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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15 (d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
November 14, 1996

TEXACO INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-27 (Commission File Number)	74-1383447 (I.R.S. Employer Identification Number)
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2000 Westchester Avenue, White Plains, New York (Address of principal executive offices)	10650 (Zip Code)
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(914) 253-4000

(Registrant's telephone number, including area code)

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Item 5. Other Events

1. On November 15, 1996, the Registrant announced that it had reached an Agreement in Principle to settle a purported class action filed against the Registrant in 1994 for allegedly discriminating against African-American employees, principally with respect to promotions.

Under the settlement, which is subject to approval by the United States District Court for the Southern District of New York (District Court), Texaco agreed to provide a payment to members of the plaintiff-class in the amount of \$115 million, provide a one-time salary increase totalling approximately \$4 million during 1997 to all current African-American salaried employees who are in the plaintiff-class and make certain changes and additions to its human resources programs, including the creation of an Equality and Tolerance Task Force which will be charged with reviewing Texaco's human resources programs, designing changes as they deem necessary and monitoring the progress made in those programs.

After recognizing previously established litigation reserves and expected recoveries, as well as the favorable resolution of certain unrelated issues, there will be no impact on fourth quarter 1996 results related to the \$115 million payment to members of the plaintiff-class.

In this matter, on November 15, 1996 the Registrant issued a Press Release entitled "Texaco Announces Settlement in Class Action Lawsuit," a copy of which is attached hereto as Exhibit 99.1 and made a part hereof.

2. On November 14, 1996, a second purported derivative action was filed in the District Court against the Registrant, as nominal defendant, its directors and certain current and former officers and employees. The suit alleges, among other things, that the directors violated their fiduciary duties in connection with alleged discriminatory employment practices. The suit seeks, among other things, damages, return of compensation, an order prohibiting future violations, controls to prevent future violations, fees and expenses.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits

- 99.1 Press Release issued by Texaco Inc. dated November 15, 1996, entitled "Texaco Announces Settlement in Class Action Lawsuit."

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TEXACO INC.

(Registrant)

By: Carl B. Davidson

(Vice President and Secretary)

Date: November 22, 1996

TEXACO ANNOUNCES SETTLEMENT IN CLASS ACTION LAWSUIT

 Company Moving Ahead Vigorously with Broader Actions to Promote
 Greater Diversity, Tolerance and Economic Opportunity

FOR IMMEDIATE RELEASE: FRIDAY, NOVEMBER 15, 1996.

WHITE PLAINS, N.Y., Nov. 15 - Texaco Inc. today announced it has reached an Agreement in Principle to settle the Roberts v. Texaco class action lawsuit, brought in 1994 on behalf of a class of approximately 1,400 individuals, comprised of all current and certain former African American employees.

- Under the settlement, which was described to the Court, Texaco agreed to:
- * Provide a payment to the plaintiff-class in the amount of \$115 million, along with a one-time salary increase of about 11 percent for current employees of the plaintiff-class, effective January 1, 1997;
 - * Create an Equality and Tolerance Task Force which will be charged with determining potential improvements to Texaco's human resources programs, as well as helping to monitor the progress being made in those programs (three members of the Task Force to be appointed by the plaintiffs, three members by Texaco and a mutually agreed-upon chairperson);
 - * Adopt and implement company-wide diversity and sensitivity, mentoring, and ombuds programs;
 - * Consider nationwide job posting of more senior positions than are currently posted; and
 - * Monitor its performance on the programs and initiatives provided for under the settlement agreement.

Commenting on the agreement, Texaco Chairman and Chief Executive Officer Peter I. Bijur said, "With this litigation behind us, we can now move forward on our broader, urgent mission to make Texaco a model of workplace opportunity for all men and women.

"Texaco is committed to developing and instituting specific, effective policies that will ensure that discrimination is wiped out wherever it may be, and that will expand the positive economic impact we can have in the minority community. These policies will be clearly defined and achievable -- with measurable goals set out on a specific timetable.

"Today's agreement affords us a renewed opportunity to join in common purpose and unified action to achieve shared goals of greater inclusion and opportunity at Texaco -- and in America," Bijur added.

Following the signing of the Agreement in Principle, all relevant legal documents will be finalized.

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