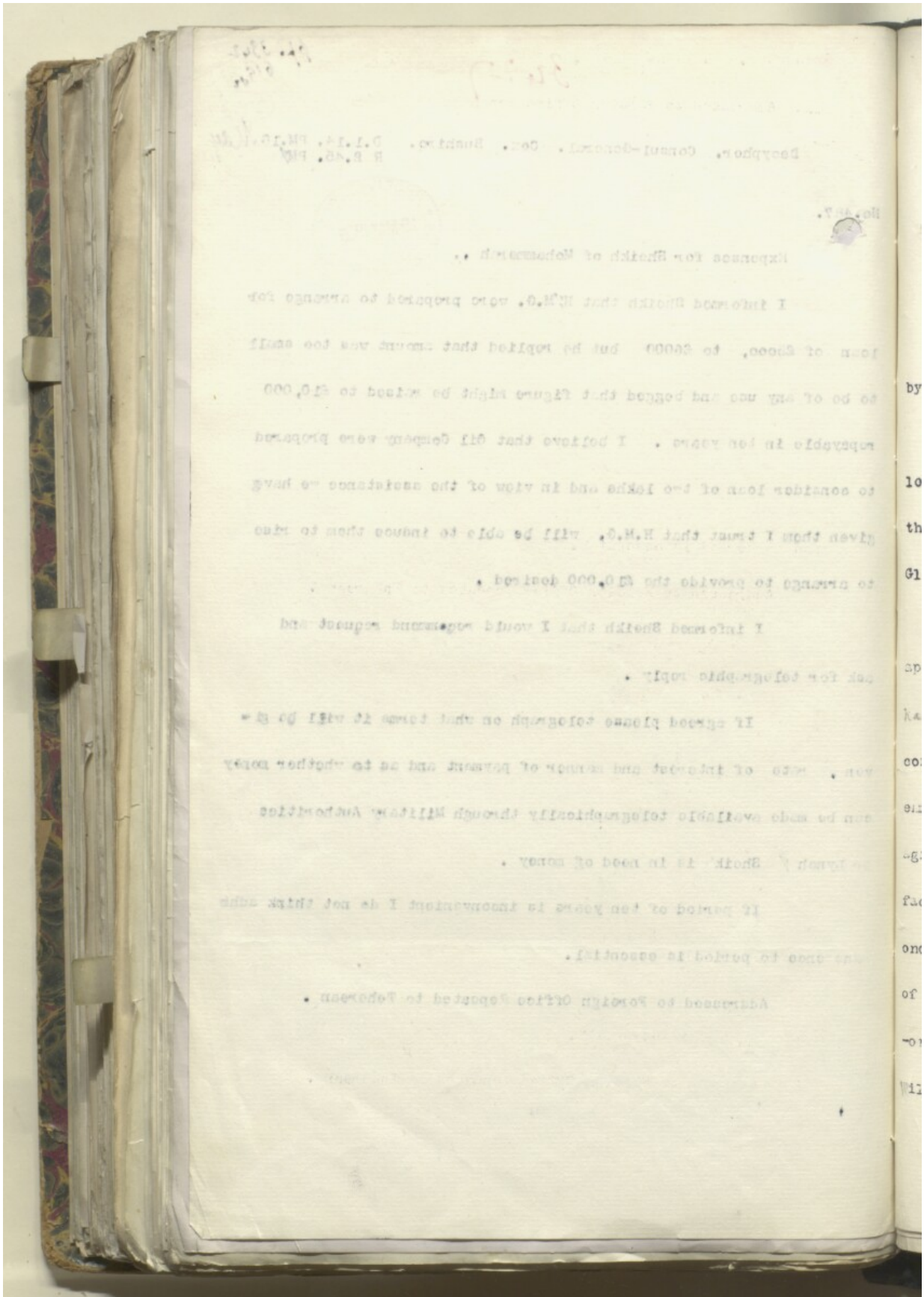


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٧و] (٣٣٨/٣١٩)



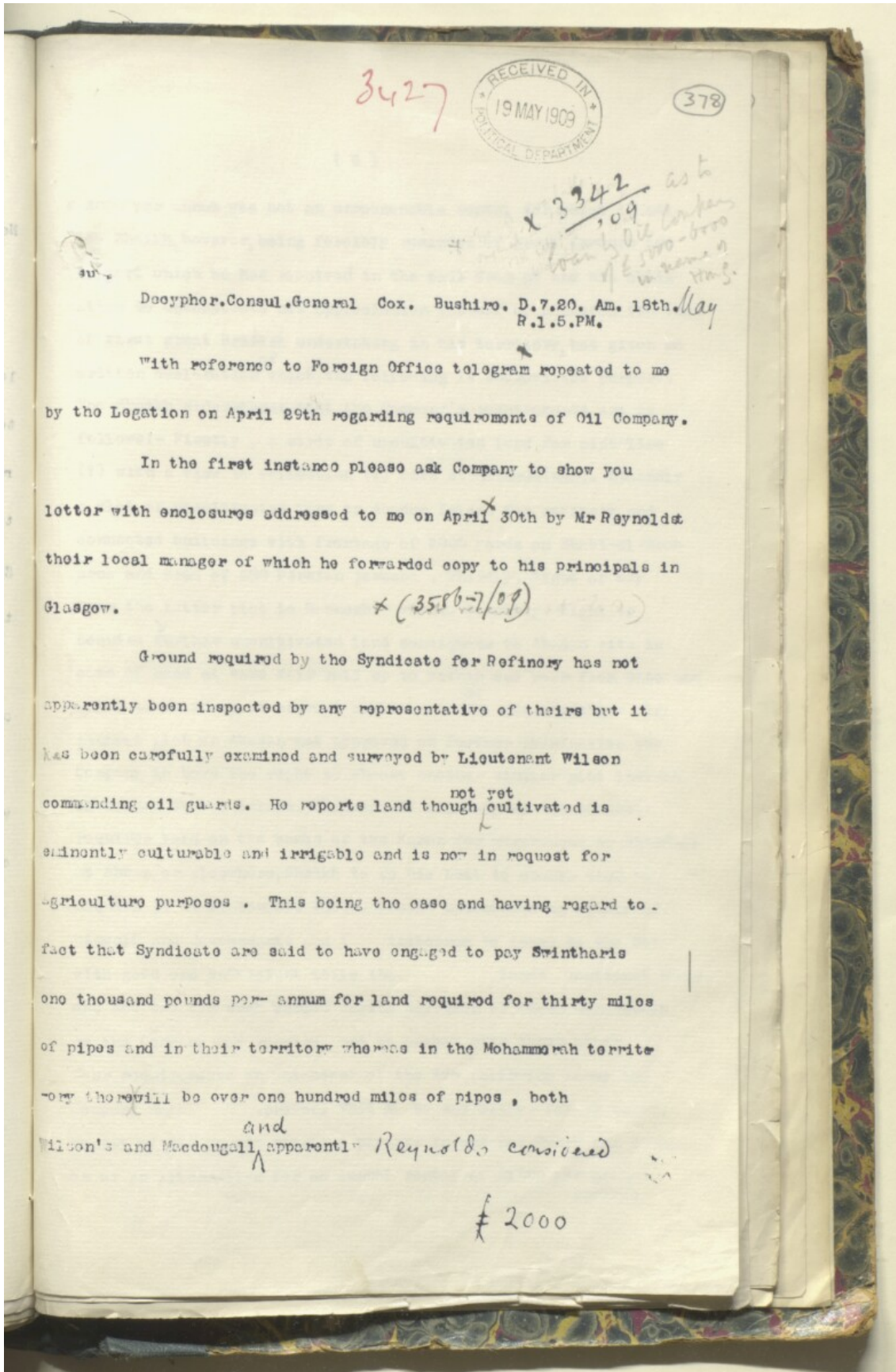


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٧ظ] (٣٣٨/٣٢٠)



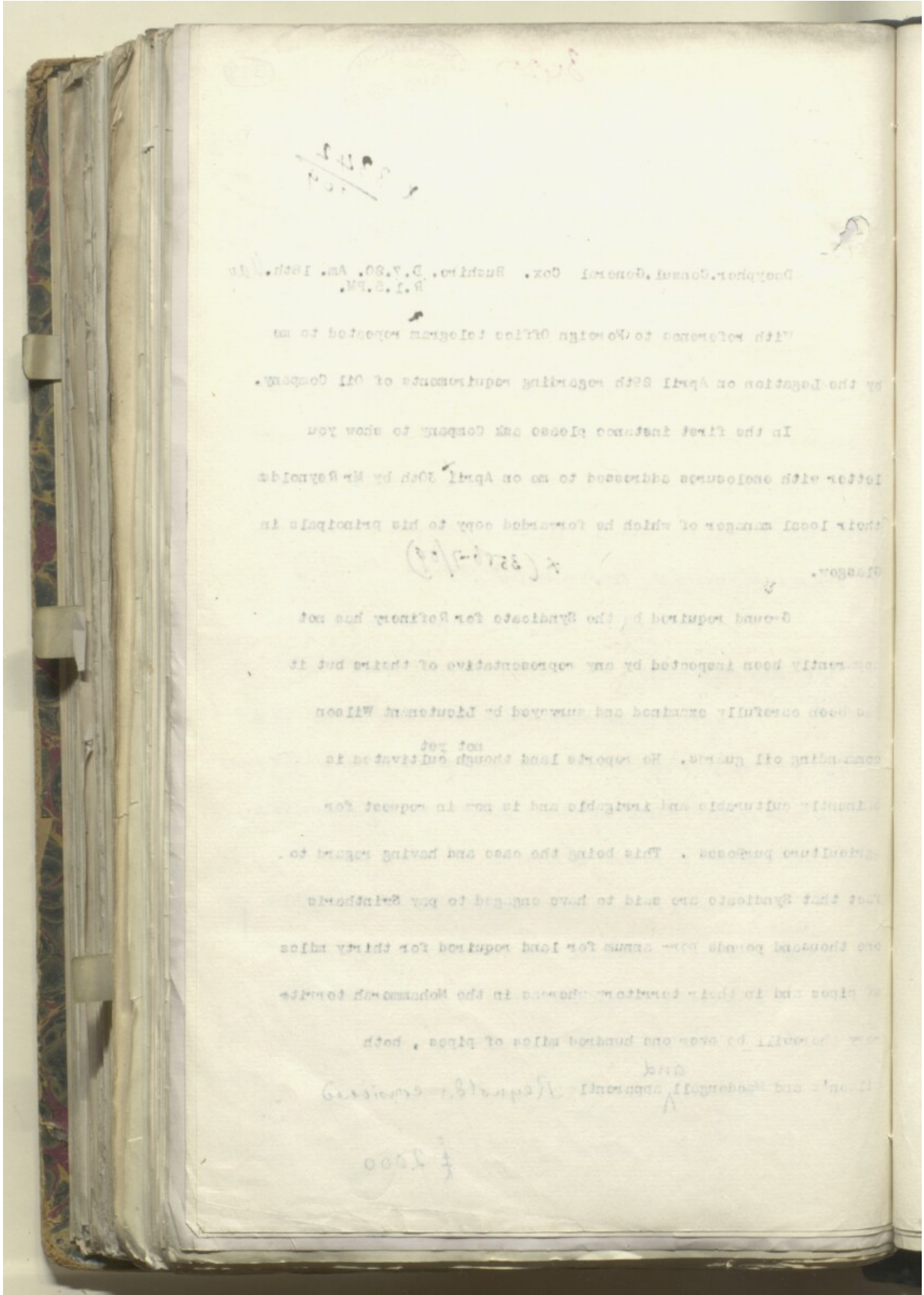


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٨ و] (٣٣٨/٣٢١)



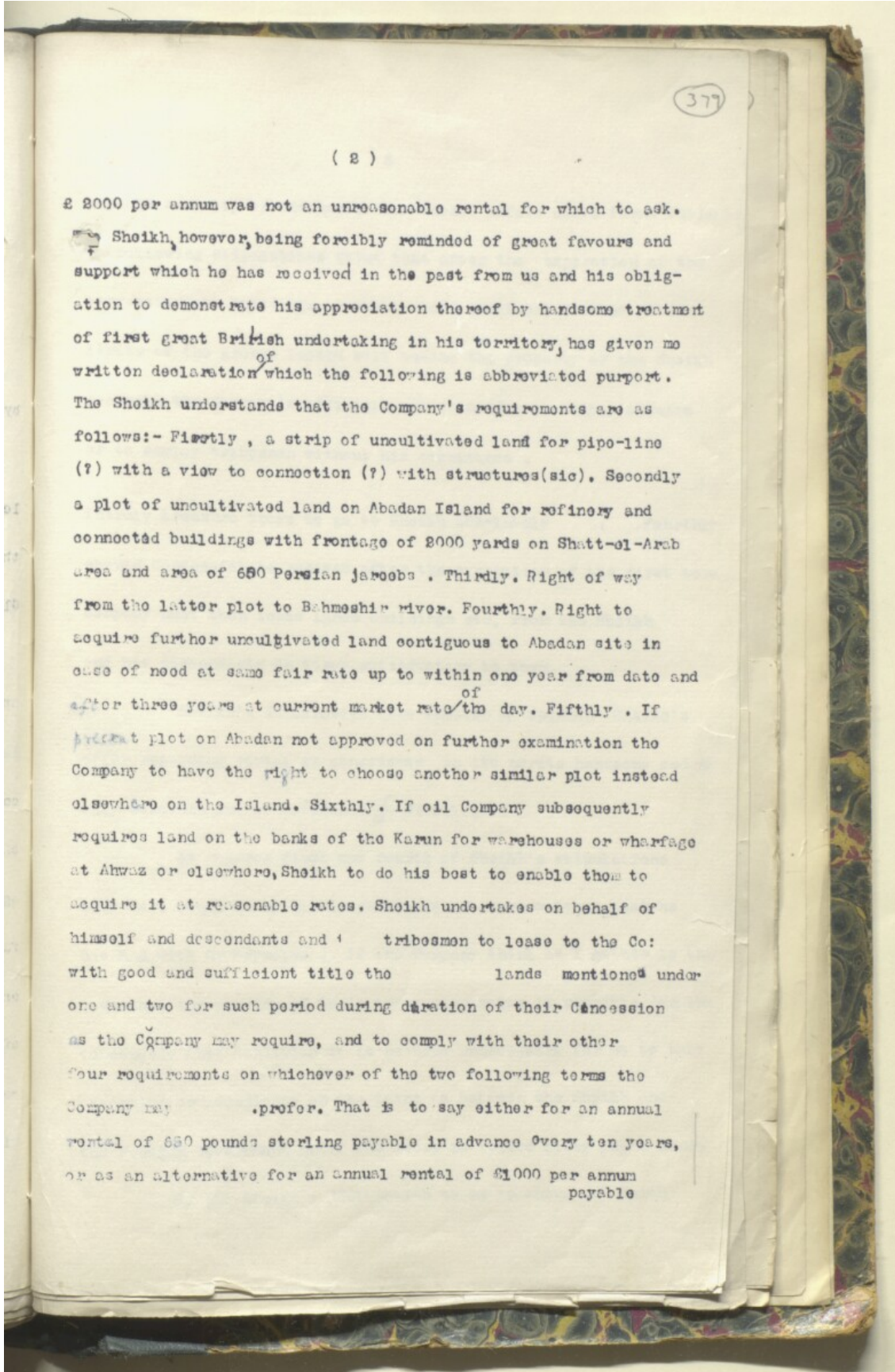


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٨ظ] (٣٣٨/٣٢٢)



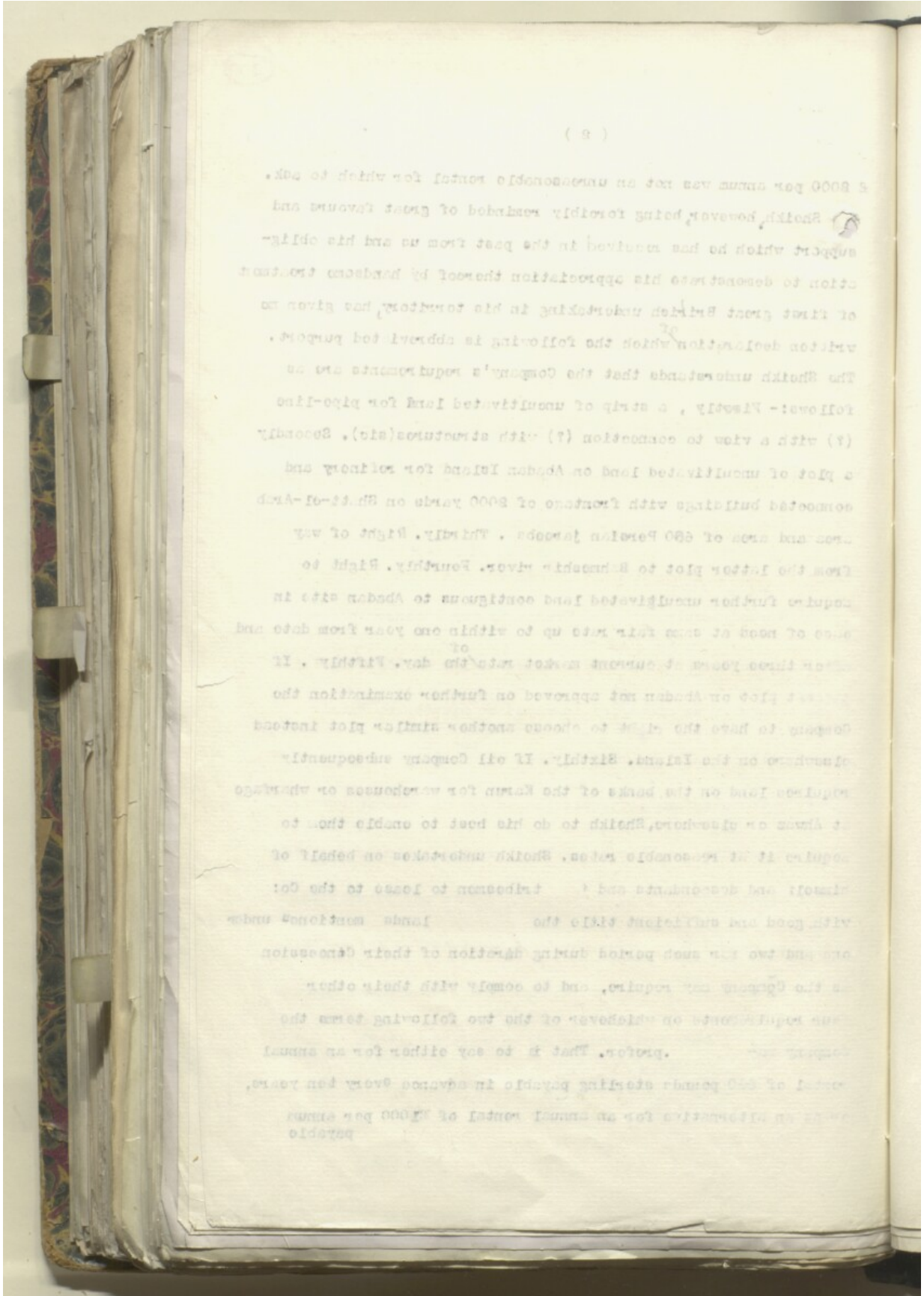


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٩ و] (٣٣٨/٣٢٣)



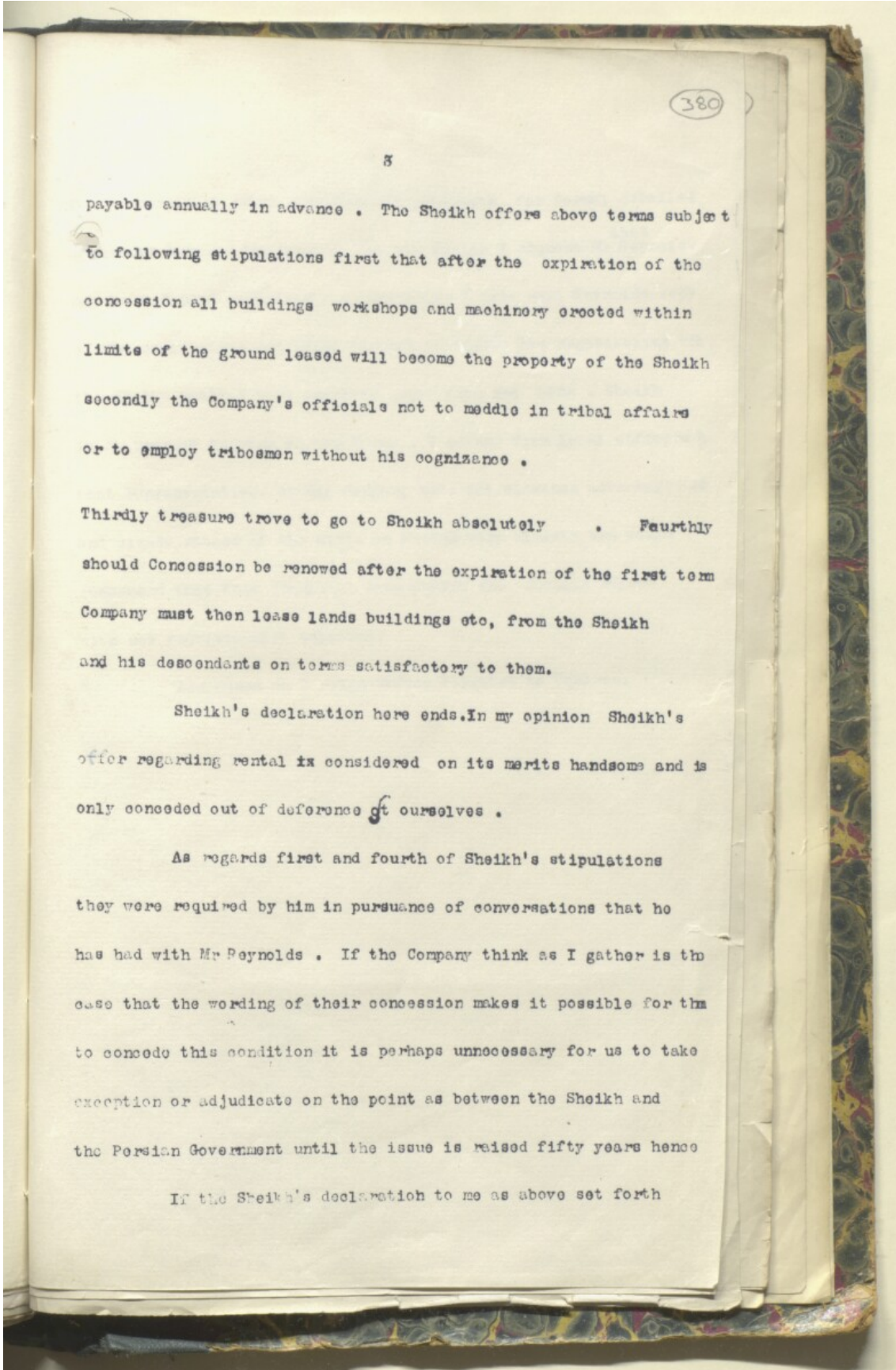


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٧٩ظ] (٣٣٨/٣٢٤)



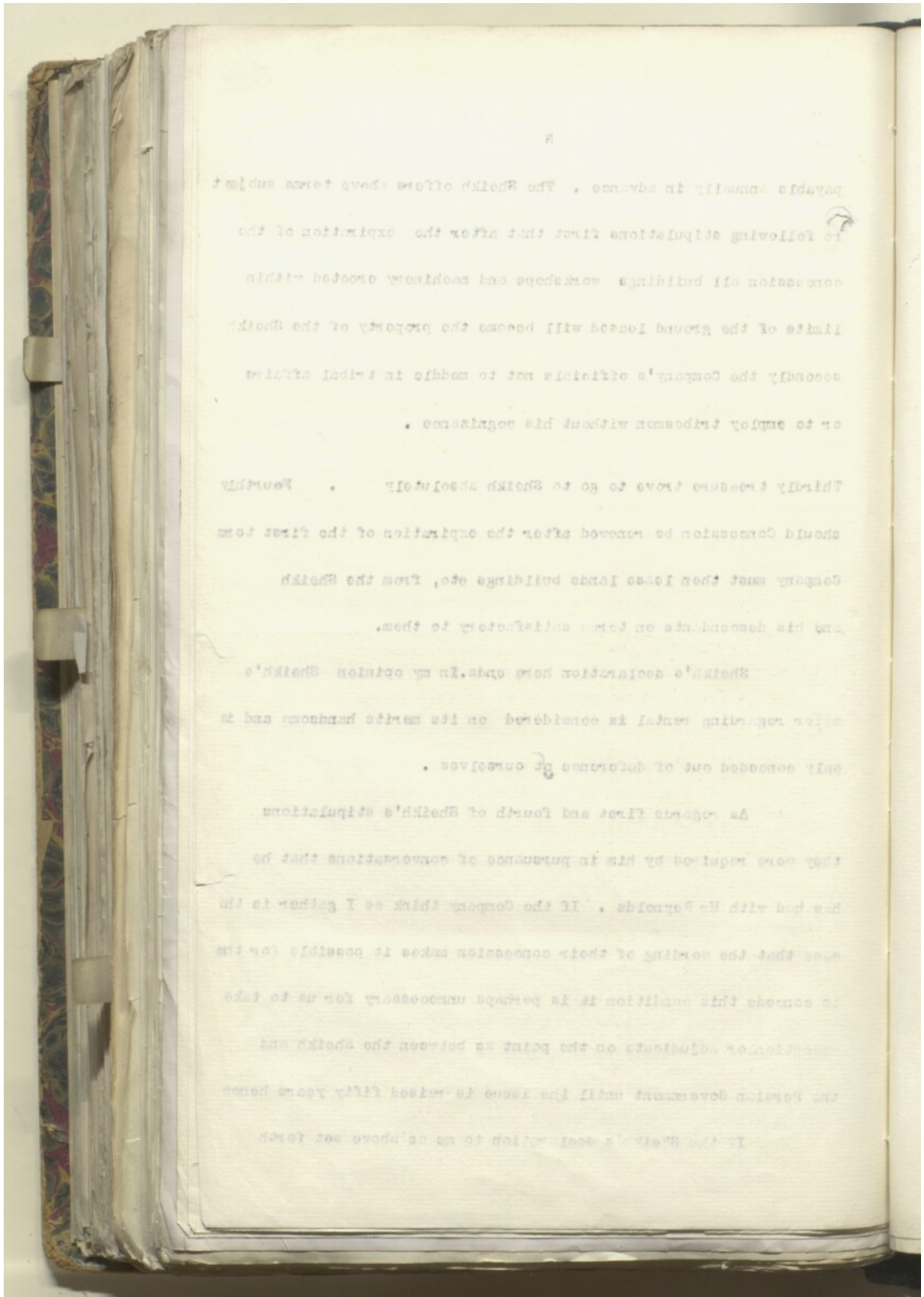


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٠ و] (٣٣٨/٣٢٥)



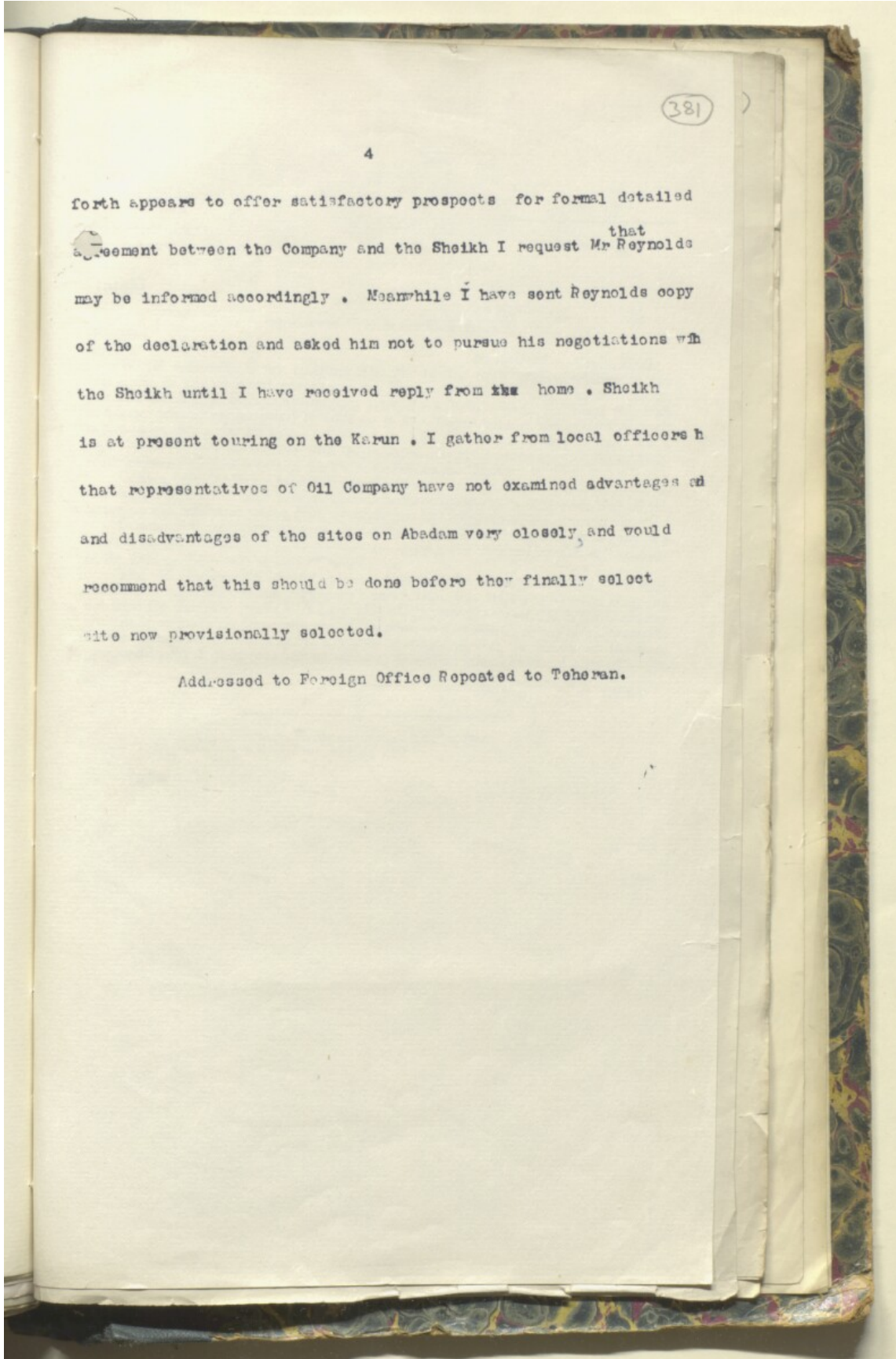


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٠ظ] (٣٣٨/٣٢٦)



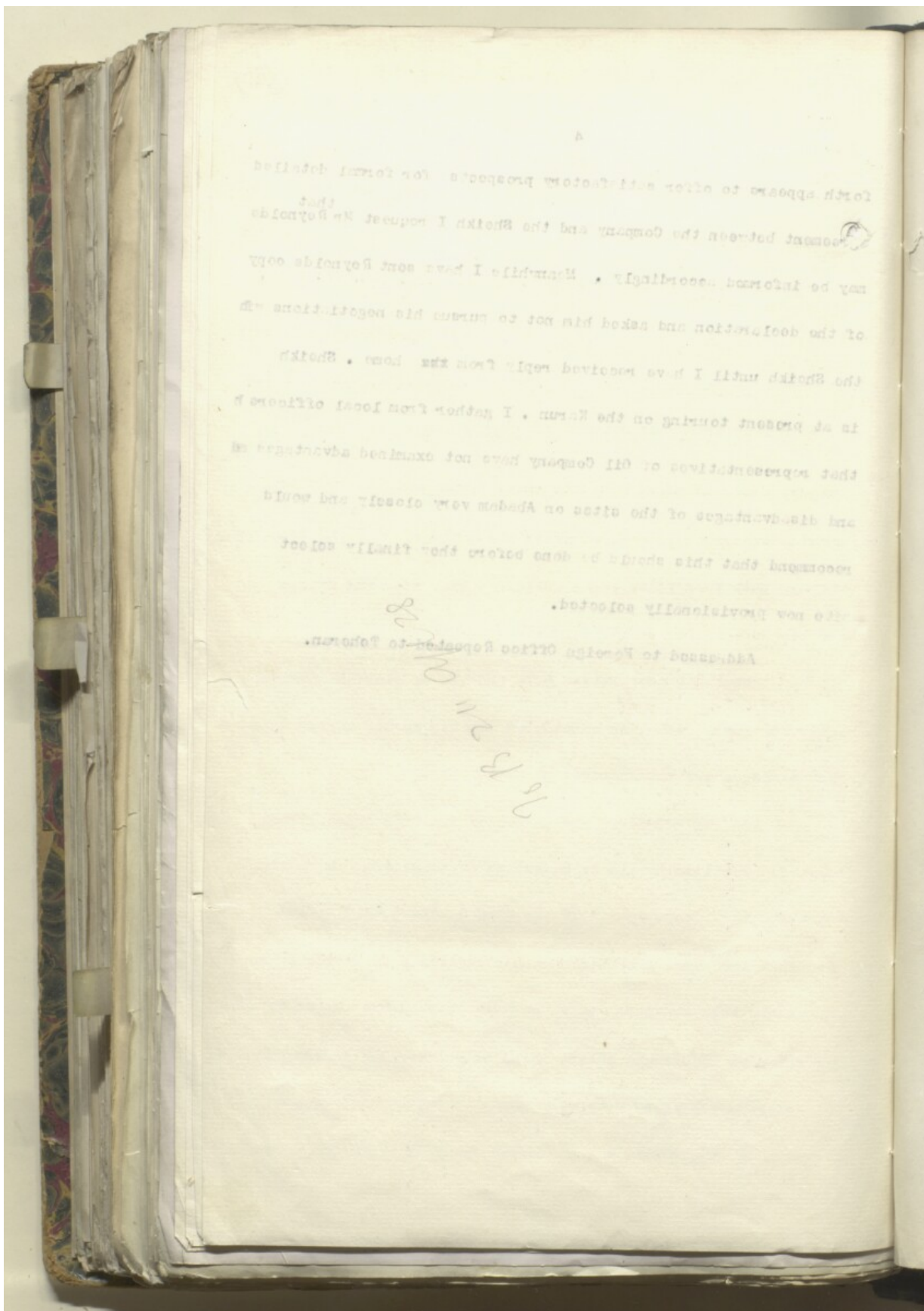


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
الحمرة وشركة النفط الأنجلو-فارسية" [٣٨١ و] (٣٣٨/٣٢٧)



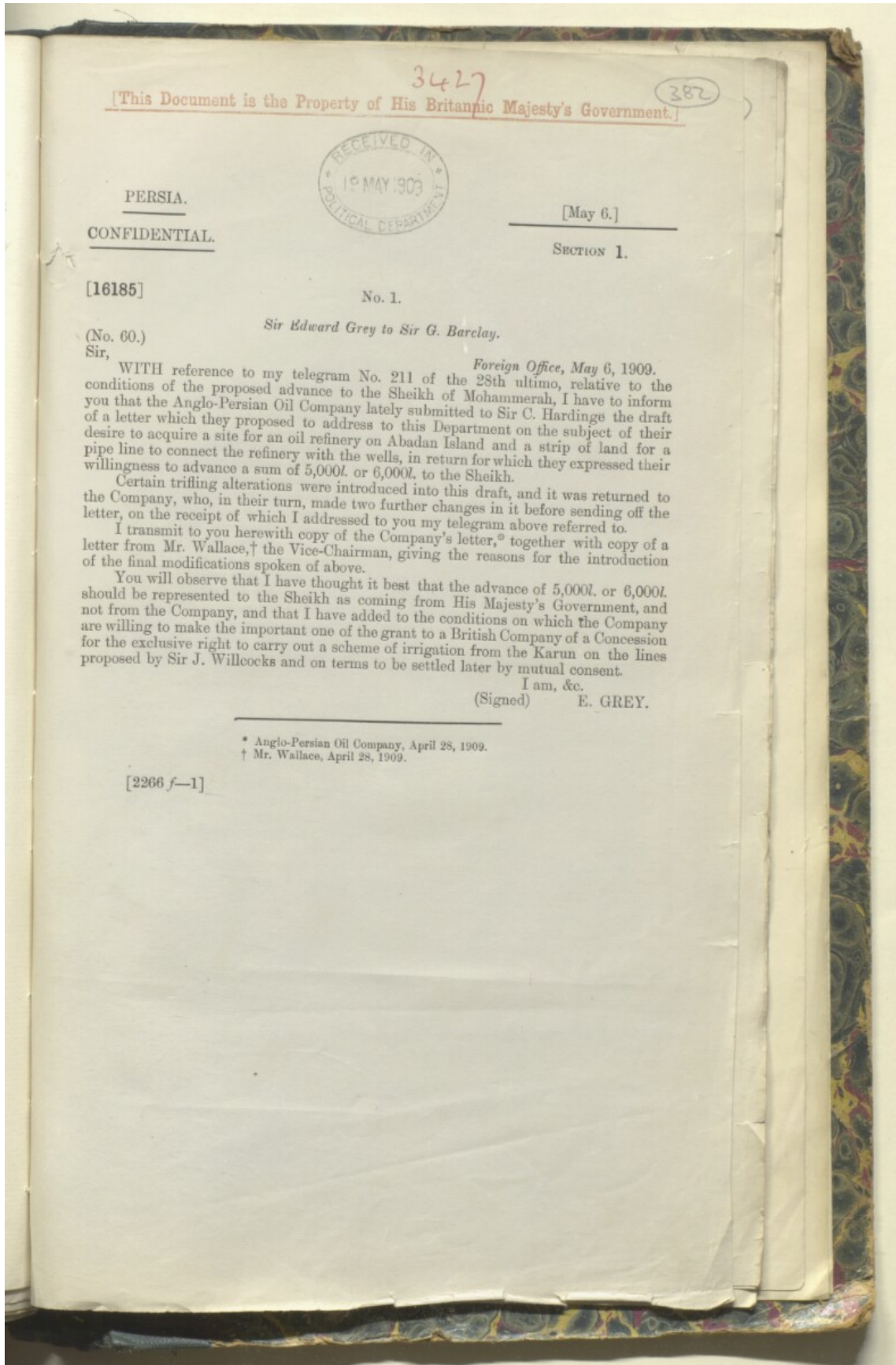


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط، مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨١ظ] (٣٣٨/٣٢٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٢ و] (٣٣٨/٣٢٩)



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PERSIA.

[May 6.]

CONFIDENTIAL.

SECTION 1.

[16185]

No. 1.

Sir Edward Grey to Sir G. Barclay.

(No. 60.)

Sir,

Foreign Office, May 6, 1909.

WITH reference to my telegram No. 211 of the 28th ultimo, relative to the conditions of the proposed advance to the Sheikh of Mohammerah, I have to inform you that the Anglo-Persian Oil Company lately submitted to Sir C. Hardinge the draft of a letter which they proposed to address to this Department on the subject of their desire to acquire a site for an oil refinery on Abadan Island and a strip of land for a pipe line to connect the refinery with the wells, in return for which they expressed their willingness to advance a sum of 5,000*l.* or 6,000*l.* to the Sheikh.

Certain trifling alterations were introduced into this draft, and it was returned to the Company, who, in their turn, made two further changes in it before sending off the letter, on the receipt of which I addressed to you my telegram above referred to.

I transmit to you herewith copy of the Company's letter,* together with copy of a letter from Mr. Wallace,† the Vice-Chairman, giving the reasons for the introduction of the final modifications spoken of above.

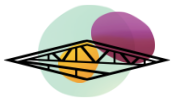
You will observe that I have thought it best that the advance of 5,000*l.* or 6,000*l.* should be represented to the Sheikh as coming from His Majesty's Government, and not from the Company, and that I have added to the conditions on which the Company are willing to make the important one of the grant to a British Company of a Concession for the exclusive right to carry out a scheme of irrigation from the Karun on the lines proposed by Sir J. Willcocks and on terms to be settled later by mutual consent.

I am, &c.

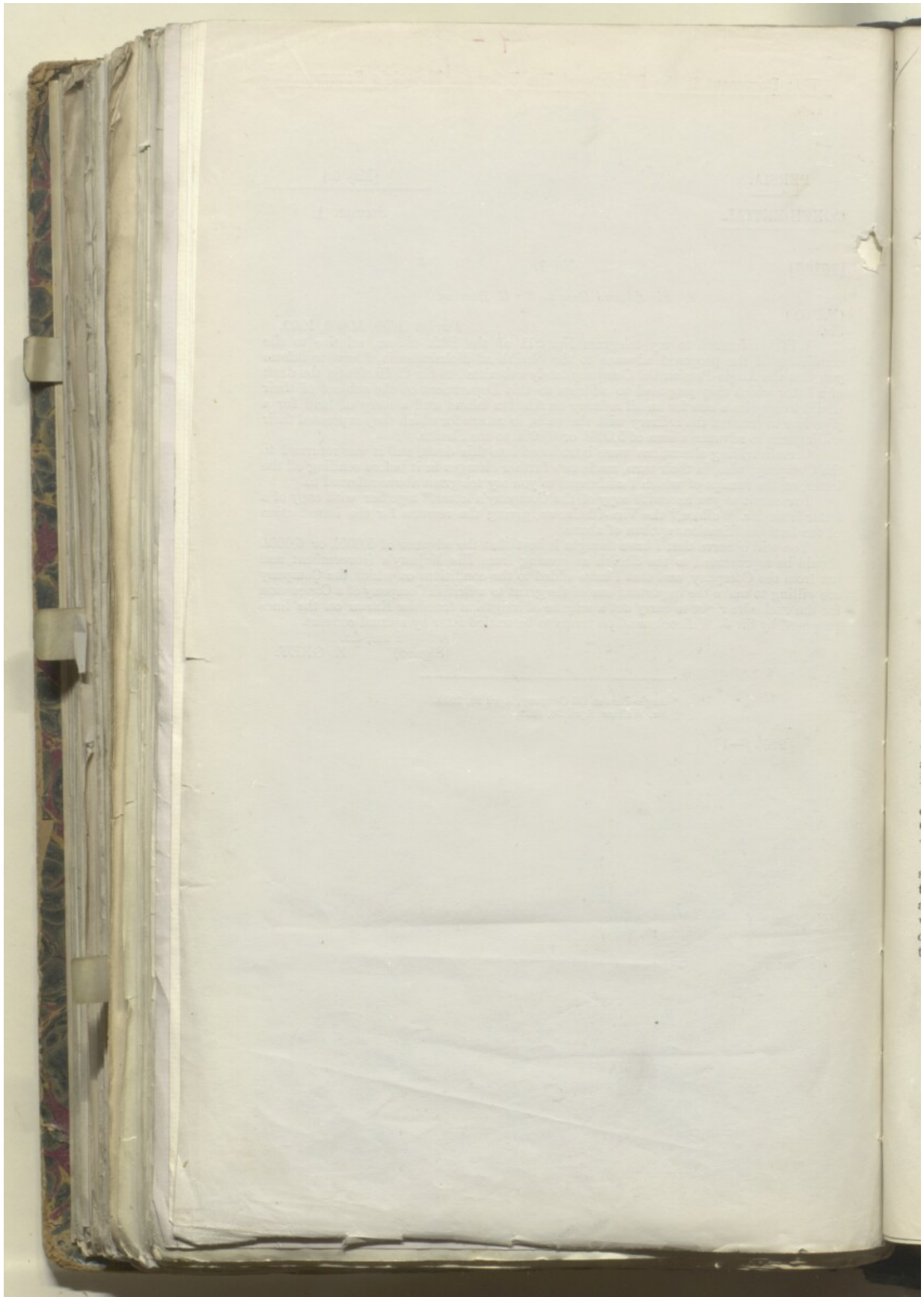
(Signed) E. GREY.

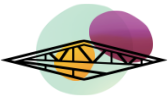
* Anglo-Persian Oil Company, April 28, 1909.
† Mr. Wallace, April 28, 1909.

[2266 f-1]

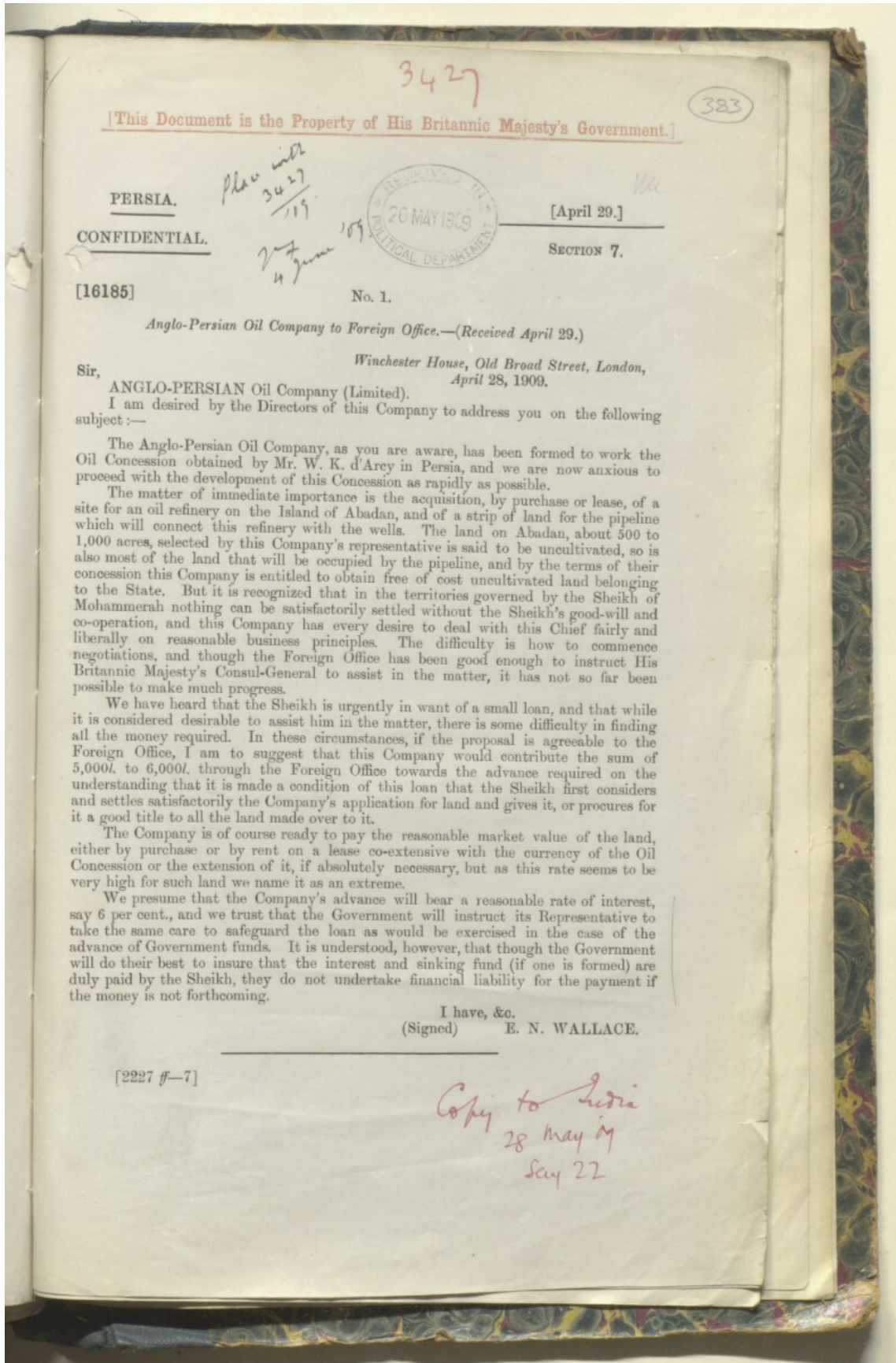


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٢ظ] (٣٣٨/٣٣٠)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٣ و] (٣٣٨/٣٣١)



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PERSIA.

CONFIDENTIAL.

[16185]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received April 29.)

Winchester House, Old Broad Street, London,
April 28, 1909.

Sir,

ANGLO-PERSIAN Oil Company (Limited).

I am desired by the Directors of this Company to address you on the following subject:—

The Anglo-Persian Oil Company, as you are aware, has been formed to work the Oil Concession obtained by Mr. W. K. d'Arcy in Persia, and we are now anxious to proceed with the development of this Concession as rapidly as possible.

The matter of immediate importance is the acquisition, by purchase or lease, of a site for an oil refinery on the Island of Abadan, and of a strip of land for the pipeline which will connect this refinery with the wells. The land on Abadan, about 500 to 1,000 acres, selected by this Company's representative is said to be uncultivated, so is also most of the land that will be occupied by the pipeline, and by the terms of their concession this Company is entitled to obtain free of cost uncultivated land belonging to the State. But it is recognized that in the territories governed by the Sheikh of Mohammerah nothing can be satisfactorily settled without the Sheikh's good-will and co-operation, and this Company has every desire to deal with this Chief fairly and liberally on reasonable business principles. The difficulty is how to commence negotiations, and though the Foreign Office has been good enough to instruct His Britannic Majesty's Consul-General to assist in the matter, it has not so far been possible to make much progress.

We have heard that the Sheikh is urgently in want of a small loan, and that while it is considered desirable to assist him in the matter, there is some difficulty in finding all the money required. In these circumstances, if the proposal is agreeable to the Foreign Office, I am to suggest that this Company would contribute the sum of 5,000*l.* to 6,000*l.* through the Foreign Office towards the advance required on the understanding that it is made a condition of this loan that the Sheikh first considers and settles satisfactorily the Company's application for land and gives it, or procures for it a good title to all the land made over to it.

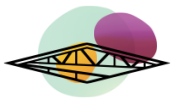
The Company is of course ready to pay the reasonable market value of the land, either by purchase or by rent on a lease co-extensive with the currency of the Oil Concession or the extension of it, if absolutely necessary, but as this rate seems to be very high for such land we name it as an extreme.

We presume that the Company's advance will bear a reasonable rate of interest, say 6 per cent., and we trust that the Government will instruct its Representative to take the same care to safeguard the loan as would be exercised in the case of the advance of Government funds. It is understood, however, that though the Government will do their best to insure that the interest and sinking fund (if one is formed) are duly paid by the Sheikh, they do not undertake financial liability for the payment if the money is not forthcoming.

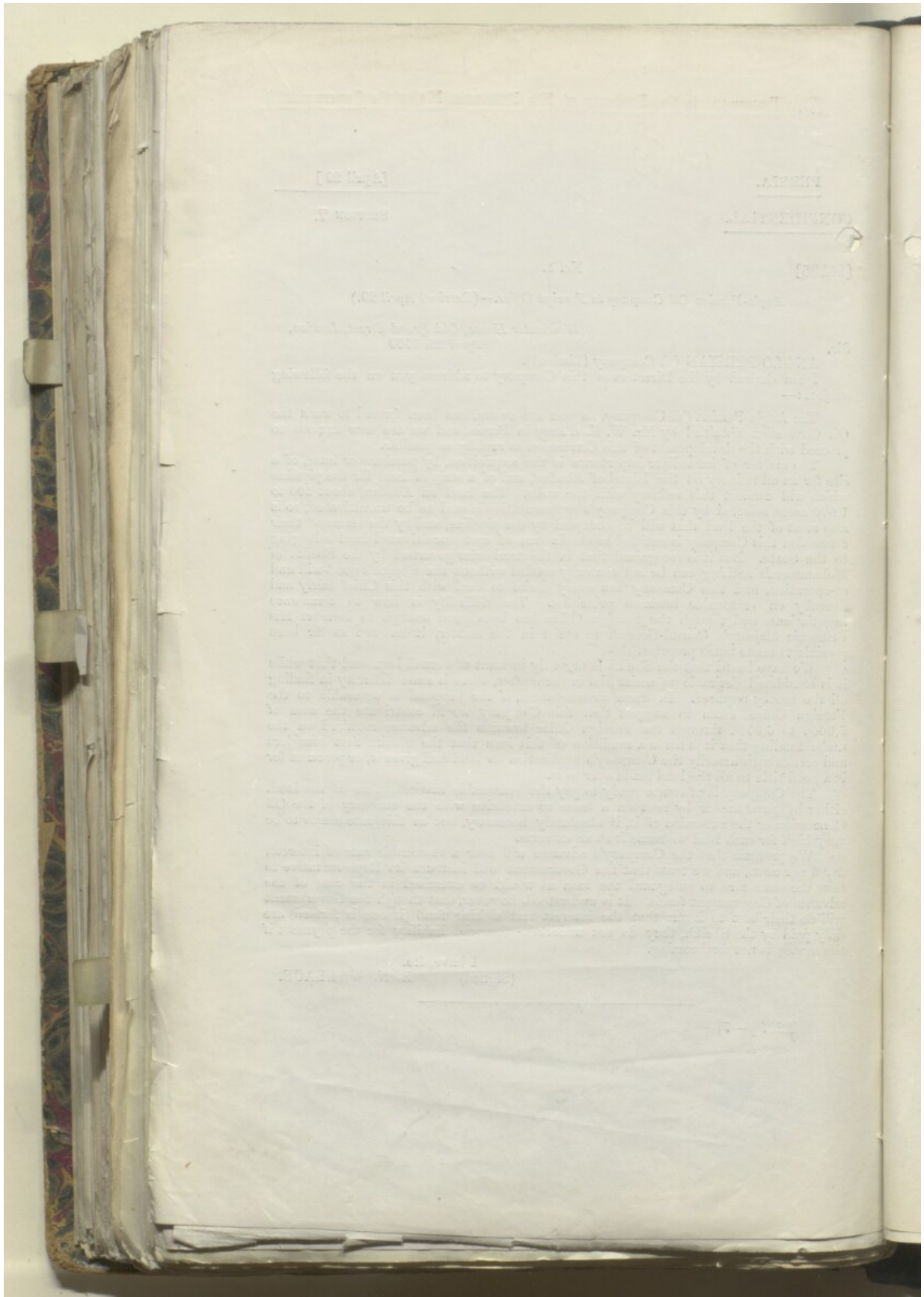
I have, &c.
(Signed) E. N. WALLACE.

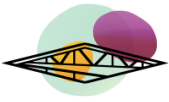
[2227 ff-7]

Copy to Luria
28 May 1909
Secy 22

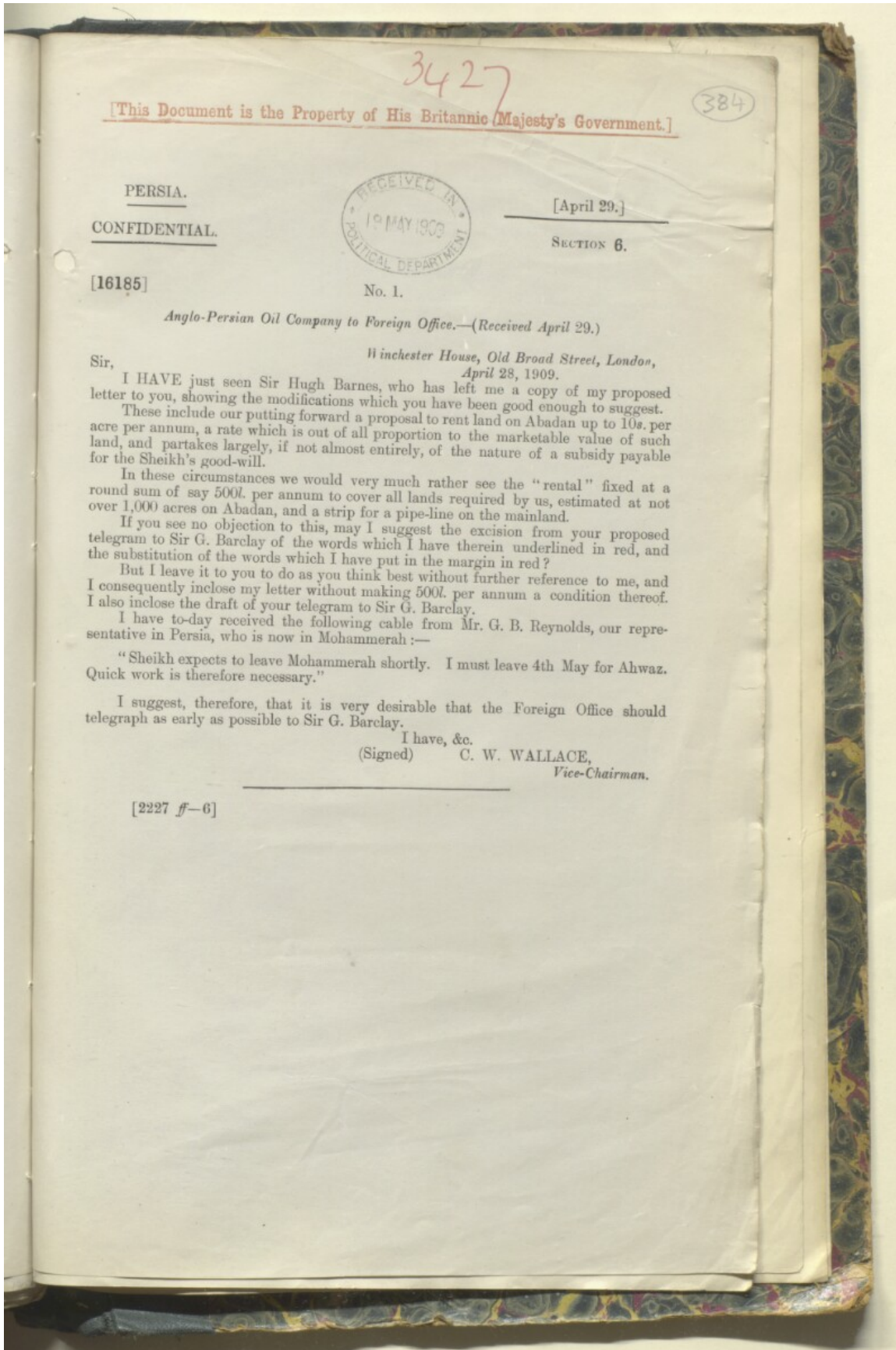


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٣ظ] (٣٣٨/٣٣٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٤ و] (٣٣٨/٣٣٣)



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PERSIA.

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[April 29.]

SECTION 6.

[16185]

No. 1.

Anglo-Persian Oil Company to Foreign Office.—(Received April 29.)

Winchester House, Old Broad Street, London,
April 28, 1909.

Sir,
I HAVE just seen Sir Hugh Barnes, who has left me a copy of my proposed letter to you, showing the modifications which you have been good enough to suggest. These include our putting forward a proposal to rent land on Abadan up to 10s. per acre per annum, a rate which is out of all proportion to the marketable value of such land, and partakes largely, if not almost entirely, of the nature of a subsidy payable for the Sheikh's good-will.

In these circumstances we would very much rather see the "rental" fixed at a round sum of say 500l. per annum to cover all lands required by us, estimated at not over 1,000 acres on Abadan, and a strip for a pipe-line on the mainland.

If you see no objection to this, may I suggest the excision from your proposed telegram to Sir G. Barclay of the words which I have therein underlined in red, and the substitution of the words which I have put in the margin in red?

But I leave it to you to do as you think best without further reference to me, and I consequently inclose my letter without making 500l. per annum a condition thereof. I also inclose the draft of your telegram to Sir G. Barclay.

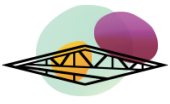
I have to-day received the following cable from Mr. G. B. Reynolds, our representative in Persia, who is now in Mohammerah:—

"Sheikh expects to leave Mohammerah shortly. I must leave 4th May for Ahwaz. Quick work is therefore necessary."

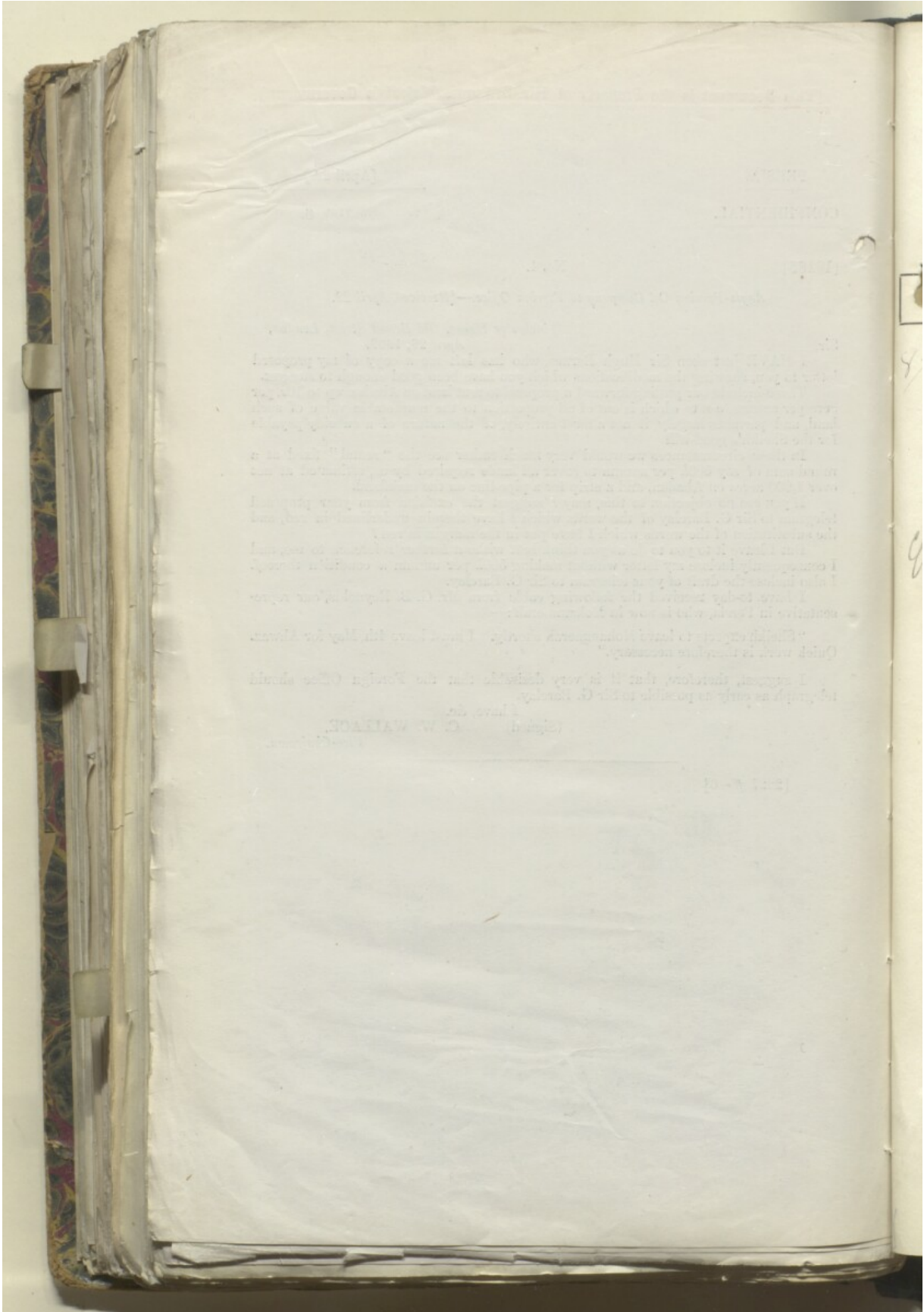
I suggest, therefore, that it is very desirable that the Foreign Office should telegraph as early as possible to Sir G. Barclay.

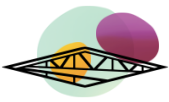
I have, &c.
(Signed) C. W. WALLACE,
Vice-Chairman.

[2227 ff-6]



ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٤ظ] (٣٣٨/٣٣٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٥ و] (٣٣٨/٣٣٥)

Register No. **3342** (385)

Minute Paper. **Secret Department.**

Letter from *F.O.* Dated } *30 April 1909.*
Rec. }

Formally acknowledged

	Date.	Initials.	SUBJECT.
Under Secretary	<i>1 May</i>	<i>Mc</i>	<i>Persia.</i> <i>Anglo-Persian Oil Co. ready to lend Sheikh</i> <i>of Mohammerah £5000 & £6000 in return for a</i> <i>site for refinery on Abadan Island and strip</i> <i>of land for pipe-line to connect refinery with rail.</i> <i>Instructions from Sir Eggar to Major Cox.</i>
Secretary of State	<i>3</i>	<i>Al</i>	
Committee	<i>5</i>	<i>Mc</i>	
Under Secretary			
Secretary of State.....			

Copy to **COPY TO INDIA**
30 Apr 1909
SECRETARY'S NO. *18*

For information

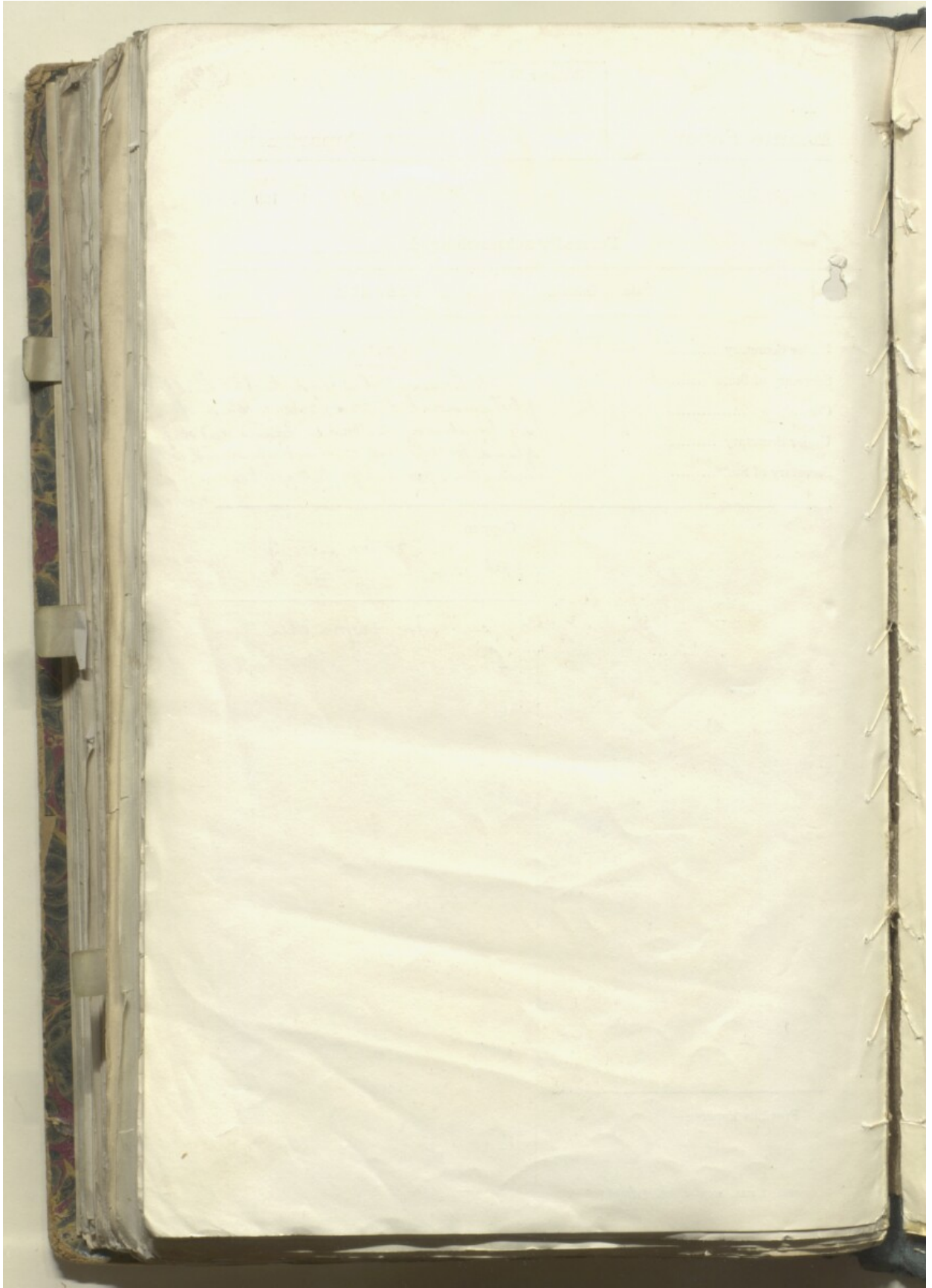
Seen Pol. Comtee.,
14 MAR 1909

Previous Papers:—
619

3489. I. 1135. 2000.—6/1908. [1779/07.]

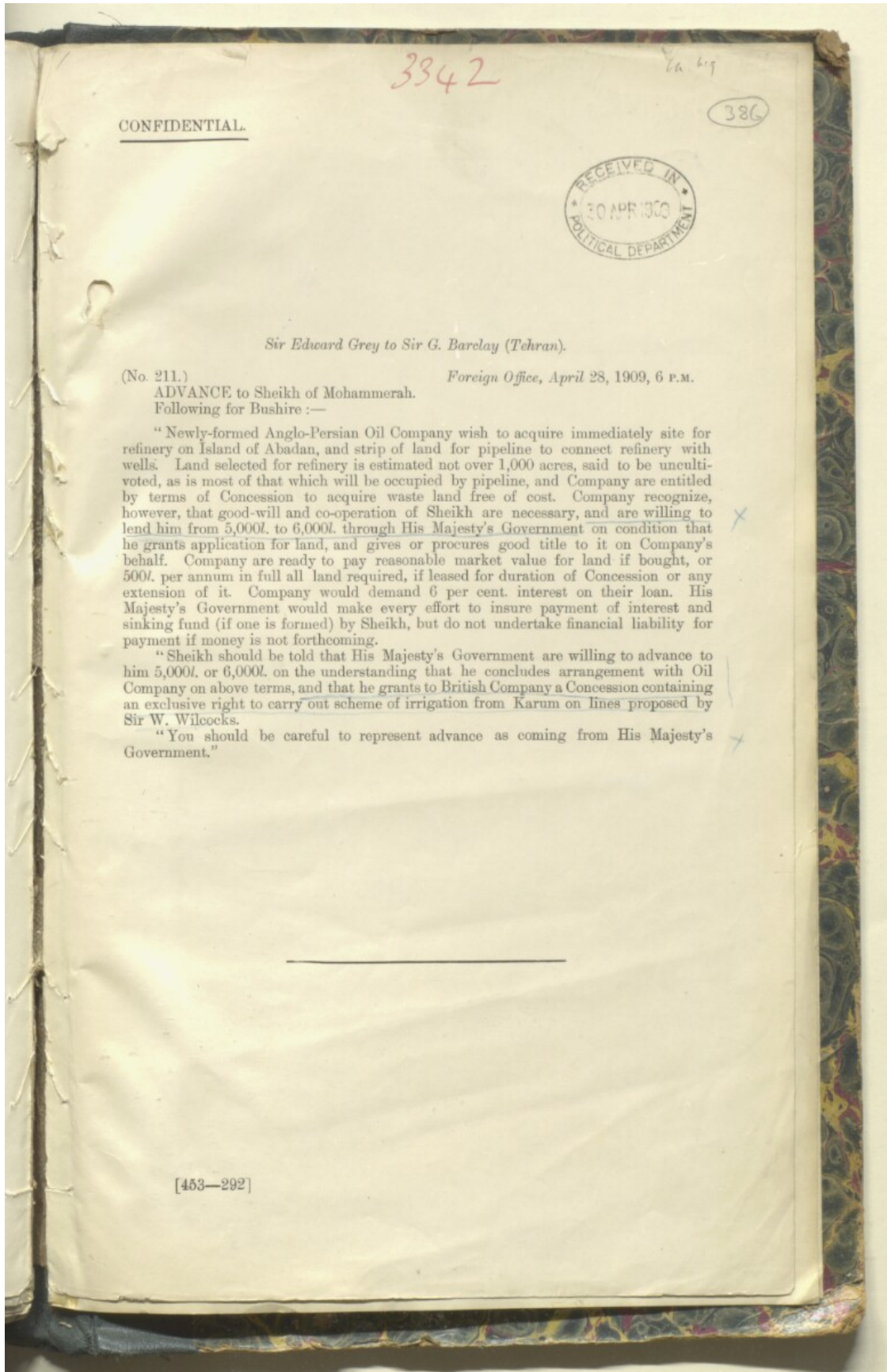


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٥ظ] (٣٣٨/٣٣٦)



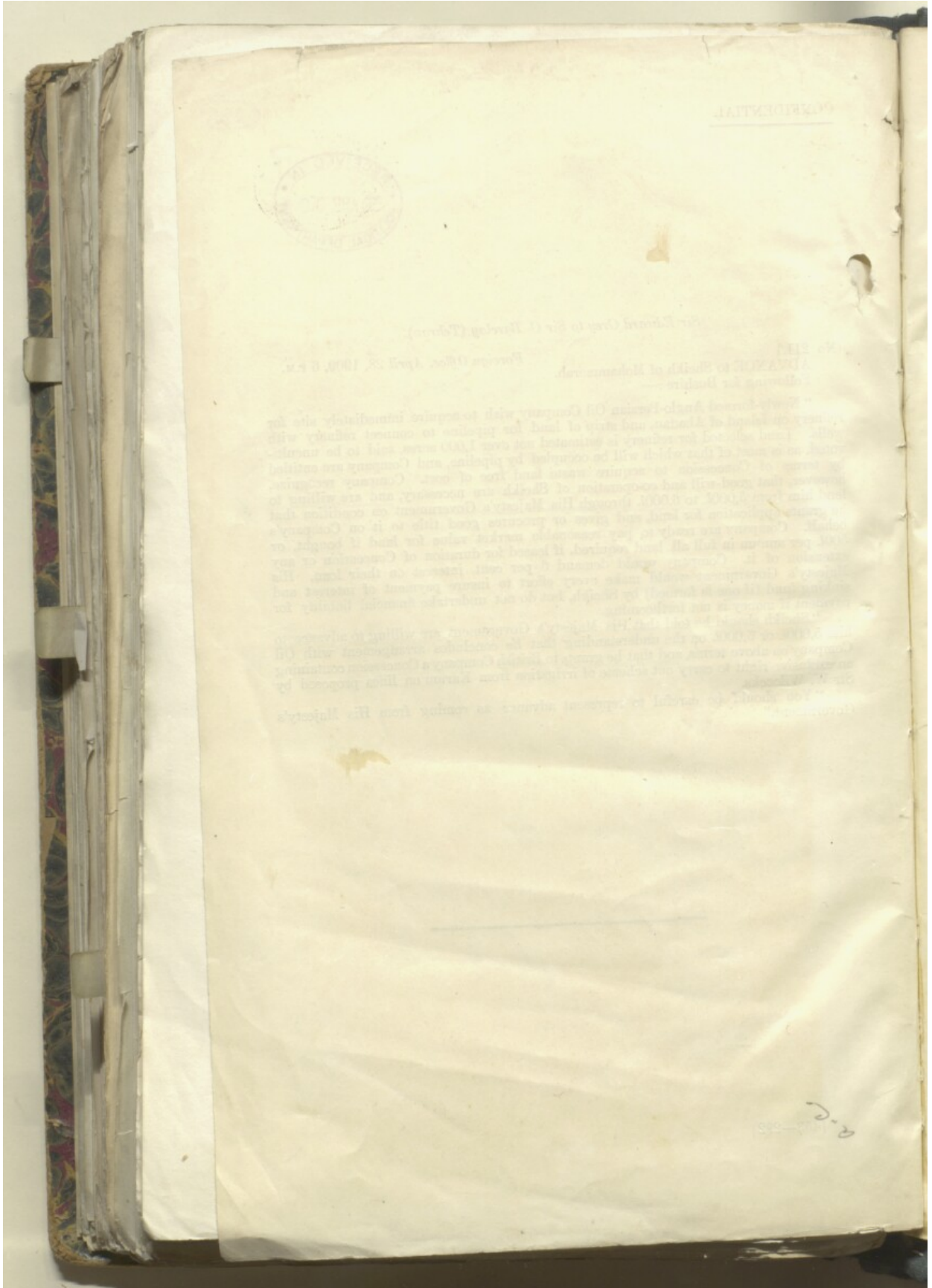


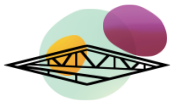
ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٦ و] (٣٣٧/٣٣٨)



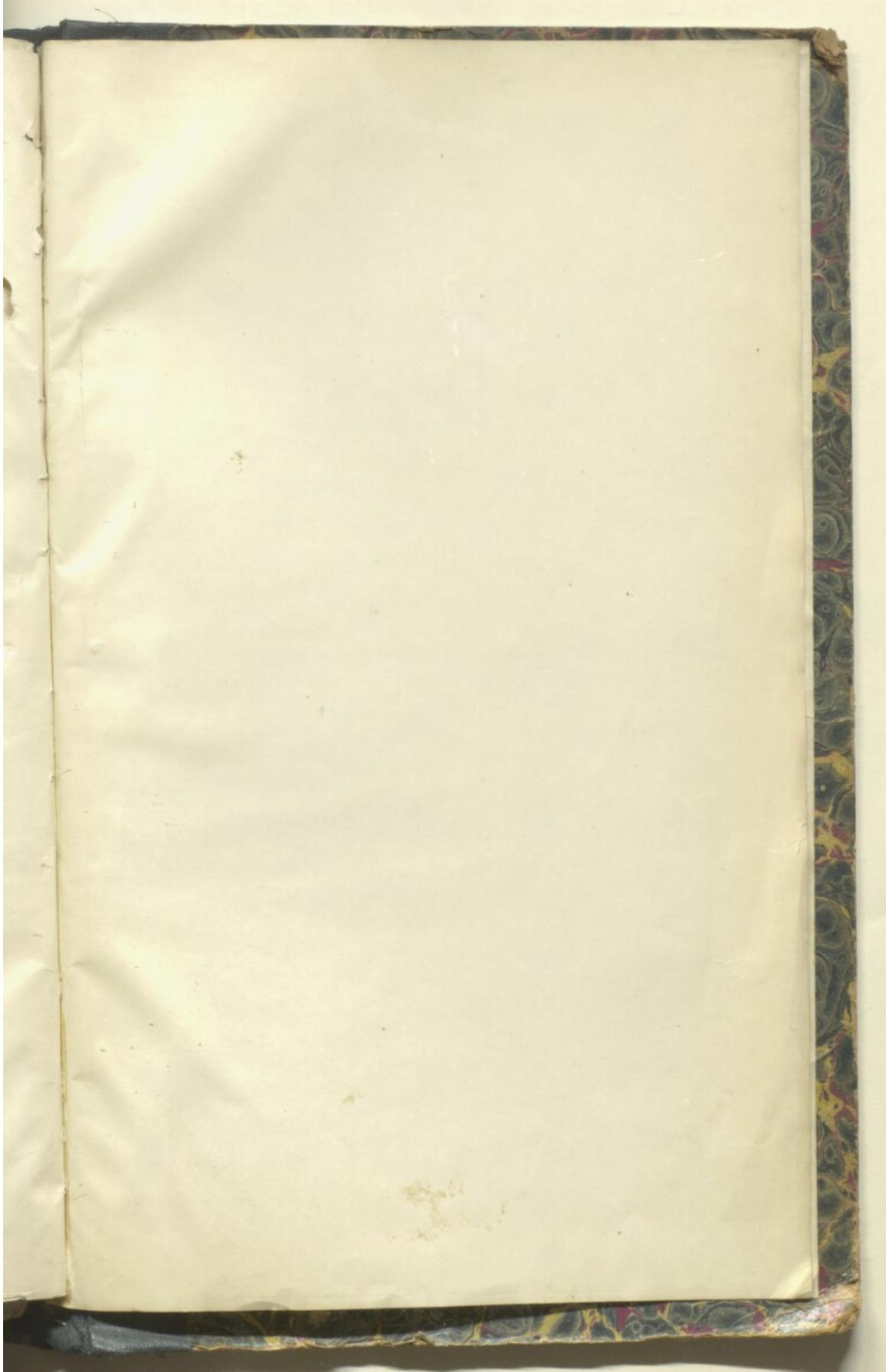


ملف رقم ١٤٢١ لسنة ١٩٠٨، جزء ٣، "بلاد فارس: النفط؛ مفاوضات بين شيخ
المحمرة وشركة النفط الأنجلو-فارسية" [٣٨٦ظ] (٣٣٨/٣٣٨)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [ii-و] (٧٨٤/٧٨٢)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [ii-ظ] (٧٨٣/٧٨٤)





ملف رقم ١٤٢١ لسنة ١٩٠٨، أجزاء ٣-٥، "بلاد فارس: النفط" [خلفي-داخلي]
(٧٨٤/٧٨٤)

