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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):
August 18, 1997

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	10650 (Zip Code)
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(Address of principal executive offices)

(914) 253-4000

(Registrant's telephone number, including area code)

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Item 5. Other Events

On August 18, 1997, the Registrant and Monterey Resources, Inc. announced that they had signed an agreement to merge in a transaction valued at \$1.4 billion. Under the terms of the agreement, Texaco will exchange its common stock for all outstanding shares of Monterey, which will be valued at \$21 per share. Texaco also will assume Monterey's existing debt of approximately \$285 million. The merger, which is expected to be completed within 90 days, is subject to the approval of shareholders of Monterey and regulatory agencies.

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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: August 19, 1997
