

A 2nd tap for China oil

THE second Chinese petrol station to be set up by the Far East Overseas Oil (FEOSO) will begin servicing Hongkong before the end of this year in Java Road, North Point, with an underground oil tank capacity of 20,000 gallons.

The manager of FEOSO, Mr L.C. Han, disclosed yesterday that aside from this, two more petrol stations are being planned for Hongkong.

The first one in Cheungshawan has been operating since August. The other two stations will be built in Tuenmun and Taipo Road, he said. However, approval for the construction of the last two petrol stations from the authority has not yet been granted, he added.

Mr Szeto Kow, manager of Kow Lee Construction Company, who was awarded the contract for building this series of petrol stations, yesterday said construction work on the Java Road station has already started since the beginning of this month and is expected to be completed before the end of this year.

He said the area of the site is more than 10,000 sq ft and they will build two filling stations, a kerosene storage house, an office and an underground oil tank of 20,000 gallons capacity.

Han is very optimistic towards the retailing business of Chinese oil in Hongkong. He said the performance of the Cheungshawan petrol station

has proved to be a success. He said this station sold 100,000 gallons of oil last month; 80 per cent of which is automobile diesel oil and the rest is gasoline.

With this kind of sales performance, FEOSO will need a lot more oil than the past to keep the service of these petrol stations going smoothly.

Han said they are now storing the oil coming from China in their own company's oil depot. However, when the oil depot in Tsingyi is completed, they can store all the oil which is needed.

Although he did not know the capacity of the oil depot in Tsingyi, he described it as "of very huge capacity."