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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):
April 22, 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)

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

10650
(Zip Code)

(914) 253-4000

(Registrant's telephone number, including area code)

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Item 5. Other Events

1. On April 22, 1996, the Registrant issued an Earnings Press Release entitled "Texaco Reports Results for The First Quarter 1996," 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 22, 1996, entitled "Texaco Reports Results for The First Quarter 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 hereunto duly authorized.

TEXACO INC.

(Registrant)

By: R. E. KOCH

(Assistant Secretary)

Date: April 23, 1996

APPENDIX

Description of graphic material included in Exhibit 99.1.

The following information is depicted in graphic form in a Press Release issued by Texaco Inc. dated April 22, 1996, entitled "Texaco Reports Results for the First Quarter 1996" filed as Exhibit 99.1 to this Form 8-K:

1. The first graph is located within the eighth paragraph of Exhibit 99.1. Graph is entitled "Texaco Average U.S. Natural Gas Price Per Quarter" and is shown in dollars per MCF by quarter for the years 1995 and 1996. The Y axis depicts dollars per MCF from \$0.00 to \$3.00 with \$.50 increments. The X axis depicts the calendar quarters for the years 1995 and 1996. The plot points are as follows:

First Quarter 1995	-	\$1.60 per MCF
Second Quarter 1995	-	\$1.67 per MCF
Third Quarter 1995	-	\$1.52 per MCF
Fourth Quarter 1995	-	\$1.81 per MCF
First Quarter 1996	-	\$2.11 per MCF

2. The second graph is located within the ninth paragraph of Exhibit 99.1. Graph is entitled "Texaco Average U.S. Crude Price Per Quarter" and is shown in dollars per barrel by quarter for the years 1995 and 1996. The Y axis depicts dollars per barrel from \$12.00 to \$20.00 with \$2.00 increments. The X axis depicts the calendar quarters for the years 1995 and 1996. The plot points are as follows:

First Quarter 1995	-	\$14.85 per barrel
Second Quarter 1995	-	\$15.85 per barrel
Third Quarter 1995	-	\$14.88 per barrel
Fourth Quarter 1995	-	\$14.89 per barrel
First Quarter 1996	-	\$16.51 per barrel

3. The third graph is located within the thirteenth paragraph of Exhibit 99.1. Graph is entitled "Texaco Average Int'l. Crude Price Per Quarter" and is shown in dollars per barrel by quarter for the years 1995 and 1996. The Y axis depicts dollars per barrel from \$12.00 to \$20.00 with \$2.00 increments. The X axis depicts the calendar quarters for the years 1995 and 1996. The plot points are as follows:

First Quarter 1995	-	\$16.38 per barrel
Second Quarter 1995	-	\$17.30 per barrel
Third Quarter 1995	-	\$15.45 per barrel
Fourth Quarter 1995	-	\$16.18 per barrel
First Quarter 1996	-	\$18.47 per barrel

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TEXACO REPORTS RESULTS

FOR THE FIRST QUARTER 1996
-----FOR IMMEDIATE RELEASE: MONDAY, APRIL 22, 1996.

WHITE PLAINS, N.Y., April 22 - Texaco announced today that consolidated worldwide net income for the first quarter of 1996 was \$386 million, or \$1.42 per share. Total net income for the first quarter of 1995 was \$297 million, or \$1.08 per share, which included special items and the cumulative effect of an accounting change totaling \$.27 per share. Earnings before special items of \$386 million in first quarter 1996 compared to \$226 million in the first quarter of 1995.

	First Quarter	
Texaco Inc. (Millions):	1996	1995
Net income before special items	\$ 386	\$ 226
Special items	-	192
Cumulative effect of accounting change as of January 1, 1995	-	(121)
Total net income	\$ 386 ===	\$ 297 ===

In commenting on the results, Alfred C. DeCrane, Jr., Texaco Chairman and Chief Executive Officer, noted, "First quarter performance continued to reflect the benefits of our 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.

"We were benefited by the positioning of our 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. Our 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."

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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."

The February 29, 1996, sale of Texaco's worldwide lubricant additives business for \$196 million, including \$136 million in cash and a three-year note of \$60 million, completed the disposition of the company's discontinued chemical operations. Discontinued operations had no significant impact on first quarter 1996 and 1995 results.

Subsequent to first quarter 1996, Texaco's affiliate Caltex Petroleum Corporation completed the sale of its 50 percent 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 sales transaction of some \$275 million will be reported in the second quarter of 1996.

ANALYSIS OF FUNCTIONAL NET INCOME

OPERATING EARNINGS
PETROLEUM AND NATURAL GAS
UNITED STATES

Exploration and Production

First quarter 1996 earnings were \$267 million as compared with \$144 million, before special items, for the first quarter of 1995. Including a net gain of \$112 million resulting from the sale of non-core producing properties, first quarter 1995 results totaled \$256 million.

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The substantial improvement in 1996 results 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

First quarter 1996 earnings were \$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 4 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

First quarter 1996 earnings 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

First quarter 1996 earnings were \$92 million, as compared with \$104 million before special items for the first quarter of 1995. First quarter 1995 results, including net special gains of \$80 million, principally relating to the sale of land by a Caltex affiliate in Japan, totaled \$184 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.

CORPORATE/NONOPERATING RESULTS

For the first quarter of 1996, corporate/nonoperating charges were \$109 million, as compared with \$90 million in the first quarter of 1995.

Results for 1995 included \$25 million in gains principally from sales of equity securities held for investment by the insurance operations.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures, 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 percent increase reflects the reinvestment of proceeds from sale of non-core business, 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.

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NOTE TO EDITORS: Tables for the first quarter are attached.

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Additional Texaco information is available on the World Wide Web at:
<http://www.texaco.com>

	First Quarter	
	----- 1996 -----	1995 (a) -----
FUNCTIONAL NET INCOME (\$000,000)		

Operating Earnings (Losses)		
Petroleum and natural gas		
Exploration and production		
United States	\$ 267	\$ 256 (b)
International	130	83
Total	----- 397	----- 339
Manufacturing, marketing and distribution		
United States	4	(19)
International	92	184 (b)
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	386	418
Cumulative effect of adoption of SFAS 121	-	(121)
Total net income (c)	----- \$ 386 =====	----- \$ 297 =====
EARNINGS (LOSS) PER COMMON SHARE		

Net income (loss) in dollars:		
Continuing operations before cumulative effect of accounting change	\$ 1.42	\$ 1.55
Cumulative effect of accounting change	-	(.47)
Total net income	----- \$ 1.42 =====	----- \$ 1.08 =====
Average number of common shares outstanding (000,000)	260.7	259.6

a) Previously reported results for 1995 have been restated for the adoption of SFAS 121, as appropriate

b) Includes special items as detailed in news release

c) Includes provision for income taxes (\$000,000) \$ 278 \$ 216

	First Quarter	
	----- 1996 -----	----- 1995 (a) -----
OTHER FINANCIAL DATA (\$000,000)		

Revenues from continuing operations	\$10,271	\$ 9,067
Total assets as of March 31	(d)\$24,700	\$ 24,981
Stockholders' equity as of March 31	(d)\$ 9,650	\$ 9,916
Total debt as of March 31	(d)\$ 5,650	\$ 6,114
Capital and exploratory expenditures (includes 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 =====
Texaco Inc. and subsidiary companies		
Exploratory expenses included above:		
United States	\$ 23	\$ 18
International	46	37
Total	----- \$ 69 =====	----- \$ 55 =====
Dividends paid to common stockholders	\$ 208	\$ 208
Dividends per common share (dollars)	\$.80	\$.80
Dividend requirements for preferred stockholders	\$ 15	\$ 16

(a) Previously reported results for 1995 have been restated for the adoption of SFAS 121, as appropriate
(d) Preliminary

	First Quarter	
	----- 1996 -----	----- 1995 -----
OPERATING DATA - INCLUDING INTERESTS		

IN AFFILIATES		

Net production of crude oil and natural gas liquids (000 BPD)		

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 (000 MCFPD)		
United States	1,648	1,661
Europe	205	258
Other International	168	174
	-----	-----
Total	2,021	2,093
Natural gas sales (000 MCFPD)		
United States	3,235	3,277
Europe	297	295
Other International	178	186
	-----	-----
Total	3,710	3,758
Natural gas liquids sales (including purchased LPGs) (000 BPD)		
United States	245	237
International	116	89
	-----	-----
Total	361	326
Refinery input (000 BPD)		
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 (000 BPD)		
United States	1,021	890
Other Western Hemisphere	376	349
Europe	475	447
Other Eastern Hemisphere	796	780
	-----	-----
Total	2,668	2,466