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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1996 Commission file number 1-27

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

Delaware	74-1383447
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2000 Westchester Avenue White Plains, New York	10650
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (914) 253-4000

Texaco Inc. (1) HAS FILED all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) HAS BEEN subject to such filing requirements for the past 90 days.

As of April 30, 1996, there were outstanding 264,193,412 shares of Texaco Inc. Common Stock - par value $6.25.

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PART I - FINANCIAL INFORMATION

TEXACO INC. AND SUBSIDIARY COMPANIES
STATEMENT OF CONSOLIDATED INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 1996 AND 1995
(Millions of dollars, except per share amounts)

	(Unaudited) For the three months ended March 31,	
	1996	1995 (a)
REVENUES		
Sales and services	$10,059	$8,585
Equity in income of affiliates, and income from interest, asset sales and other	212	482
	10,271	9,067
DEDUCTIONS		
Purchases and other costs	7,782	6,526
Operating expenses	684	731
Selling, general and administrative expenses	400	371
Maintenance and repairs	88	88
Exploratory expenses	69	55
Depreciation, depletion and amortization	350	397
Interest expense	113	124
Taxes other than income taxes	105	124
Minority interest	16	17
	9,607	8,433
Income from continuing operations before income taxes and cumulative effect of accounting change	664	634
Provision for income taxes	278	216

Net income from continuing operations before cumulative effect of accounting change	386	418
Cumulative effect of accounting change	-	(121)
NET INCOME	$ 386	$ 297
Preferred stock dividend requirements	$ 15	$ 16
Net income available for common stock	$ 371	$ 281
Per common share (dollars)		
Net income from continuing operations before cumulative effect of accounting change	$ 1.42	$ 1.55
Cumulative effect of accounting change	-	(.47)
Net income	$ 1.42	$ 1.08
Cash dividends paid	$ .80	$ .80
Average number of common shares outstanding for computation of earnings per share (thousands)	260,654	259,623

(a) Results for 1995 have been reclassified and restated for the adoption of SFAS 121.

See accompanying notes to consolidated financial statements.

TEXACO INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 1996 AND DECEMBER 31, 1995

(Millions of dollars)

	March 31, 1996 (Unaudited)	December 31, 1995
ASSETS		
Current Assets		
Cash and cash equivalents	$ 468	$ 501
Short-term investments - at fair value	34	35
Accounts and notes receivable, less allowance for doubtful accounts of $28 million in 1996 and 1995	3,803	4,177
Inventories	1,361	1,357
Net assets of discontinued operations	-	164
Deferred income taxes and other current assets	231	224
Total current assets	5,897	6,458
Investments and Advances	5,361	5,278
Properties, Plant and Equipment - at cost	31,186	31,492
Less - accumulated depreciation, depletion and amortization	18,558	18,912
Net properties, plant and equipment	12,628	12,580
Deferred Charges	753	621
Total	$24,639	$24,937
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term debt	$ 504	$ 737
Accounts payable and accrued liabilities	3,583	3,777
Estimated income and other taxes	892	692
Total current liabilities	4,979	5,206
Long-Term Debt and Capital Lease Obligations	5,129	5,503
Deferred Income Taxes	627	634
Employee Retirement Benefits	1,169	1,138
Deferred Credits and Other Noncurrent Liabilities	2,409	2,270
Minority Interest in Subsidiary Companies	673	667
Total	14,986	15,418
Stockholders' Equity		
Market Auction Preferred Shares	300	300
ESOP Convertible Preferred Stock	487	495
Unearned employee compensation and benefit plan trust	(414)	(437)
Common stock (authorized: 350,000,000 shares, $6.25 par value; 274,293,417 shares issued)	1,714	1,714
Paid-in capital in excess of par value	655	655
Retained earnings	7,360	7,186
Currency translation adjustment	33	61
Unrealized net gain on investments	47	62
	10,182	10,036
Less - Treasury stock, at cost	529	517
Total stockholders' equity	9,653	9,519
Total	$24,639	$24,937

See accompanying notes to consolidated financial statements.

TEXACO INC. AND SUBSIDIARY COMPANIES
CONDENSED STATEMENT OF CONSOLIDATED CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 1996 AND 1995

(Millions of dollars)

	(Unaudited) For the three months ended March 31, 1996	1995 (a)
OPERATING ACTIVITIES		
Net income	$386	$297
Reconciliation to net cash provided by (used in) operating activities		
Cumulative effect of accounting change	-	121
Depreciation, depletion and amortization	350	397
Deferred income taxes	20	66
Exploratory expenses	69	55
Minority interest in net income	16	17
Dividends from affiliates, less than equity in income	(59)	(114)
Gains on asset sales	(29)	(208)
Changes in operating working capital	196	(244)
Other - net	(61)	(26)
Net cash provided by operating activities	888	361
INVESTING ACTIVITIES		
Capital and exploratory expenditures	(613)	(440)
Proceeds from sale of discontinued operations	344	-
Proceeds from sales of assets	78	602
Sale of leasehold interests	69	-
Purchases of investment instruments	(507)	(168)
Sales/maturities of investment instruments	554	222
Other - net	(4)	4
Net cash provided by (used in) investing activities	(79)	220
FINANCING ACTIVITIES		
Borrowings having original terms in excess of three months		
Proceeds	58	54
Repayments	(53)	(32)
Net decrease in other borrowings	(599)	(384)
Purchases of common stock	(22)	-
Dividends paid to the company's stockholders		
Common	(208)	(208)
Preferred	(5)	(6)
Dividends paid to minority shareholders	(10)	(20)
Net cash used in financing activities	(839)	(596)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(3)	2
DECREASE IN CASH AND CASH EQUIVALENTS	(33)	(13)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	501	404
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$468	$391

(a) Results for 1995 have been reclassified and restated for the adoption of SFAS 121.

See accompanying notes to consolidated financial statements.

Note 1. Change in Accounting Principle

During 1995, Texaco adopted Statement of Financial Accounting Standards, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" (SFAS 121). Under SFAS 121, assets whose carrying amounts are not expected to be fully recovered by future use or disposition must be written down to their fair values.

Adoption of SFAS 121 resulted in a non-cash after-tax charge of $639 million against fourth quarter 1995 earnings. Additionally, in accordance with SFAS 121, a $121 million after-tax write-down of non-core domestic producing properties held for sale at January 1, 1995, previously recorded in the first quarter of 1995 in income from continuing operations, was reclassified as a cumulative effect of an accounting change.

Adoption of SFAS 121 by Star Enterprise and the Caltex group of companies, each owned 50% by Texaco, had no effect on 1995 net income.

Note 2. Discontinued Operations

On February 29, 1996, Texaco completed the disposition of its operations classified as discontinued operations by completing the sale of its worldwide lubricant additives business, which included manufacturing facilities, as well as sales and marketing offices in various locations in the U.S. and abroad, to Ethyl Corporation, a fuel and lubricant additives manufacturer. Ethyl purchased this business for $196 million, comprised of $136 million in cash and a three-year note of $60 million.

The results for Texaco's worldwide lubricant additives business had been accounted for as discontinued operations and the assets and liabilities had been classified in the Consolidated Balance Sheet as "Net assets of discontinued operations."

Revenues for the discontinued operations totaled $33 million for the first two months of 1996, representing activities through the sale date, and $54 million for the first quarter of 1995.

Discontinued operations had no significant impact on first quarter 1996 and 1995 results.

Note 3. Inventories

The inventories of Texaco Inc. and consolidated subsidiary companies were as follows:

	As of	
	March 31, 1996 (Unaudited)	December 31, 1995
	(Millions of dollars)	
Crude oil	$ 315	$ 294
Petroleum products and other	854	866
Materials and supplies	192	197
Total	$1,361	$1,357

Note 4. Contingent Liabilities

Information relative to commitments and contingent liabilities of Texaco Inc. and subsidiary companies is presented in Notes 15 and 17, pages 57-58 and 60, respectively, of Texaco Inc.'s 1995 Annual Report to Stockholders.

In the company's opinion, while it is impossible to ascertain the ultimate legal and financial liability with respect to the above-referenced and other contingent liabilities and commitments, including lawsuits, claims, guarantees, taxes and regulations, the aggregate amount of such liability in excess of financial reserves, together with deposits and prepayments made against disputed tax claims, is not anticipated to be materially important in relation to the consolidated financial position or results of operations of Texaco Inc. and its subsidiaries.

Note 5. Caltex Group of Companies

Summarized unaudited financial information for the Caltex Group of companies, owned 50% by Texaco and 50% by Chevron Corporation, is presented below and is reflected on a 100% Caltex Group basis:

	For the three months ended March 31,	
	1996	1995
	(Millions of dollars)	
Gross revenues	$4,157	$4,371
Income before income taxes	$ 313	$ 542
Net income	$ 194	$ 416

Net income for the first quarter of 1995 includes a net gain for U.S. financial reporting of $171 million relating to the sale of a portion of land and air utility rights by a Caltex Petroleum Corporation ("Caltex") affiliate in Japan required for a public project. The proceeds included compensation that will be used to remove and relocate or replace existing fixed operating assets affected by the sale.

On April 2, 1996 Caltex completed the sale of its 50% interest in Nippon Petroleum Refining Company, Limited to its partner Nippon Oil Company for approximately $2 billion. Earnings from this sale, totaling some $650 million, will be reported by Caltex in the second quarter of 1996.

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In the determination of preliminary and unaudited financial statements for the three-month periods ended March 31, 1996 and 1995, Texaco's accounting policies have been applied on a basis consistent with the application of such policies in Texaco's financial statements issued in its 1995 Annual Report to Stockholders. In the opinion of Texaco, all adjustments and disclosures necessary to present fairly the results of operations for such periods have been made. These adjustments include normal recurring adjustments. The information is subject to year-end audit by independent public accountants. Texaco makes no forecasts or representations with respect to the level of net income for the year 1996.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Consolidated worldwide net income for the first quarter of 1996 was $386 million, or $1.42 per share, as compared with $297 million, or $1.08 per share, for the first quarter of 1995, which included special items and the cumulative effect of an accounting change. For the first quarter of 1995, earnings before special items and the cumulative effect of accounting change totaled $226 million.

First quarter 1996 performance continued to reflect the benefits of the company's focus on core businesses, coupled with continued emphasis on reducing overhead and operating expenses. This allowed improved crude oil and natural gas prices to flow to the bottom line.

The company benefited by the positioning of its U.S. gas production and its access to the major markets where winter demands were very strong. Additionally, results were bolstered by the incrementally stronger prices for heavy crude oils and increased production of these grades. The downstream business, though improved operationally from last year with higher refinery runs and increased product sales, again experienced low margins, particularly in the U.S. and in Europe.

Special items in 1995 included net gains of $192 million resulting from the sales of non-core U.S. producing properties and from the sale of land by a Caltex affiliate in Japan. Also included in 1995 was a $121 million non-cash charge from the write-down of non-core U.S. producing properties held for sale at January 1, 1995, classified as a cumulative effect of an accounting change in accordance with the 1995 adoption of Statement of Financial Accounting Standards (SFAS) 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of."

On February 29, 1996, Texaco completed the sale of its worldwide lubricant additives business for $196 million, comprised of $136 million in cash and a three-year note of $60 million. This sale completed the disposition of the operations classified as discontinued operations. Discontinued operations had no significant impact on first quarter 1996 and 1995 results.

Subsequent to first quarter 1996, Texaco's affiliate, Caltex, completed the sale of its 50% interest in Nippon Petroleum Refining Company, Limited for approximately $2 billion. In April, Texaco received $550 million in cash dividends from Caltex, mainly from the sales proceeds. Earnings from this sale, totaling some $275 million, will be reported in the second quarter of 1996.

OPERATING EARNINGS

PETROLEUM AND NATURAL GAS

UNITED STATES

Exploration and Production

Exploration and production earnings in the U.S. for the first quarter of 1996 were $267 million, as compared with $256 million for the first quarter of 1995, which included a net special gain of $112 million resulting from the sale of non-core producing properties. Excluding the net special gain, first quarter 1995 results totaled $144 million.

The substantial improvement in comparable period results, before special items, was due mainly to the strengthening of natural gas prices which were $.51 per MCF higher than the same period in 1995, as prolonged cold weather affected large areas of the U.S. The favorable positioning of the company's producing fields combined with its strategic distribution assets, including the Henry Hub in Louisiana, enabled Texaco to benefit from the strengthening market prices. Crude prices for the first quarter 1996 rose $1.66 per barrel over the same period in 1995 due to higher demand. Prices for heavy California crude oils, approximately 40 percent of Texaco's U.S. production, were especially strong as evidenced by Kern River crude prices which averaged $14.91 per barrel for the first quarter 1996.

Higher production of crude oil and natural gas from core properties substantially benefited earnings and significantly offset the low margin volumes sold with the non-core assets. Exploratory expenses were higher in 1996 due to the company's increased seismic and other drilling activity, particularly offshore in the Gulf of Mexico, including deep water properties.

Manufacturing, Marketing and Distribution

Manufacturing, marketing and distribution results in the U.S. for the first quarter of 1996 were earnings of $4 million, as compared with losses of $19 million for the first quarter of 1995. Results for 1996 benefited from refining margins which, while still under pressure, improved over historically low levels experienced in 1995. Partially offsetting these higher refining margins were lower marketing results. Although diesel and gasoline sales volumes increased, with branded gasoline sales up four percent, marketing margins narrowed as sales prices could not fully recover the increases in the raw material component of product costs. Also, the phased introduction of CARB II gasoline into the California market squeezed margins as the additional costs to manufacture and handle these products were not fully recouped in the first quarter.

INTERNATIONAL

Exploration and Production

Exploration and production earnings outside the U.S. for the first quarter of 1996 were $130 million, as compared with $83 million for the first quarter of 1995. Results for 1996 benefited from higher crude oil prices, mainly in the North Sea and in Indonesia. Increased production due to continuing field development programs in the Partitioned Neutral Zone between Kuwait and Saudi Arabia and from new fields in China and Trinidad largely offset the declining crude oil and natural gas production of maturing fields in the U.K.

Initial gas production from the Dolphin field in Trinidad began in March 1996 and development work in the U.K. Captain field continues to be on schedule for initial production late this year.

Manufacturing, Marketing and Distribution

Manufacturing, marketing and distribution earnings outside the U.S. for the first quarter of 1996 were $92 million, as compared with $184 million for the first quarter of 1995, which included net special gains of $80 million, principally relating to the sale of land by a Caltex affiliate in Japan. Excluding the net special gains, first quarter 1995 results totaled $104 million.

Operating earnings were lower than last year as higher refining margins in Europe were more than offset by lower marketing margins, particularly in the U.K. These poor marketing margins resulted from both industry oversupply conditions and added price pressure in this highly competitive market.

In the Caltex markets of the Pacific Rim, the impact of somewhat higher refining margins in Singapore and Bahrain and higher product sales volumes in Korea were more than offset by lower overall currency exchange benefits.

NONPETROLEUM

Net income was $2 million for the first quarter of 1996, as compared with $4 million for the first quarter of 1995.

CORPORATE/NONOPERATING

For the first quarter of 1996, corporate/nonoperating charges were $109 million, as compared with $90 million in the first quarter of 1995, which included $25 million in gains principally from sales of equity securities held for investment by the insurance operations.

LIQUIDITY AND CAPITAL RESOURCES
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As of March 31, 1996, Texaco's cash, cash equivalents and short-term investments totaled $502 million, as compared with the 1995 year-end level of $536 million. Texaco's total cash from operating activities for the first quarter of 1996 of $888 million included several significant items that were not directly related to current period operations, and which in the aggregate, amounted to a net inflow of some $80 million. These items included the collection of receivables, primarily insurance recoveries relating to environmental matters, and payments related to litigation matters, mainly the final payment for the state of Louisiana royalty dispute settlement.

During the first quarter of 1996, cash generated from normal operating activities, proceeds from the sale of discontinued operations (discussed below) and proceeds from normal asset sales were used to support Texaco's capital and exploratory expenditures of $613 million, for payment of dividends to common, preferred and minority shareholders of $223 million, and for the reduction of debt.

Total debt at March 31, 1996 amounted to $5.6 billion as compared with $6.2 billion at year-end 1995. Texaco's ratio of total debt to total borrowed and invested capital was 35.3% at March 31, 1996 as compared with 38.0% at year-end 1995. At March 31, 1996, Texaco's long-term debt included $716 million of debt scheduled to mature within one year, which the company has both the intent and the ability to refinance on a long-term basis. Texaco maintains a revolving credit facility with commitments of $2.0 billion, which remained unused at both March 31, 1996 and at year-end 1995. Additionally, a subsidiary maintains a long-term revolving credit facility for $330 million, which was fully utilized at March 31, 1996 and year-end 1995 and is reflected in long-term debt.

During the first quarter of 1996, Texaco sold its worldwide lubricant additive business for $196 million, comprised of $136 million in cash and a three-year note of $60 million. Also during the first quarter of 1996, Texaco received $208 million from the prepayment of the note received as part of the consideration for the 1994 sale of Texaco Chemical Company and related international chemical operations to Huntsman Corporation.

In March 1996, Texaco received $69 million from the sale of certain equipment leasehold interests in conjunction with a sale/leaseback arrangement. In the aggregate, through March 31, 1996, Texaco has received $317 million for these interests. Additional payments are expected to be received over the remainder of 1996. Texaco will repurchase the total interests when the related equipment is placed in service, which is currently expected by the end of 1996.

During 1995, Texaco announced a stock repurchase program to buy up to $500 million of its common stock through open market or privately negotiated transactions. Subject to market conditions and applicable regulatory requirements, the stock repurchase program is expected to be completed around the second quarter of 1997.

Texaco also announced that it has signed an agreement in principle with the Korea Petroleum Development Corporation for the sale of a 15% interest in Texaco's Captain Field in the U.K. North Sea for approximately $210 million, $20 million of which has been received, as a first installment, during the first quarter of 1996. This sale is expected to be completed in late 1996.

Subsequent to March 31, 1996, Texaco's 50% owned affiliate, Caltex Petroleum Corporation ("Caltex"), sold its 50% interest in Nippon Petroleum Refining Company, Limited to its partner, Nippon Oil Company, for approximately $2 billion. In April, Texaco received $550 million in cash dividends from Caltex, mainly from the sale proceeds.

The company considers its financial position sufficient to meet its anticipated future financial requirements.

EMPLOYEE SEVERANCE PROGRAM

On July 5, 1994, Texaco announced its plan for growth which included a series of action steps to increase competitiveness and profitability. This program also called for reductions in overhead, including reduced layers of supervision, and improvements in operating efficiencies. Implementation of Texaco's program was expected to result in the reduction of approximately 2,500 employees worldwide by June 30, 1995, involving the U.S. and international upstream and downstream segments, as well as various support staff functions. During the second quarter of 1994, Texaco recorded an after-tax charge of $88 million for the anticipated severance costs associated with the employee reductions. As a result of the continued successful application of its overhead reduction initiative, Texaco announced on October 2, 1995 that it had expanded this program to include approximately 1,500 additional employee separations worldwide by year-end 1996. In this regard, in the third quarter of 1995, Texaco recorded an after-tax charge of $56 million for the cost of these additional employee separations.

As of March 31, 1996, implementation of Texaco's program has included reductions of approximately 4,100 employees worldwide with a related commitment to severance payments of $189 million, or an after-tax cost of $130 million. Of this pre-tax commitment, payments of $168 million have been made as of March 31, 1996. Currently, there is no change in the company's estimated total cost under this program.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures for continuing operations, including equity in such expenditures of affiliates, were $641 million for the first quarter of 1996, as compared with $513 million for the same period of 1995. This 25% increase reflects the reinvestment of proceeds from sales of non-core assets, and increased focus on upstream opportunities both in the United States and international areas. Expenditures in downstream operations decreased due to the completion of refinery upgrades in the U.S. and refinery construction, nearing completion, by Caltex were partially offset by generally higher marketing investments worldwide.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to the discussion of Contingent Liabilities in Note 4 to the Consolidated Financial Statements of this Form 10-Q and to Item 3 of Texaco Inc.'s 1995 Annual Report on Form 10-K, which are incorporated herein by reference.

Environmental Matters

As of March 31, 1996, Texaco Inc. and/or its subsidiaries were parties to various proceedings, instituted by governmental authorities arising under the provisions of applicable laws or regulations relating to the discharge of materials into the environment or otherwise relating to the protection of the environment, none of which is material to the business or financial condition of the company. The following is a brief description of new proceedings which, because of the amounts involved, require disclosure under applicable Securities and Exchange Commission regulations:

On February 22, 1996, the Los Angeles Air Quality Management District ("AQMD") issued a notice of violation to Texaco Refining and Marketing Inc. ("TRMI") in connection with refrigerant use and maintenance at TRMI's Los Angeles refinery. AQMD penalties for violation of certain air regulations may exceed $100,000.

In a matter first reported in Texaco's 1995 Annual Report on Form 10-K, the U.S. Department of Justice has filed suit against Texaco Trading and Transportation Inc. ("TTTI") in connection with spills along Texaco Pipeline Inc. systems in Kansas in 1991. The suit seeks civil penalties of approximately $4,200,000 and injunctive relief. TTTI has not been served with the complaint, and the parties continue to discuss this matter.

Item 5. Other Information

	(Unaudited) For the three months ended March 31, 1996	1995 (a)
	(Millions of dollars)	
FUNCTIONAL NET INCOME		
Operating earnings (losses) from continuing operations before cumulative effect of accounting change		
Petroleum and natural gas		
Exploration and production		
United States	$ 267	$ 256
International	130	83
Total	397	339
Manufacturing, marketing and distribution		
United States	4	(19)
International	92	184
Total	96	165
Total petroleum and natural gas	493	504
Nonpetroleum	2	4
Total operating earnings	495	508
Corporate/Nonoperating	(109)	(90)
Net income from continuing operations before cumulative effect of accounting change	386	418
Cumulative effect of accounting change	-	(121)
Net income	$ 386	$ 297
CAPITAL AND EXPLORATORY EXPENDITURES - INCLUDING EQUITY IN AFFILIATES		
Exploration and production		
United States	$ 266	$ 172
International	207	143
Total	473	315
Manufacturing, marketing and distribution		
United States	77	74
International	87	119
Total	164	193
Other	4	5
Total	641	513
Discontinued operations	-	1
Total, including equity in affiliates	$ 641	$ 514

(a) Results for 1995 have been reclassified and restated for the adoption of SFAS 121.

	(Unaudited) For the three months ended March 31, 1996	1995
OPERATING DATA - INCLUDING INTERESTS IN AFFILIATES		
Net production of crude oil and natural gas liquids (thousands of barrels per day)		
United States	382	389
Other Western Hemisphere	12	17
Europe	119	135
Other Eastern Hemisphere	259	238
Total	772	779
Net production of natural gas available for sale (millions of cubic feet per day)		
United States	1,648	1,661
Europe	205	258
Other International	168	174
Total	2,021	2,093
Natural gas sales (millions of cubic feet per day)		
United States	3,235	3,277
Europe	297	295
Other International	178	186
Total	3,710	3,758
Natural gas liquids sales, including purchased LPG's (thousands of barrels per day)		
United States	245	237
International	116	89
Total	361	326
Refinery input (thousands of barrels per day)		
United States	711	685
Other Western Hemisphere	57	23
Europe	334	313
Other Eastern Hemisphere	501	466
Total	1,603	1,487
Refined product sales (thousands of barrels per day)		
United States	1,021	890
Other Western Hemisphere	376	349
Europe	475	447
Other Eastern Hemisphere	796	780
Total	2,668	2,466

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

- (11) Computation of Earnings Per Share of Common Stock of Texaco Inc. and Subsidiary Companies.

- (12) Computation of Ratio of Earnings to Fixed Charges of Texaco on a Total Enterprise Basis.

- (20) Copy of Texaco Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1995 (including portions of Texaco Inc.'s Annual Report to Stockholders for the year 1995), as previously filed by the Registrant with the Securities and Exchange Commission, File No. 1-27.

- (27) Financial Data Schedule.

(b) Reports on Form 8-K:

During the first quarter of 1996, the Registrant filed a Current Report on Form 8-K for the following event:

1. January 23, 1996 (date of earliest event reported: January 22, 1996)

   Item 5. Other Events -- reported that Texaco issued an Earnings Press Release for the fourth quarter and year 1995. Texaco appended as an exhibit thereto a copy of the Press Release entitled "Texaco Reports Results for the Fourth Quarter and Year 1995," dated January 22, 1996.

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, thereunto duly authorized.

Texaco Inc.

(Registrant)

By: R.C. Oelkers

(Comptroller)

By: R.E. Koch

(Assistant Secretary)

Date: May 10, 1996

EXHIBIT 11

TEXACO INC. AND SUBSIDIARY COMPANIES
COMPUTATION OF EARNINGS PER SHARE OF COMMON STOCK
FOR THE THREE MONTHS ENDED MARCH 31, 1996 AND 1995

(Millions of dollars, except per share amounts)

	(Unaudited) For the three months ended March 31, 1996	1995
Primary Net Income Per Common Share		
Net income from continuing operations before cumulative effect of accounting change	$ 386	$ 418
Cumulative effect of accounting change	-	(121)
Net income	386	297
Less: Preferred stock dividend requirements	(15)	(16)
Primary net income available for common stock	$ 371	$ 281
Average number of primary common shares outstanding for computation of earnings per share (thousands)	260,654	259,623
Primary net income per common share	$ 1.42	$ 1.08
Fully Diluted Net Income Per Common Share		
Net income	$ 386	$ 297
Less: Preferred stock dividend requirements of non-dilutive and anti-dilutive issues and adjustments to net income associated with dilutive securities	(6)	(6)
Fully diluted net income	$ 380	$ 291
Average number of primary common shares outstanding for computation of earnings per share (thousands)	260,654	259,623
Additional shares outstanding assuming full conversion of dilutive convertible securities into common stock, (thousands):		
Convertible debentures	147	148
Convertible Preferred Stock		
Series B ESOP	9,526	9,988
Series F ESOP	623	673
Other	158	84
Average number of fully diluted common shares outstanding for computation of earnings per share (thousands)	271,108	270,516
Fully diluted net income per common share	$ 1.40	$ 1.07

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
OF TEXACO ON A TOTAL ENTERPRISE BASIS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 1996 AND
FOR EACH OF THE FIVE YEARS ENDED DECEMBER 31, 1995 (a)

(Millions of dollars)

	For the Three Months Ended March 31, 1996	Years Ended December 31, 1995	1994	1993	1992	1991
Income from continuing operations, before provision or benefit for income taxes and cumulative effect of accounting changes effective 1-1-92 and 1-1-95..........	$ 713	$1,201	$1,409	$1,392	$1,707	$1,744
Dividends from less than 50% owned companies more or (less) than equity in net income................	(1)	1	(1)	(8)	(9)	5
Minority interest in net income...........................	16	54	44	17	18	16
Previously capitalized interest charged to income during the period...............................	7	33	29	33	30	23
Total earnings....................................	735	1,289	1,481	1,434	1,746	1,788
Fixed charges Items charged to income:						
Interest charges.....................................	146	614	594	546	551	644
Interest factor attributable to operating lease rentals...................................	26	110	118	91	94	76
Preferred stock dividends of subsidiaries guaranteed by Texaco Inc.........................	10	36	31	4	-	-
Total items charged to income......................	182	760	743	641	645	720
Interest capitalized...................................	5	28	21	57	109	80
Interest on ESOP debt guaranteed by Texaco Inc..........	3	14	14	14	18	26
Total fixed charges...............................	190	802	778	712	772	826
Earnings available for payment of fixed charges............ (Total earnings + Total items charged to income	$ 917	$2,049	$2,224	$2,075	$2,391	$2,508
Ratio of earnings to fixed charges of Texaco on a total enterprise basis.............................	4.83	2.55	2.86	2.91	3.10	3.04

(a) Excludes discontinued operations.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM TEXACO INC.'S FIRST QUARTER 1996 FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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TEXACO INC.
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3-MOS
DEC-31-1996
JAN-1-1996
MAR-31-1996
468
34
3,831
28
1,361
5,897
31,186
18,558
24,639
4,979
5,129
0
576
1,637
7,440
24,639
10,059
10,271
7,782
8,466
1,028
0
113
664
278
386
0
0
0
386
1.42
1.40