

CONFIDENTIAL
UK/20
22 March 1948

UNITED NATIONS PALESTINE COMMISSION

Communication Received from United Kingdom
Delegation Concerning Oil Prospecting in
Palestine.

The following communication, concerning the inability of certain companies to continue oil drilling operations in Palestine owing to present circumstances, has been received from Mr. Fletcher-Cooke of the United Kingdom Delegation.

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UNITED KINGDOM DELEGATION TO THE UNITED NATIONS
Empire State Building
New York 1, N.Y.

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22nd March, 1948.

My dear Bunche,

Messrs. Petroleum Development (Palestine) Limited and Messrs. Jordan Exploration Company, Limited have recently approached the Government of Palestine regarding their inability, owing to the circumstances at present prevailing in Palestine, to continue further drilling operations in accordance with the terms of certain Oil Prospecting Licences issued to them.

As a result of these two Companies' representations, the Controller of Oil Mines in Palestine has written letters to Messrs. Petroleum Development (Palestine) Limited and Messrs. Jordan Exploration Company Limited on this subject. Copies of these letters are enclosed for the information of the Commission.

Yours sincerely,

(signed) J. FLETCHER-COOTE
(J. Fletcher-Cooke)

Dr. Ralph J. Bunche,
Principal Secretary to the United Nations
Commission on Palestine,
United Nations,
Lake Success.

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22 March 1948

COPY.

37/2/6/2
REGISTERED.

9th February, 1948.

Messrs. Petroleum Development (Palestine) Ltd.,
P.O.B. 309, Haifa.

Gentlemen,

SUBJECT: Oil Prospecting Licences Nos. 1 - 11 and 14 - 31
Drilling Obligations and force majeure.

REFERENCE: Your 63.12(3)/80 of 31.1.48.

I note your decision to suspend further drilling operations at the Halqat well. I confirm that in the circumstances this suspension is due to force majeure and will not therefore be considered a breach of the conditions of your Oil Prospecting Licences Nos. 1 - 11.

2. It will be convenient at this stage, however, if a precise statement regarding the application of force majeure is recorded. Although the suspension of operations during the war was recognised as being due to force majeure no decision was made at that time regarding either the exact date on which force majeure should begin nor was any decision made as to when, if at all, it ended. In this respect your licences fall into two groups, namely, Nos. 1 - 11 and Nos. 14 - 31. With regard to both groups it has been decided that a date of one year from the grant of the licences shall be deemed to be the date on which force majeure commenced. This date has been chosen because you were able to carry out geological work although not to go ahead with preparations for drilling. Force majeure therefore commenced on the following dates:

- | | | |
|-----|-----------------------|---------|
| (a) | Licences Nos. 1 - 11 | 24.2.40 |
| (b) | Licences Nos. 14 - 31 | 21.7.40 |

(a) With regard to licences Nos. 1 - 11 it is considered to have ceased on 25.9.47 when drilling began, and it will be considered to have begun again on the date you cease drilling operations at Halqat. The remaining periods therefore that these licences will still have to run when force majeure again ceases to operate will be fourteen years less one year, less the period from 25.9.47 to the date of cessation of drilling operations. Will you please notify me of this date as soon as possible and I shall then confirm the exact period that these licences will still have to run.

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(b) With regard to licences Nos. 14 - 31 it is considered that the original period of force majeure, brought about by the war and which prevented the earlier delivery of the necessary drilling rig, had not ended when the new set of circumstances now arising forced its continuance. The period still to run for licences Nos. 14 - 31 will therefore be three years from the date when force majeure is eventually considered to end.

I am, Gentlemen,

Your obedient servant,

(Sgt.) H.C.H. Jones

CONTROLLER OF OIL MINES.

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22 March 1948

COPY.

REGISTERED

9th February, 1948

Messrs. Jordan Exploration Co., Ltd.,
P.O.B. 773, Jerusalem.

Gentlemen,

Subject: Oil Prospecting Licences Nos. 12 and 13 - Drilling obligations and force majeure.

Reference: Your J/312: 1729 of 15.1.48

With further reference to your above letter it will be convenient if at this stage a precise statement regarding the application of force majeure to your Oil Prospecting Licences Nos. 12 and 13 is recorded.

2. Although the suspension of operations during the war was recognised as being due to force majeure no decision was made at that time regarding either the exact date on which force majeure should begin nor was any decision made as to when, if at all, it ended. It has been decided that a date of eighteen months from the grant of the licences shall be deemed to be the date on which force majeure began. This date has been chosen because you were able to carry out geological work and to do some exploratory drilling although you were not able to obtain equipment for deeper drilling. Force majeure therefore commenced on 20.12.40. The remaining period of $2\frac{1}{2}$ years for licences Nos. 12 and 13 still to run will commence when force majeure is eventually considered to end.

I am, Gentlemen,

Your obedient servant,

(Sgt.) E. C. H. JONES

CONTROLLER OF OIL MINES.