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Doug Nickerson,

Gulf advisor leaves for Formosa oil plant

By JIM ROBINSON
City Editor

Sometime today (Wed.) Mr. and Mrs. Doug Nickerson, and their grandson, Scott, will be arriving in Formosa. It's not a pleasure journey but a three-year program to help ensure the world's demand for oil is met.

Mr. Nickerson formerly of Mississauga is the chief lubrication oil advisor for Gulf Oil Canada. It will be his job to devise production improvements for the lube oil plant in Keohysung, Formosa. It is hoped a production stepup will meet the increasing call for oil in the fast-industrializing Far East.

He admits, frankly, that it may not be an easy job. There is the threat that the Sheikdom of Kuwait may cut off all the supply to that part of the world.

"Production there has not been what it should be. I don't know what the problem there is but it is my job to get production up to where it should be.

"This is the only lube oil plant operated by Gulf in the Far East and, as such, serves such places as Japan, the Philippines.

"The demand is increasing every year so we have to find out what can be done to improve production and serve the countries we are committed to," he said.

Energy crisis

Mr. Nickerson, as an oil company man, feels there is a definite energy crisis. He is certain however, that other factors besides shortage, are causing the so-called "crisis".

"I think the United States could be self-sufficient but they have to supply other countries with crude oil by agreement.

"The result is they are shipping out 10 to 15 per cent to other countries and thus they are down about that much.

"If they could stop supplying others, I think they could handle the problem they face today," he said.

Canada, Mr. Nickerson said, is in the enviable position of being able to supply her own needs for many years to come. But, he cautions, there are problems that must be solved.

"We have all kinds of crude in the west, enough to last many years until another source, such as synthetic oil and gasoline, is found.

"The problem is not one of quantity but one of supply.

"I think that a pipeline to the east could alleviate the cutting back they are going through now.

Rate of expansion

"At the rate of expansion we see today, I think we will be able to be self-sufficient for some time to come."

But what if the United States wants the oil and gasoline that Canada is developing for herself?

"We'll cut them off. I think it is what will happen if that problem ever arises but I don't think it will," he said.

Mr. Nickerson said the current use of the Arab countries as a club can't last for an extended length of time.

"Right now they are going to ship all their oil and gasoline to Russia but what are the Russians going to do with it?

"Sure, the Arabs can hold back the crude but they can't do it for ever.

"You can't eat oil so they are going to have to sell it someday whether they like it or not.

"Russia will soon have all they can store and the Arabs will be holding on to the only thing they have to sell and nowhere to sell it.

"What can they do but sell to those who want to buy and get their economies moving.

"You know, it's not often remembered today but it was U.S. money that built those oil supplies and took those countries right out of the stone age.

"I don't think they want to go back but that's what will probably happen as their sources of income diminish," he said.

Enviably eye

While in Formosa, Mr. Nickerson will be casting an enviously eye even further east, to China and what could happen there in terms of oil and production.

"We know the Chinese are very interested in technology. We've even had some visit our lube oil plant here in Clarkson.

"I'd love to go over there and take a look around and see what we could do.

"I'm sure in a country that size they have the supply. It's just a matter of putting it on the market," he said.

Mr. Nickerson said it is his understanding that China is currently about 30 years behind the technology of the West but they are making fast strides.

"I think their refineries are pretty well up to date but there is still a lot we could be doing over there that might increase the supply and help the situation we face, now," he said.

Great supplies

He said there are many great supplies of oil yet to be found in the world. And it is just a matter of locating and developing them as soon as possible.

"They are looking all over the world and I'm sure new deposits are bound to be found.

"There was a report recently that Gulf had made a major find off the coast of Africa.

"They've since denied it so I don't know what is happening there. But something is bound to turn up.

"If people really need it, you can bet it will be found," he said.

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Douglas Nickerson, left, Gulf Oil Canada's chief lubrication oil advisor and his grandson, Scott, 8, look at the map of Formosa and pin-point the city of Keohsyung. Mr. and Mrs. Nickerson and Scott will spend three years there while Mr. Nickerson attempts to get that city's lub oil plant up to full production to meet the demand for more oil in the Far East.