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):
April 26, 2001

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

Delaware	1-27	74-1383447
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

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

(914) 253-4000

(Registrant's telephone number, including area code)

Item 5. Other Events
- ---------------------

On April 26, 2001, the Registrant issued an Earnings Press Release entitled "Texaco Reports First Quarter 2001 Results," a copy of which is attached hereto as Exhibit 99.1 and made a part hereof.

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

(c) Exhibits

99.1 Press Release issued by Texaco Inc. dated April 26, 2001, entitled "Texaco Reports First Quarter 2001 Results."

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: /s/ MICHAEL H. RUDY

(Secretary)

Date: April 26, 2001

TEXACO REPORTS FIRST QUARTER 2001 RESULTS

FOR IMMEDIATE RELEASE: THURSDAY, APRIL 26, 2001.

WHITE PLAINS, N.Y., April 26 -- Texaco reported today first quarter 2001 income before special items of $836 million ($1.54 per share). Net income for the period was $833 million ($1.53 per share).

EARNINGS SUMMARY
First Quarter

	2001	2000
Income before special items (millions)	$ 836	$ 602
Per Share	$1.54	$1.10
Net Income (millions)	$ 833	$ 574
Per Share	$1.53	$1.05

Chairman and Chief Executive Officer Glenn Tilton commented, "Our outstanding first quarter results follow our record fourth quarter and mark the third consecutive quarter that earnings surpassed $800 million. Propelled by strong worldwide crude oil and U.S. natural gas prices, our upstream results were their highest ever. Operationally, we exceeded our production target for the quarter and made excellent progress on our major development projects. In the Philippines, the topsides of the Malampaya project platform were set and we remain on target for first production in the fourth quarter with first delivery of gas in January 2002. In the U.K. North Sea we are drilling new producing wells at the Captain B expansion project which will ramp up field production this year by 25,000 barrels per day by the third quarter.

"We also continue to progress our high-impact international deepwater exploration program. In Nigeria, the Agbami 3 well successfully appraised the west end of the field extending its areal limits. In Brazil, our drilling program began with the drilling of two of five planned exploration wells.

- more -

"Downstream earnings were mixed. While refining margins improved in some areas, including the U.S. East and Gulf Coasts where Motiva operates, high utility costs and tight margins burdened refining results elsewhere. Competitive pressures in all regions, especially the U.S. West Coast, caused lower retail marketing results as these operations were unable to fully recover product supply costs."

Commenting on Texaco's proposed merger with Chevron, Tilton added, "We continue to make good progress toward the completion of our proposed merger with Chevron. In February, our companies announced the leadership team and high-level organization structure for the post-merger company. The European Commission has given its approval of the merger without conditions. The U.S. Federal Trade Commission continues its review."

	First Quarter	
Texaco Inc. (Millions of dollars):	2001	2000
Income before special items	$ 836	$ 602
Net losses on major asset sales	-	(67)
Tax issue	-	46
Litigation issue	-	(13)
Employee related costs	-	6
Merger costs	(3)	-
Special items	(3)	(28)
Net income	$ 833	$ 574

==== ====

Details on special items are included in the following segment information.

OPERATING RESULTS

EXPLORATION AND PRODUCTION

United States (Millions of dollars):	First Quarter 2001	2000
Operating income before special items	$ 589	$ 361
Special items	-	(67)
Total operating income	$ 589	$ 294

- more -

U.S. Exploration and Production earnings for the first quarter of 2001 were significantly higher than last year due to higher natural gas prices. U.S. natural gas prices reached historic levels during the first quarter, reflecting low inventories and strong demand. Texaco's average realized natural gas price was $7.14 per thousand cubic feet (MCF) during the first quarter, 191 percent higher than last year.

Texaco's average realized crude oil price was $24.31 per barrel for the first quarter, down slightly from last year. Crude oil prices continue to react to changes in global demand, production levels and petroleum inventories which remain lean.

Daily production for the first quarter of 2001 was 534,000 barrels of oil equivalent per day, 12 percent lower than last year. More than half of this expected reduction was due to last year's sales of non-core producing properties. The balance of the decrease was due to natural field declines and lower production in our California fields as we economically reduced steam production due to high natural gas prices.

Operating expenses were 13 percent higher in the first quarter as natural gas prices led to significantly higher utilities expenses and production taxes. Exploratory expenses for the quarter were $33 million before tax, $14 million higher than last year.

Results for the first quarter of 2000 included a special charge of $67 million for net losses on the sales of non-core producing properties.

	First Quarter	
International (Millions of dollars):	2001	2000
Operating income before special items	$ 243	$ 293
Special items	-	-
Total operating income	$ 243	$ 293

International Exploration and Production operating results for the first quarter of 2001 were lower than last year due to decreased production volumes and lower crude oil sales volumes. Daily production was 564,000 barrels of oil equivalent per day in the first quarter 2001, down three percent or 17,000 barrels per day from last year. Last year's sales of non-core producing properties caused a decrease of 40,000 barrels per day or seven percent. Partly offsetting this decrease were higher lifting entitlements in Indonesia as a result of lower crude oil prices and increased production in the Karachaganak field in the Republic of Kazakhstan and in the Partitioned Neutral Zone. However, crude oil sales volumes were lower than last year due to the timing of liftings in the North Sea.

Market conditions kept natural gas prices strong throughout the first quarter, while crude oil prices receded slightly. Texaco's average realized crude oil price for the first quarter was $21.61 per barrel, down seven percent from last year. Our average realized natural gas price was $2.00 per MCF in the first quarter, up 35 percent from last year.

Operating expenses decreased 12 percent in the first quarter due to the sales of non-core producing properties. Exploratory expenses for the first quarter were $16 million before tax, $18 million lower than last year.

REFINING, MARKETING AND DISTRIBUTION

	First Quarter	
United States (Millions of dollars):	2001	2000
Operating income before special items	$ 38	$ 13
Special items	-	5
Total operating income	$ 38	$ 18

U.S. Refining, Marketing and Distribution earnings improved as compared with the extremely low results in 2000.

Motiva's earnings for the first quarter benefited from significantly higher refining margins in an environment of tight supplies and industry refinery maintenance, although higher utilities expense and scheduled maintenance at the Port Arthur refinery reduced those earnings. While refining results improved, marketing margins were negatively impacted by higher supply costs, which were not fully recovered in the market.

First quarter earnings for Equilon improved due to substantially higher refining margins and improved refinery operations. Earnings also benefited from higher utilization of proprietary pipelines, higher lubricant margins and improved trading results. These improvements were negatively impacted by extremely high West Coast utilities expense. Also, marketing earnings for Equilon declined from last year due to depressed fuel marketing margins as pump prices lagged increases in supply costs in a very competitive market. This was especially true in the Los Angeles area where retail fuel margins were under intense pressure.

Results for the first quarter of 2000 included net special benefits of $5 million comprised of a benefit of $18 million for an employee benefits revision and a charge of $13 million for a patent litigation issue.

- more -

International (Millions of dollars):	First Quarter 2001	2000
Operating income before special items	$ 88	$ 63
Special items	-	(12)
Total operating income	$ 88	$ 51

International Refining and Marketing earnings for the first quarter of 2001 increased from last year. Earnings improved in the Asia Pacific area due to higher marketing margins from lower product acquisition costs and higher trading results.

Operating results for the first quarter of 2001 decreased in Europe from last year due to weak markets, particularly in the U.K. Decreased margins in both refining and marketing operations resulted from our inability to recover higher supply costs in the marketplace. Results in Latin America were in line with last year with improved refining earnings but lower marketing results.

Results for the first quarter of 2000 included a special charge of $12 million for employee separation costs.

GLOBAL GAS, POWER AND ENERGY TECHNOLOGY

(Millions of dollars):	First Quarter 2001	2000
Operating income before special items	$ 5	$ 20
Special items	-	-
Total operating income	$ 5	$ 20

Results for the first quarter of 2001 were lower than last year. This year's results include higher costs and expenses for a new gasification project in Singapore. Results were also negatively impacted by higher fuel expense for the cogeneration facilities. In our U.S. natural gas trading operations, significantly improved natural gas margins and trading results were reduced by lower NGL margins.

CORPORATE/NON-OPERATING RESULTS

(Millions of dollars):	First Quarter 2001	2000
Operating income before special items	$ (124)	$ (148)
Special items	(3)	46
Total operating income	$ (127)	$ (102)

Corporate and non-operating results for the first quarter of 2001 benefited from lower interest expense and lower advertising and sales promotion expenses.

Results for the first quarter of 2001 included a special charge of $3 million for costs associated with the proposed merger with Chevron. Results for 2000 included special benefits of $46 million for favorable income tax settlements.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures were $761 million for the first quarter of 2001, compared with $724 million for 2000.

Total upstream expenditures increased more than 19 percent over 2000 levels as we continued to focus resources on high impact projects. Internationally, development work continued in the Malampaya natural gas project in the Philippines, the Agbami field offshore Nigeria and the Hamaca heavy oil project in Venezuela. In Kazakhstan, development work also continued in the Karachaganak and North Buzachi fields. In the U.S., spending focused on drilling and workover activity in the Gulf and Permian regions.

Downstream expenditures in the U.S. were in line with the prior year, while international activity reflected a slowing in marketing spending. Global Gas, Power and Energy Technology spending is lower than last year due to project completions in Thailand, Korea and Singapore.

- xxx -

CONTACTS:	Paul Weeditz	914-253-7745
	Keelin Molloy	914-253-7461
INVESTOR RELATIONS:	Elizabeth Smith	914-253-4478

- more -

Listen in live to Texaco's first quarter 2001 earnings discussion with financial analysts on Thursday, April 26th at 11:30 am EDT at:

http://www.webevents.broadcast.com/texaco/q101earnings

For technical assistance, call Sheila Lujan at 800-366-9831

Note: This press release contains a number of forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In particular, statements made concerning Texaco's expected performance and financial results in future periods are based upon Texaco's current expectations and beliefs and are subject to a number of known and unknown risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors known to Texaco, among others, could cause Texaco's actual results to differ materially from those described in the forward-looking statements: decreased demand for motor fuels, natural gas and other products; worldwide and industry economic conditions; inaccurate forecasts of crude oil, natural gas and petroleum product prices and production; higher costs, expenses and interest rates; the possibility that the merger with Chevron will not be consummated; the possibility that the anticipated benefits from the merger such as cost reductions will not be fully realized; the process of, or conditions imposed in connection with, obtaining regulatory approvals for the merger; etc. In addition, you are encouraged to review Texaco's latest reports filed with the SEC, including Texaco's Annual Report on Form 10-K filed with the SEC on March 26, 2001, which describes a number of additional risks and uncertainties that could cause actual results to vary materially from those listed in the forward-looking statements made in this press release.

- more -

Income (loss) (Millions of dollars)	First Quarter (a) 2001	First Quarter (a) 2000
Exploration and production		
United States	$ 589	$ 294
International	243	293
Total	832	587
Refining, marketing and distribution		
United States	38	18
International	88	51
Total	126	69
Global gas, power and energy technology	5	20
Total operating segments	963	676
Other business units	(3)	-
Corporate/Non-operating	(127)	(102)
Net income	$ 833	$ 574
Net income per common share (dollars) - diluted	$1.53	$1.05
Average number of common shares outstanding for computation of earnings per share (millions) - diluted	543.0	545.5
Provision for income taxes included in net income	$ 568	$ 363

(a) Includes special items indicated in this release.

Other Financial Data (Millions of dollars)	First Quarter 2001	First Quarter 2000
Revenues	$ 14,134	$ 11,271
Total assets as of March 31	$ 32,200(b)	$ 29,415
Stockholders' equity as of March 31	$ 14,100(b)	$ 12,374
Total debt as of March 31	$ 6,900(b)	$ 7,415
Capital and exploratory expenditures		
Exploration and production		
United States	$ 214	$ 175
International	417	353
Total	631	528
Refining, marketing and distribution		
United States	63	65
International	52	100
Total	115	165
Global gas, power and energy technology	12	28
Total operating segments	758	721
Other business units	3	3
Total	$ 761	$ 724
Exploratory expenses (c)		
United States	$ 33	$ 19
International	16	34
Total	$ 49	$ 53
Dividends paid to common stockholders	$ 243	$ 245
Dividends per common share (dollars)	$ .45	$ .45
Dividend requirements for preferred stockholders	$ 3	$ 3

(b) Preliminary

(c) Includes prior years' exploratory expenditures expensed in the current year

Operating Data	First Quarter 2001	First Quarter 2000
Exploration and production		
United States		
Net production of crude oil and natural gas liquids (MBPD)	325	377
Net production of natural gas available for sale (MMCFPD)	1,255	1,361
Total net production (MBOEPD)	534	604
Natural gas sales (MMCFPD)	4,627	3,394
Average U.S. crude (per bbl.)	$24.31	$24.46
Average U.S. natural gas (per mcf)	$ 7.14	$ 2.45
Average WTI (Spot) (per bbl.)	$28.72	$28.91
Average Kern (Spot) (per bbl.)	$19.89	$22.84
International		
Net production of crude oil and natural gas liquids (MBPD)		
Europe	119	144
Indonesia	133	124
Partitioned Neutral Zone	147	135
Other	55	70
Total	454	473
Net production of natural gas available for sale (MMCFPD)		
Europe	267	289
Colombia	202	208
Other	188	152
Total	657	649
Total net production (MBOEPD)	564	581
Natural gas sales (MMCFPD)	673	685
Average International crude (per bbl.)	$21.61	$23.32
Average International natural gas (per mcf)	$ 2.00	$ 1.48
Average U.K. natural gas (per mcf)	$ 3.63	$ 2.63
Average Colombia natural gas (per mcf)	$ 1.40	$ .94
Total worldwide net production (MBOEPD)	1,098	1,185

Operating Data

	First Quarter	
	2001	2000
Refining, marketing and distribution		
United States		
Refinery input (MBPD)		
Equilon area	198	277
Motiva area	309	265
Total	507	542
Refined product sales (MBPD)		
Equilon area	651	690
Motiva area	416	341
Other	375	292
Total	1,442	1,323
International		
Refinery input (MBPD)		
Europe	365	364
Caltex area	365	346
Latin America/West Africa	66	52
Total	796	762
Refined product sales (MBPD)		
Europe	584	635
Caltex area	523	580
Latin America/West Africa	519	448
Other	163	95
Total	1,789	1,758