

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 21, 1994

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)

Item 5. Other Events

1. On April 21, 1994, the Registrant announced that it had completed the previously announced sale of substantially all of its worldwide chemical operations, other than its lubricant additives business, to Huntsman Corporation, an affiliate of the Jon M. Huntsman Group of Companies. The Registrant is working in cooperation with Huntsman Financial Corporation ("HFC") to sell the lubricant additives business to a third party, and in the absence of such a third-party sale, HFC will acquire such business by September 30, 1994. The Registrant issued a Press Release entitled "Texaco Inc. Closes Sale of Texaco Chemical Company to Huntsman Corporation," a copy of which is attached hereto as Exhibit 99.1 and made a part hereof.
2. On April 25, 1994, the Registrant issued an Earnings Press Release entitled "Texaco Reports Results for the First Quarter 1994," a copy of which is attached hereto as Exhibit 99.2 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 21, 1994, entitled "Texaco Inc. Closes Sale of Texaco Chemical Company to Huntsman Corporation."
- 99.2 Press Release issued by Texaco Inc. dated April 25, 1994, entitled "Texaco Reports Results for the First Quarter 1994."

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 25, 1994

Description of graphic material included in Exhibit 99.2.

The following information is depicted in graphic form in the Press Release issued by Texaco Inc. dated April 25, 1994, entitled "Texaco Reports Results for the First Quarter 1994" filed as Exhibit 99.2 to this Form 8-K:

1. The first graph is located within the third paragraph of Exhibit 99.2. Graph is entitled "Texaco Average U.S. Crude Price Per Quarter" and is shown in dollars per barrel by quarter for the year 1993 and first quarter of 1994. 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 year 1993 and first quarter of 1994. The plot points are as follows:

First Quarter 1993	-	\$15.46 per barrel
Second Quarter 1993	-	\$15.70 per barrel
Third Quarter 1993	-	\$13.55 per barrel
Fourth Quarter 1993	-	\$12.36 per barrel
First Quarter 1994	-	\$11.02 per barrel

2. The second graph is located within the fourth paragraph of Exhibit 99.2. Graph is entitled "Texaco Average U.S. Natural Gas Price Per Quarter" and is shown in dollars per MCF by quarters for the year 1993 and first quarter of 1994. 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 1993 and first quarter of 1994. The plot points are as follows:

First Quarter 1993	-	\$1.99/MCF
Second Quarter 1993	-	\$2.26/MCF
Third Quarter 1993	-	\$2.17/MCF
Fourth Quarter 1993	-	\$2.34/MCF
First Quarter 1994	-	\$2.32/MCF

TEXACO INC. CLOSES SALE OF TEXACO CHEMICAL COMPANY

TO HUNTSMAN CORPORATION
-----FOR RELEASE: THURSDAY, APRIL 21, 1994.

WHITE PLAINS, N.Y., April 21 - Texaco Inc. announced today that it has received \$850 million as part of the previously announced sale of its wholly owned subsidiary, Texaco Chemical Company, and substantially all of its worldwide chemical operations, other than Texaco's lubricant additives business, to Huntsman Corporation, an affiliate of the Jon M. Huntsman Group of Companies.

The \$850 million consists of \$650 million in cash and \$200 million in 11-year subordinated notes. Not included in today's transaction is Texaco's worldwide lubricant additives business, which Texaco is working in cooperation with Huntsman Financial Corporation to sell to a third party. In the absence of such a third-party sale, Huntsman Financial Corporation will acquire Texaco's lubricant additives business by September 30, 1994.

Texaco also granted today to Huntsman, for an additional \$10 million in cash, a two-year option to purchase either 50 percent or 100 percent of a Texaco facility currently under construction in Port Neches, Texas, which will produce 400 million pounds per year of propylene oxide and 14,000 barrels per day of methyl tertiary butyl ether (MTBE).

Texaco is retaining its fuel additives business, which is key to the production of the company's advanced New CleanSystem3 gasolines. Texaco also is retaining its solvent and intermediate chemicals operations at its El Dorado, Kan., refinery and Star Enterprise's Delaware City refinery.

Commenting on the sale, Texaco Chairman and Chief Executive Officer Alfred C. DeCrane, Jr., stated, "Texaco has improved its financial strength by monetizing assets which no longer fit the company's current business strategies. The sale of these assets to Huntsman further enhances Texaco's ability to provide greater value and return to its shareholders and underscores the company's program to focus on its core oil, gas and related businesses."

Texaco Chemical Company markets a wide range of chemical commodities, including ethylene, propylene and ethylene glycol. The company also produces derivative specialty chemicals, particularly surfactants.

- xxx -

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TEXACO REPORTS RESULTS

FOR THE FIRST QUARTER 1994

FOR IMMEDIATE RELEASE: MONDAY, APRIL 25, 1994.

WHITE PLAINS, N.Y., April 25 - Texaco Inc. announced today that consolidated worldwide net income from continuing operations for the first quarter of 1994 was \$202 million, or \$0.69 per share, as compared with \$281 million, or \$0.98 per share, for the first quarter of 1993.

Prior to the restatement for the now discontinued chemical operations, results for the first quarter 1993 were \$278 million, or \$0.97 per share.

In commenting on 1994's first quarter performance Alfred C. DeCrane, Jr., Texaco's Chairman of the Board and Chief Executive Officer, stated, "Continued benefits from business process improvements, cost containment programs and increased international crude oil production levels were not enough to offset the impact of significantly reduced crude oil prices, which prevailed throughout the quarter. These prices were more than \$4 per barrel below the U.S. prices of last year, and more than \$3 per barrel lower internationally. The downstream business experienced strong operational performance, which included improved U.S. results on the East and Gulf Coasts. Natural gas prices in the U.S. were \$0.33 per thousand cubic feet higher than in the first quarter 1993."

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- 2 -

OPERATING EARNINGS FROM CONTINUING OPERATIONS
PETROLEUM AND NATURAL GAS
UNITED STATES

Exploration and production earnings for the first quarter of 1994 were \$75 million, as compared to \$133 million for the first quarter 1993. The results for 1994 reflect crude oil prices that have declined sharply since last summer. Crude oil prices realized in the first quarter 1994 were \$4.44 per barrel lower than in the first quarter of 1993. However, upstream earnings benefitted somewhat from an increase in natural gas prices over the first quarter of last year. U.S. production for the 1994 quarter decreased, in part, as a result of sales and joint venturing of selected gas properties in late 1993.

Manufacturing and marketing results were \$78 million for the first quarter of 1994, as compared to \$49 million for the first quarter of 1993. Earnings for 1994 benefitted from higher margins, mainly on the East and Gulf Coasts, as a result of lower refinery feedstock costs. Partially offsetting the improved margins was scheduled maintenance in 1994, principally at the Puget Sound refinery in Washington state. Sales of branded gasoline showed a strong increase in March of 1994, reflecting the successful introduction of Texaco's New CleanSystem3 gasoline throughout the United States.

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INTERNATIONAL

Exploration and production earnings were \$45 million for the first quarter of 1994, as compared to \$79 million for the first quarter of 1993. The decline in the comparative first quarter results is due to the substantial drop in crude oil prices, partly offset by enhanced and new production. Production was up 28 percent mainly as a result of increases in the U.K. and Danish sectors of the North Sea, Indonesia and Partitioned Neutral Zone between Kuwait and Saudi Arabia.

Manufacturing and marketing results were \$125 million for the first quarter of 1994, as compared to \$122 million for the first quarter of 1993. Increased sales in Latin America benefitted the comparative first quarter earnings, as did slightly higher margins in Brazil. Higher margins in the U.K. were offset by lower margins in the remainder of Europe and West Africa.

CORPORATE/NONOPERATING RESULTS FROM CONTINUING OPERATIONS

Corporate/nonoperating expenses for the first quarter of 1994 were \$120 million, as compared to expenses of \$99 million for the first quarter of 1993. This increase was mainly due to higher after tax interest expense, partly offset by lower corporate overhead.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures for continuing operations, including equity in such expenditures of affiliates, were \$624 million for the first quarter of 1994, as compared with \$534 million for the same period in 1993.

Upstream expenditures increased in the United States, reflecting additional drilling activities, with particular emphasis on developmental gas projects. Internationally, increased upstream activities in Indonesia and Australia were more than offset by lower expenditures in the U.K. North Sea where successful project completions continue to result in higher production volumes.

Downstream expenditures increased in 1994, principally as a result of a refinery upgrade project in Panama. In the United States, expenditures declined somewhat due to the completion of refinery upgrade projects underway in 1993 by Texaco's affiliate, Star Enterprise.

DISCONTINUED CHEMICAL OPERATIONS

The sale of Texaco Chemical Company (other than Texaco's lubricant additives business) was consummated with Huntsman Corporation on April 21, 1994. Final events related to the closing will result in further net charges projected at less than \$50 million. Texaco continues to cooperate with Huntsman Financial Corporation to explore the sale of the lubricant additives business to a third party. In the absence of such a third party sale, Huntsman Financial Corporation is scheduled to acquire this business by September 30, 1994.

- xxx -

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

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	First Quarter	
	----- 1994 -----	1993 (a) -----
FUNCTIONAL NET INCOME (\$000,000)		

Operating Earnings (Losses) from Continuing Operations		
Petroleum and natural gas		
Exploration and production		
United States	\$ 75	\$ 133
International	45	79
	-----	-----
Total	120	212
	-----	-----
Manufacturing, marketing and distribution		
United States	78	49
International	125	122
	-----	-----
Total	203	171
	-----	-----
Total petroleum and natural gas	323	383
Nonpetroleum	(1)	(3)
	-----	-----
Total operating earnings	322	380
Corporate/Nonoperating	(120)	(99)
	-----	-----
Net income from continuing operations	202	281
Discontinued chemical operations	-	(3)
	-----	-----
Total net income	\$ 202	\$ 278
	=====	=====
Per common share (dollars):		
Net income (loss):		
Continuing operations	\$.69	\$.98
Discontinued operations	-	(.01)
	-----	-----
Total net income	\$.69	\$.97
	=====	=====
Average number of common shares outstanding (000,000)	259.2	258.8

(a) Restated to reflect the separate identification of discontinued chemical operations.

	First Quarter	
	----- 1994 -----	1993 (a) -----
OTHER FINANCIAL DATA (\$000,000)		

Revenues from continuing operations	\$ 7,434	\$ 8,233
Total assets as of Mar. 31 (b)	\$26,300	\$26,021
Stockholders' equity as of Mar. 31 (b)	\$10,300	\$10,060
Total debt as of Mar. 31 (b)	\$ 7,000	\$ 6,654
Capital and exploratory expenditures Texaco Inc. and subsidiary companies		
Exploration and production		
United States	\$ 270	\$ 140
International	123	176
Total	----- 393	----- 316
Manufacturing, marketing and distribution		
United States	50	53
International	53	26
Total	----- 103	----- 79
Other	6	7
Total Texaco Inc. and subsidiaries	----- 502	----- 402
Equity in affiliates		
United States	25	37
International	97	95
Total equity in affiliates	----- 122	----- 132
Total continuing operations	----- 624	----- 534
Discontinued chemical operations	19	23
Total	----- \$ 643 =====	----- \$ 557 =====
Dividends paid to common stockholders	\$ 207	\$ 207
Dividends per common share (dollars)	\$.80	\$.80
Dividend requirements for preferred stockholders	\$ 24	\$ 27

(a) Restated to reflect the separate identification of discontinued chemical operations.

(b) Preliminary

First Quarter

	1994	1993
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OPERATING DATA - INCLUDING INTERESTS

IN AFFILIATES

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

United States	408	428
Other Western Hemisphere	20	20
Europe	117	77
Other Eastern Hemisphere	239	200
Total	784	725

Net production of natural gas - available for sale (000 MCFPD)

United States	1,675	1,762
International	330	242
Total	2,005	2,004

Natural gas sales (000 MCFPD)

United States	2,914	2,780
International	349	260
Total	3,263	3,040

Natural gas liquids sales (including purchased LPGs) (000 BPD)

United States	196	210
International	61	38
Total	257	248

Refinery input (000 BPD)

United States	613	668
Other Western Hemisphere	51	54
Europe	329	329
Other Eastern Hemisphere	478	451
Total	1,471	1,502

Refined product sales (000 BPD)

United States	816	812
Other Western Hemisphere	310	290
Europe	462	479
Other Eastern Hemisphere	723	761
Total	2,311	2,342