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

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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):  
January 22, 1996

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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  
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1. On January 22, 1996, the Registrant issued an Earnings Press Release entitled "Texaco Reports Results for The Fourth Quarter and Year 1995," 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  
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(c) Exhibits

- 99.1 Press Release issued by Texaco Inc. dated January 22, 1996, entitled "Texaco Reports Results for The Fourth Quarter and Year 1995."

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.

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(Registrant)

By: R. E. Koch

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(Assistant Secretary)

Date: January 23, 1996

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 January 22, 1996, entitled "Texaco Reports Results for the Fourth Quarter and Year 1995" filed as Exhibit 99.1 to this Form 8-K:

- The first graph is located within the eighth 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 1994 and 1995. The Y axis depicts dollars per barrel from \$10.00 to \$18.00 with \$2.00 increments. The X axis depicts the calendar quarters for the years 1994 and 1995. The plot points are as follows:

First Quarter 1994	-	\$11.02 per barrel
Second Quarter 1994	-	\$13.45 per barrel
Third Quarter 1994	-	\$14.82 per barrel
Fourth Quarter 1994	-	\$14.45 per barrel
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

The following summary information is also depicted at the bottom of the graph:

Year 1994	-	\$13.43 per barrel
Year 1995	-	\$15.10 per barrel

- The second graph is located within the tenth 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 1994 and 1995. 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 1994 and 1995. The plot points are as follows:

First Quarter 1994	-	\$2.32 per MCF
Second Quarter 1994	-	\$2.02 per MCF
Third Quarter 1994	-	\$1.84 per MCF
Fourth Quarter 1994	-	\$1.80 per MCF
First Quarter 1995	-	\$1.68 per MCF
Second Quarter 1995	-	\$1.70 per MCF
Third Quarter 1995	-	\$1.56 per MCF
Fourth Quarter 1995	-	\$1.94 per MCF

The following summary information is also depicted at the bottom of the graph:

Year 1994	-	\$1.99 per MCF
Year 1995	-	\$1.72 per MCF

- The third graph is located within the fifteenth paragraph of Exhibit 99.1. Graph is entitled "Texaco Average Int'l. U.S. Crude Price Per Quarter" and is shown in dollars per barrel by quarter for the years 1994 and 1995. The Y axis depicts dollars per barrel from \$10.00 to \$18.00 with \$2.00 increments. The X axis depicts the calendar quarters for the years 1994 and 1995. The plot points are as follows:

First Quarter 1994	-	\$13.12 per barrel
Second Quarter 1994	-	\$14.57 per barrel
Third Quarter 1994	-	\$16.02 per barrel
Fourth Quarter 1994	-	\$15.58 per barrel
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

The following summary information is also depicted at the bottom of the graph:

Year 1994	-	\$14.88 per barrel
Year 1995	-	\$16.29 per barrel

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TEXACO REPORTS RESULTS  
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FOR THE FOURTH QUARTER AND YEAR 1995  
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FOR IMMEDIATE RELEASE: MONDAY, JANUARY 22, 1996.

WHITE PLAINS, N.Y., Jan. 22 - Texaco announced today that net income before special items for the fourth quarter of 1995 was \$367 million, up \$79 million, or 27 percent, from comparable fourth quarter 1994 net income of \$288 million. For the year 1995, net income before special items was \$1,152 million as compared with \$915 million for the year 1994.

In commenting on the fourth quarter 1995 results, Alfred C. DeCrane, Jr., Texaco's Chairman of the Board and Chief Executive Officer stated, "The improved earnings before special items confirm continued solid progress on our plan for growth. Both fourth quarter and full year performance reflect operational improvements, significant expense and cost reduction, strong margins in Latin America and higher worldwide crude oil prices. Partly offsetting these benefits were lower U.S. natural gas prices, except late in the fourth quarter, and poor refining margins in the U.S. and the United Kingdom throughout the year. The adoption of a new financial accounting standard resulted in charges which masked much of this progress in our total reported net income."

Total reported results for the fourth quarter of 1995, which included a \$639 million non-cash charge relating to the adoption of a new accounting standard, was a loss of \$251 million, or \$1.02 per share. Comparable results for the fourth quarter of 1994 was net income of \$399 million, or \$1.49 per share. For the year 1995, total reported net income was \$607 million, or \$2.10 per share, as compared with \$910 million, or \$3.17 per share, for the year 1994.

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Texaco Inc. (Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Net income before special items	\$ 367	\$ 288	\$1,152	\$ 915
Adoption of new accounting standard				
Write-downs of assets	(639)	-	(639)	-
Gains on major asset sales	-	-	232	23
Tax benefits on asset sales	21	102	65	189
Employee separation costs	-	-	(56)	(89)
Other	-	(9)	(26)	(59)
	(618)	93	(424)	64
Discontinued chemical operations	-	18	-	(69)
Adoption of new accounting standard				
Cumulative effect of accounting change	-	-	(121)	-
	(618)	111	(545)	(5)
Total reported net income (loss)	\$ (251)	\$ 399	\$ 607	\$ 910

In the fourth quarter of 1995, Texaco adopted 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 application of this standard resulted in a non-cash charge of \$639 million against fourth quarter 1995 earnings and a restatement of reported earnings for the first three quarters of 1995 for assets "to be disposed of." Write-downs of non-core producing properties, being held for sale at January 1, 1995, were reclassified on the income statement as a cumulative effect of an accounting change. These write-downs previously had been included with the overall gains reported for U.S. producing property sales, which were in Texaco's operating earnings for the first quarter of 1995.

The fourth quarter of 1995 also included benefits of \$75 million for

insurance recoveries which were offset by charges to establish financial reserves for associated environmental remediation and other matters.

Details on other special items are included in the following analysis of functional earnings.

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ANALYSIS OF FUNCTIONAL NET INCOME (LOSS):

OPERATING EARNINGS (LOSSES) FROM CONTINUING OPERATIONS

PETROLEUM AND NATURAL GAS  
UNITED STATES

Exploration & Production (Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Operating earnings before special items	\$ 191	\$ 115	\$ 674	\$ 438
Special items	(493)	-	(381)	(24)
Total operating earnings (losses)	\$ (302)	\$ 115	\$ 293	\$ 414

The substantial improvements in comparative results before special items for the fourth quarter and year 1995 reflect the benefits of reduced overhead and lower operating expenses in core producing properties, along with expense reductions associated with the sales of non-core producing properties. Also, the increased application of new technologies enhanced operating performance.

Higher crude oil prices in 1995 of \$.44 per barrel for the fourth quarter and \$1.67 per barrel for the year contributed to net income improvements. The 1995 prices for heavy California crudes, approximately 35 percent of Texaco's U.S. production, were especially strong.

Crude oil and natural gas production from core properties in 1995 essentially equaled the prior year levels, despite production interruptions in the Gulf of Mexico caused by Hurricane Opal in October.

Results for the year were reduced by significantly lower natural gas prices which, despite some improvement in the fourth quarter, averaged \$.27 per MCF lower than last year.

Total operating results for both 1995 and 1994 included special items. The year 1995 included fourth quarter charges for the write-down of assets associated with the adoption of SFAS 121 of \$493 million, and a restated first quarter gain of \$125 million from the sale of non-core producing properties which was partly offset by reserves for environmental remediation on these properties of \$13 million. Charges for 1994 related to employee separations.

Manufacturing, Marketing & Distribution (Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Operating earnings before special items	\$ 60	\$ 72	\$ 141	\$ 281
Special items	(9)	-	(20)	(24)
Total operating earnings	\$ 51	\$ 72	\$ 121	\$ 257

Earnings for both the fourth quarter and year 1995 were affected adversely by depressed refining and marketing margins on the East and Gulf coasts. Margins were down due to lower light/heavy crude oil differentials, which severely reduced the benefits of refinery upgrading units, as well as from an oversupply of products in the marketplace. On the West Coast, refining margins were poor for most of 1995, though there was some improvement in the fourth quarter. Storm-related downtime and scheduled maintenance at the East and Gulf coast refineries also hurt comparative annual results.

Total operating earnings for both 1995 and 1994 included special items. Results for 1995 included a charge of \$9 million in the fourth quarter for the write-down of assets associated with the adoption of SFAS 121. Also included in 1995 results was a third quarter charge of \$11 million relating to employee separations. Results for 1994 included charges related to asset write-downs and employee separations.



INTERNATIONAL

Exploration & Production (Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Operating earnings before special items	\$ 90	\$ 107	\$ 343	\$ 269
Special items	(3)	-	(3)	(16)
Total operating earnings	\$ 87	\$ 107	\$ 340	\$ 253

Results for this year's fourth quarter decreased as expanded production in the Partitioned Neutral Zone and in China, and higher crude oil prices were more than offset by higher exploratory expenses and lower crude oil and gas production in the North Sea due to the natural decline of maturing fields and temporary operating interruptions for planned well work. Fourth quarter 1995 results included a favorable tax settlement of \$12 million in the United Kingdom, while fourth quarter 1994 earnings included a \$10 million gain on the sale of an interest in a field in the U.K. North Sea. For the year 1995, higher production combined with higher average crude oil prices of \$1.41 per barrel substantially increased results over 1994 levels.

Total operating earnings for both 1995 and 1994 included special items. Charges in 1995 of \$3 million related to the write-down of assets associated with the adoption of SFAS 121. The year 1994 included charges related to asset write-downs and employee separations.

Manufacturing, Marketing & Distribution (Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Operating earnings before special items	\$ 117	\$ 108	\$ 358	\$ 375
Special items	(31)	-	7	(15)
Total operating earnings	\$ 86	\$ 108	\$ 365	\$ 360

Fourth quarter 1995 results included higher earnings in Latin America, reflecting volume and margin improvements, while earnings in the United Kingdom and in Japan were depressed. The fourth quarter 1995 also included inventory valuation benefits of \$15 million and favorable foreign tax effects of \$13 million in the Caltex operating areas. In the fourth quarter of 1994 inventory valuation benefits for the Caltex operating areas of \$20 million were partly offset by lower earnings due to downtime caused by fires at the Pembroke, Wales, and Panama refineries. For the year 1995, earnings declined due to poor refining margins in the U.K. However, these declines were mainly offset by higher margins and sales volumes in Latin America.

Total operating earnings for both 1995 and 1994 included special items. Results for the fourth quarter of 1995 included charges of \$31 million for the write-down of assets associated with the adoption of SFAS 121. Results for the year 1995 also included a first quarter net gain of \$80 million, principally related to the sale of land by a Caltex affiliate in Japan, and charges of \$42 million in the third quarter related to employee separations in subsidiary operations and restructuring in certain Caltex operations. The year 1994 included charges of \$38 million related to employee separations and to the write-down of assets, partly offset by a gain of \$23 million related to the sale of an interest in a downstream joint venture in Sweden.

NONPETROLEUM

(Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Operating earnings (losses)				
before special items	\$ 12	\$ 10	\$ 32	\$ (3)
Special items	(87)	(9)	(60)	(29)
Total operating earnings (losses)	\$ (75)	\$ 1	\$ (28)	\$ (32)

Higher earnings in 1995 before special items are mainly due to the improved loss experience of insurance operations.

Total operating earnings (losses) for both 1995 and 1994 included special items. The 1995 results included a fourth quarter charge of \$87 million for the write-down of assets associated with the adoption of SFAS 121 and a third quarter gain of \$27 million from the sale of the company's interest in Pekin Energy Company. Results for 1994 included charges of \$29 million in the insurance operations related to property damage from the fires occurring at the Pembroke, Wales, refinery in the third quarter and the Panama refinery in the fourth quarter.

CORPORATE/NONOPERATING RESULTS FROM CONTINUING OPERATIONS

(Millions):	Fourth Quarter		Year	
	1995	1994	1995	1994
Results before special items	\$ (103)	\$ (124)	\$ (396)	\$ (445)
Special items	5	102	33	172
Total corporate/nonoperating	\$ (98)	\$ (22)	\$ (363)	\$ (273)

The fourth quarter and year 1995 results before special items improved primarily due to higher interest income, reduced overhead expenses and lower interest expense. Results for the year 1995 also included first quarter gains of \$25 million, principally from sales of equity securities held for investment by the insurance operations.

Results for both 1995 and 1994 included special items. Results for the fourth quarter and year 1995 included \$21 million and \$65 million, respectively, of tax benefits realizable through sales of interests in a subsidiary. Similar benefits of \$102 million and \$189 million were recognized for the fourth quarter and year of 1994, respectively. The fourth quarter of 1995 also included charges of \$16 million for the write-down of assets associated with the adoption of SFAS 121. The year 1995 and 1994 included charges of \$16 million and \$17 million, respectively, for employee separations.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures for continuing operations, including equity in such expenditures by affiliates, were \$3,128 million for the year 1995 as compared to \$2,741 million for 1994. For the fourth quarter, expenditures amounted to \$1,084 million in 1995 as compared to \$953 million for 1994. These increases reflect Texaco's plan to reinvest proceeds from sales of non-core assets into core businesses both in the United States and internationally.

Driving the increases in 1995 were higher worldwide exploration and production expenditures, including Captain Field development work in the U.K. sector of the North Sea, as well as higher second half onshore and offshore investment in the United States. Worldwide downstream expenditures also increased during the year with higher retail marketing and pipeline investments partially offset by lower refinery expenditures as a result of upgrade project completions principally in the Far East.

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NOTE TO EDITORS: Tables for the fourth quarter and year are attached. Also, attached is a table which includes restated functional net income for the first three quarters of 1995 for the adoption of SFAS 121.

	Fourth Quarter		Year	
	1995	1994	1995 (a)	1994
FUNCTIONAL NET INCOME				
-----				
(LOSS) (\$000,000)	-----			
Operating earnings (losses) from continuing operations (b)				
Petroleum and natural gas				
Exploration and production				
United States	\$ (302)	\$ 115	\$ 293	\$ 414
International	87	107	340	253
	-----	-----	-----	-----
Total	(215)	222	633	667
	-----	-----	-----	-----
Manufacturing, marketing and distribution				
United States	51	72	121	257
International	86	108	365	360
	-----	-----	-----	-----
Total	137	180	486	617
	-----	-----	-----	-----
Total petroleum and natural gas	(78)	402	1,119	1,284
Nonpetroleum	(75)	1	(28)	(32)
Total operating earnings (losses)	(153)	403	1,091	1,252
Corporate/Nonoperating (b)	(98)	(22)	(363)	(273)
	-----	-----	-----	-----
Net income (loss) from continuing operations	(251)	381	728	979
Gain (loss) on disposal of discontinued chemical operations	-	18	-	(69)
Cumulative effect of adoption of SFAS 121	-	-	(121)	-
	-----	-----	-----	-----
Total net income (loss)	\$ (251)	\$ 399	\$ 607	\$ 910
	=====	=====	=====	=====
EARNINGS (LOSS) PER COMMON SHARE				
-----				
Net income (loss) in dollars:				
Continuing operations	\$ (1.02)	\$ 1.42	\$ 2.57	\$ 3.43
Discontinued operations	-	.07	-	(.26)
Cumulative effect of accounting change	-	-	(.47)	-
	-----	-----	-----	-----
Total net income (loss)	\$ (1.02)	\$ 1.49	\$ 2.10	\$ 3.17
	=====	=====	=====	=====
Average number of common shares outstanding (000,000)	260.3	257.7	260.0	258.8

(a) Previously reported results for the first nine months of 1995 have been restated for the adoption of SFAS 121.

(b) Includes special items.

	Fourth Quarter		Year	
	1995	1994	1995	1994
OTHER FINANCIAL				
-----				
DATA (\$000,000)				
-----				
Revenues from continuing operations	\$ 9,652	\$ 8,959	\$36,792	\$33,353
Total assets as of December 31			(c) \$25,000	\$25,505
Stockholders' equity as of December 31			(c) \$ 9,500	\$ 9,749
Total debt as of December 31			(c) \$ 6,200	\$ 6,481
Capital and exploratory expenditures				
Texaco Inc.				
and subsidiary companies				
Exploration and production				
United States	\$ 281	\$ 191	\$ 900	\$ 789
International	274	269	918	645
Total	555	460	1,818	1,434
Manufacturing, marketing and distribution				
United States	137	105	305	271
International	130	111	317	292
Total	267	216	622	563
Other	32	17	50	37
Total Texaco Inc. and subsidiaries	854	693	2,490	2,034
Equity in affiliates				
United States	56	60	153	156
International	174	200	485	551
Total equity in affiliates	230	260	638	707
Total continuing operations	1,084	953	3,128	2,741
Discontinued chemical operations	-	1	2	22
Total	\$ 1,084	\$ 954	\$ 3,130	\$ 2,763
	=====	=====	=====	=====
Dividends paid to common stockholders	\$ 208	\$ 208	\$ 832	\$ 830
Dividends per common share (dollars)	\$ .80	\$ .80	\$ 3.20	\$ 3.20
Dividend requirements for preferred stockholders	\$ 14	\$ 15	\$ 60	\$ 91

(c) Preliminary

	Fourth Quarter		Year	
	1995	1994	1995	1994
OPERATING DATA - INCLUDING				
-----				
INTERESTS IN AFFILIATES				
-----				
Net production of crude oil and natural gas liquids (000 BPD)				
United States	382	404	381	407
Other Western Hemisphere	12	20	15	20
Europe	113	135	116	120
Other Eastern Hemisphere	268	241	250	236
	-----	-----	-----	-----
Total	775	800	762	783
Net production of natural gas - available for sale (000 MCFPD)				
United States	1,592	1,680	1,619	1,716
Europe	183	209	203	164
Other International	170	162	170	155
	-----	-----	-----	-----
Total	1,945	2,051	1,992	2,035
Natural gas sales (000 MCFPD)				
United States	3,124	3,120	3,153	3,092
Europe	259	216	255	171
Other International	180	172	180	166
	-----	-----	-----	-----
Total	3,563	3,508	3,588	3,429
Natural gas liquids sales (including purchased LPGs) (000 BPD)				
United States	222	241	216	218
International	81	81	80	73
	-----	-----	-----	-----
Total	303	322	296	291
Refinery input (000 BPD)				
United States	697	707	693	673
Other Western Hemisphere	66	18	43	40
Europe	347	303	300	285
Other Eastern Hemisphere	453	454	445	455
	-----	-----	-----	-----
Total	1,563	1,482	1,481	1,453
Refined product sales (000 BPD)				
United States	992	903	934	882
Other Western Hemisphere	362	322	346	312
Europe	531	455	473	447
Other Eastern Hemisphere	786	734	748	711
	-----	-----	-----	-----
Total	2,671	2,414	2,501	2,352

Nine Months 1995 Restated by Quarter for SFAS 121

FUNCTIONAL NET INCOME (LOSS) (\$000,000)

	1995				
	1st	2nd	3rd	4th	Year
Operating earnings (losses) from continuing operations(d)					
Petroleum and natural gas					
Exploration and production					
United States	\$ 256	\$ 177	\$ 162	\$ (302)	\$ 293
International	83	83	87	87	340
Total	339	260	249	(215)	633
Manufacturing, marketing and distribution					
United States	(19)	30	59	51	121
International	184	79	16	86	365
Total	165	109	75	137	486
Total petroleum and natural gas	504	369	324	(78)	1,119
Nonpetroleum	4	7	36	(75)	(28)
Total operating earnings (losses)	508	376	360	(153)	1,091
Corporate/Nonoperating(d)	(90)	(105)	(70)	(98)	(363)
Net income (loss) from continuing operations	418	271	290	(251)	728
Cumulative effect of adoption of SFAS 121 as of January 1, 1995	(121)	-	-	-	(121)
Total net income (loss)	\$ 297	\$ 271	\$ 290	\$ (251)	\$ 607
EARNINGS (LOSS) PER COMMON SHARE (dollars)					
Net income (loss) before cumulative effect of accounting change	\$ 1.55	\$ .99	\$ 1.06	\$ (1.02)	\$ 2.57
Cumulative effect of accounting change	(.47)	-	-	-	(.47)
Total net income (loss)	\$ 1.08	\$ .99	\$ 1.06	\$ (1.02)	\$ 2.10

d) Includes special items.