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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):
July 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)
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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 July 22, 1996, the Registrant issued an Earnings Press Release entitled "Texaco Reports Results for the Second Quarter and First Half 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 July 22, 1996, entitled "Texaco Reports Results for the Second Quarter and First Half 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: July 22, 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 July 22, 1996, entitled "Texaco Reports Results for the Second Quarter and First Half 1996" filed as Exhibit 99.1 to this Form 8-K:

1. The first graph is located within the seventh 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 year 1995 and first two quarters of 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 year 1995 and first two quarters of 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	-	\$2.15 per MCF
Second Quarter 1996	-	\$2.07 per MCF

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

First Half 1995	-	\$1.63 per MCF
First Half 1996	-	\$2.11 per MCF

2. The second 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 year 1995 and first two quarters of 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 year 1995 and first two quarters of 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
Second Quarter 1996	-	\$17.30 per barrel

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

First Half 1995	-	\$15.35 per barrel
First Half 1996	-	\$16.90 per barrel

3. The third graph is located within the tenth 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 year 1995 and first two quarters of 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 year 1995 and first two quarters of 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	-	\$18.02 per barrel
Second Quarter 1996	-	\$18.41 per barrel

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

First Half 1995	-	\$16.83 per barrel
First Half 1996	-	\$18.21 per barrel

TEXACO REPORTS RESULTS

 FOR THE SECOND QUARTER AND THE FIRST HALF 1996

FOR IMMEDIATE RELEASE: MONDAY, JULY 22, 1996.

WHITE PLAINS, N.Y., July 22 - Texaco announced today that total worldwide net income for the second quarter of 1996 was \$689 million, or \$2.59 per share, as compared with \$271 million, or \$.99 per share, for the second quarter of 1995. Total net income for the first half of 1996 was \$1,075 million, or \$4.01 per share, as compared with \$568 million, or \$2.07 per share, for the first half of 1995. Both years included special items.

Excluding special items, second quarter 1996 net income was \$465 million, or \$1.73 per share. This was \$194 million, or 72 percent, above the second quarter of 1995. First half 1996 net income was \$851 million, or \$3.15 per share. This was \$354 million, or 71 percent, above the same period of 1995.

In commenting on 1996 results, Texaco Inc. Chairman and Chief Executive Officer Peter I. Bijur, stated: "The earnings for the second quarter represent the eighth consecutive quarter that earnings exceeded previous years' levels. Improvements in nearly all sectors of our business were enhanced by strong crude and natural gas prices during the first half of 1996. Crude oil production increased both internationally and domestically as a result of new producing fields, continued field developments and enhanced recovery from existing fields. We also were able to take greater advantage of higher natural gas prices in the U.S. because a significant portion of our U.S. gas production moved throughout our strategically positioned Henry Hub in Louisiana to major North American markets, where demand has been strong.

"In the downstream, overall profitability improved due to higher margins, solid operating performance at our refineries and increased branded sales volumes. However, while refining margins rebounded from last year's historically low levels, marketing product margins eroded in Europe and in the U.S. due to competitiveness in the marketplace. As a result, downstream earnings continued to be below the levels required to provide a reasonable return on invested capital.

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"Results for all of our worldwide businesses have benefited from our unrelenting drive to improve productivity and reduce overhead expenses, as our cash operating expenses per barrel were significantly below the 1993 level, when our program for growth was launched," Bijur added. "Also, we have increased our capital expenditures this year, focusing on key upstream opportunities, especially in the deepwater Gulf of Mexico, where we have been very successful."

	Second Quarter		First Half	
	1996	1995	1996	1995

Texaco Inc. (Millions):	1996	1995	1996	1995

Net income before special items	\$ 465	\$ 271	\$ 851	\$ 497
	-----	-----	-----	-----
Gain on sale of an interest in an affiliate	224	--	224	--
Gains on major asset sales and other	--	--	--	192
Cumulative effect of accounting change SFAS - 121	--	--	--	(121)
	-----	-----	-----	-----
	224	--	224	71
	-----	-----	-----	-----
Total net income	\$ 689	\$ 271	\$ 1,075	\$ 568
	=====	=====	=====	=====

Details on special items are included in the following analysis of functional net income.

ANALYSIS OF FUNCTIONAL NET INCOME

OPERATING EARNINGS

PETROLEUM AND NATURAL GAS

EXPLORATION AND PRODUCTION

	Second Quarter		First Half	
	1996	1995	1996	1995
United States (Millions):				

Operating earnings before special items	\$243	\$177	\$510	\$321
Special items	--	--	--	112
	----	----	----	----
Total operating net income	\$243	\$177	\$510	\$433

Strong earnings growth in the U.S. upstream operations for both the second quarter and first half of 1996 resulted from higher production and prices for both crude oil and natural gas. Natural gas prices averaged 24 percent and 29 percent higher than the second quarter and first half of 1995, respectively. Higher natural gas prices reflected the impact of prolonged cold weather and increased industry demand to replenish natural gas storage.

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U. S. crude oil prices for 1996 averaged nine percent and 10 percent higher than the second quarter and first half of 1995, respectively. Similar to natural gas prices, increased worldwide crude oil prices reflected the prolonged cold weather in the U.S. and Western Europe. During this period, the imbalance in petroleum product supply and demand was exacerbated by production disruptions in Mexico and the North Sea at a time when crude inventory levels were low.

Production of crude oil and natural gas from new fields in 1996, as well as continued development and enhanced recovery from existing fields, more than offset declines from the normal maturation of fields and 1995 asset sales. Exploratory expenses were higher in 1996 due to increased seismic and other drilling activity, particularly offshore in the Gulf of Mexico, including deepwater properties, which reflects the company's aggressive program to expand production.

Results for 1995 included a first quarter net special gain of \$112 million principally resulting from the sale of non-core producing assets.

International (Millions):	Second Quarter		First Half	
	1996	1995	1996	1995
Total operating net income	\$ 103	\$ 83	\$ 233	\$ 166

Both the second quarter and first half of 1996 results for the international upstream operations reflected higher crude oil production and prices. Production from new fields in China

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and continuing development programs in the Partitioned Neutral Zone, between Saudi Arabia and Kuwait, more than offset lower production in the United Kingdom (U.K.), resulting mainly from maturing fields, and certain maintenance and repair activities. Exploratory expenses were higher in 1996, principally from expanded activity.

MANUFACTURING, MARKETING AND DISTRIBUTION

United States (Millions):	Second Quarter		First Half	
	1996	1995	1996	1995
Total operating net income	\$ 144	\$ 30	\$ 148	\$ 11

In the U.S. downstream operations, significant improvement in West Coast refining margins in the second quarter of 1996 was the principal reason for improved results for both the second quarter and the first half of 1996 as compared to the same periods of 1995. First quarter refining margins were depressed and only slightly better than the historic low levels experienced early in 1995. These margins improved in the second quarter as product prices rose, partly recovering the rapidly increasing first quarter crude oil price increases. Also, product prices rose due to shortages resulting from regional refining problems and new California gasoline formulation requirements at the time when the seasonal increase in market demand occurred. Improved refinery operations and continued focus on cost containment also contributed to the improved 1996 results.

Throughout the first half of 1996, marketing margins for most refined products were lower than the comparable period of 1995. This has been offset partially by the continued strength in gasoline and diesel sales volumes, with Texaco branded gasoline sales up four percent. Additionally, downstream earnings benefited from improved profits in the distribution and transportation businesses, particularly in the second quarter of 1996.

International (Millions):	Second Quarter		First Half	
	1996	1995	1996	1995
Operating earnings before special items	\$ 80	\$ 79	\$172	\$183
Special items	224	--	224	80
Total operating net income	\$304	\$ 79	\$396	\$263

In the international downstream operations, results for the second quarter benefited from higher marketing margins in Brazil, as well as higher margins in the Caltex operating markets, primarily Singapore and Australia. These benefits were offset partially by lower operating margins in Japan resulting from competitive pressures and by the April 1996 sale by Caltex of its interest in the Nippon Petroleum Refining Company, Limited (NPRC). In Europe, higher refining margins were offset partially by lower marketing margins, particularly in the U.K., reflecting excess supply and a highly competitive market.

The earnings decline, before special items, for the first half of 1996 reflected lower Caltex earnings in Japan and Korea, offset partially by higher refining margins in Bahrain and Singapore. The benefits of higher refining margins in Europe were somewhat offset by lower marketing margins.

Total second quarter results for 1996 included a special gain of \$224 million relating to the sale by Caltex of its interest in NPRC less the tax on the portion of the sale proceeds distributed to the shareholders. Results in 1995 included first quarter net special gains of \$80 million, primarily relating to the sale of land by a Caltex affiliate in Japan.

CORPORATE/NONOPERATING RESULTS

(Millions):	Second Quarter		First Half	
	1996	1995	1996	1995
Total corporate/nonoperating	\$ (108)	\$ (105)	\$ (217)	\$ (195)

Corporate and nonoperating results for 1995 included first quarter gains of \$25 million, 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 \$1,437 million for the first half of 1996, as compared to \$1,272 million for the same period of 1995. Expenditures for the second quarter of 1996 amounted to \$796 million versus \$759 million for the second quarter of 1995.

Increased U.S. exploration and production expenditures in the first half of 1996 reflected the continued focus on key upstream opportunities especially in the Gulf of Mexico, in both the immediate offshore and deepwater areas. The investment increase resulted from higher levels of rank wildcat drilling, continued revitalization of existing fields and an aggressive lease acquisition program. Texaco's first subsea development, the Shasta Prospect, began producing natural gas in the first quarter. In the deepwater areas, recent appraisal wells have confirmed the commerciality of the 1995 Petronius discovery and production testing at the Gemini Prospect confirmed that the reservoirs are capable of producing at commercial rates. Significant deepwater acreage acquired at the recent federal lease sale provides Texaco with the third-largest inventory of deepwater Gulf of Mexico acreage holdings in the industry. Also, planning has begun to construct a major natural gas gathering and transmission pipeline and processing complex to be located onshore and offshore South Louisiana.

Internationally, upstream investment for the first half of 1996 exceeded the aggressive activity level of 1995. Increased expenditures focused on Latin America, West Africa, the Partitioned Neutral Zone and Denmark while development work continued on the Captain Field in the U.K. North Sea and in Indonesia.

Expenditures in downstream operations decreased due to the completion of refinery upgrades in the U.S. and Panama, and the completion of refining construction projects in Thailand and Singapore by Caltex, which were offset partially by selected marketing investments, particularly in Latin American growth markets.

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

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

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

Operating Earnings (Losses)				
Petroleum and natural gas Exploration and production				
United States	\$ 243	\$ 177	\$ 510	\$ 433 (b)
International	103	83	233	166
	-----	-----	-----	-----
Total	346	260	743	599
	-----	-----	-----	-----
Manufacturing, marketing and distribution				
United States	144	30	148	11
International	304 (b)	79	396 (b)	263 (b)
	-----	-----	-----	-----
Total	448	109	544	274
	-----	-----	-----	-----
Total petroleum and natural gas	794	369	1,287	873
Nonpetroleum	3	7	5	11
	-----	-----	-----	-----
Total operating earnings	797	376	1,292	884
Corporate/Nonoperating	(108)	(105)	(217)	(195)
	-----	-----	-----	-----
Net income before accounting change (c)	689	271	1,075	689
Cumulative effect of adoption of SFAS 121	--	--	--	(121)
	-----	-----	-----	-----
Total net income	\$ 689	\$ 271	\$ 1,075	\$ 568
	=====	=====	=====	=====
EARNINGS (LOSS) PER COMMON SHARE (dollars)				

Net income before cumulative effect of accounting change	\$ 2.59	\$.99	\$ 4.01	\$ 2.54
Cumulative effect of accounting change	--	--	--	(.47)
	-----	-----	-----	-----
Total net income	\$ 2.59	\$.99	\$ 4.01	\$ 2.07
	=====	=====	=====	=====
Average number of common shares outstanding for computation of earnings per share (000,000)	260.8	259.9	260.7	259.7

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

(b) Includes special items as detailed in news release.

(c) Includes provision for income taxes (\$000,000) \$ 342 \$ 176 \$ 620 \$ 392

	Second Quarter		First Half	
	1996	1995	1996	1995
OTHER FINANCIAL DATA (\$000,000)				
Revenues	\$11,261	\$ 9,259	\$21,532	\$18,326
Total assets as of June 30			(d) \$25,100	\$25,167
Stockholders' equity as of June 30			(d) \$10,026	\$10,048
Total debt as of June 30			(d) \$ 5,500	\$ 6,192
Capital and exploratory expenditures (includes equity in affiliates)				
Exploration and production				
United States	\$ 355	\$ 215	\$ 621	\$ 387
International	243	295	450	438
Total	598	510	1,071	825
Manufacturing, marketing and distribution				
United States	79	93	156	167
International	114	149	201	268
Total	193	242	357	435
Other	5	7	9	12
Total	\$ 796	\$ 759	\$ 1,437	\$ 1,272
Texaco Inc. and subsidiary companies Exploratory expenses included above:				
United States	\$ 44	\$ 15	\$ 67	\$ 33
International	46	44	92	81
Total	\$ 90	\$ 59	\$ 159	\$ 114
Dividends paid to common stockholders	\$ 208	\$ 208	\$ 416	\$ 416
Dividends per common share (dollars)	\$.80	\$.80	\$ 1.60	\$ 1.60
Dividend requirements for preferred stockholders	\$ 14	\$ 15	\$ 29	\$ 31

d) Preliminary.

	Second Quarter		First Half	
	1996	1995	1996	1995
OPERATING DATA -				
INCLUDING INTERESTS				
IN AFFILIATES				
Net production of				
crude oil and natural				
gas liquids (000 BPD)				
United States	391	382	387	385
Other Western Hemisphere	11	17	11	17
Europe	110	98	115	116
Other Eastern Hemisphere	268	236	263	237
Total	780	733	776	755
Net production of				
natural gas -				
available for				
sale (000 MCFPD)				
United States	1,685	1,604	1,666	1,632
Europe	180	200	192	229
Other International	177	174	173	174
Total	2,042	1,978	2,031	2,035
Natural gas sales				
(000 MCFPD)				
United States	3,007	3,166	3,120	3,221
Europe	255	240	276	267
Other International	187	183	183	184
Total	3,449	3,589	3,579	3,672
Natural gas liquids sales				
(including purchased LPGs)				
(000 BPD)				
United States	188	199	216	218
International	95	61	106	75
Total	283	260	322	293
Refinery input (000 BPD)				
United States	721	686	716	685
Other Western Hemisphere	64	41	60	32
Europe	340	226	337	270
Other Eastern Hemisphere	268	409	385	437
Total	1,393	1,362	1,498	1,424
Refined product sales				
(000 BPD)				
United States	1,034	904	1,027	896
Other Western Hemisphere	381	342	379	345
Europe	453	424	464	436
Other Eastern Hemisphere	627	731	712	756
Total	2,495	2,401	2,582	2,433