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 27, 2000

TEXACO INC.
(Exact name of registrant as specified in its charter)

Delaware	1-27	74-1383447
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

2000 Westchester Avenue, White Plains, New York	10650
(Address of principal executive offices)	(Zip Code)

(914) 253-4000

(Registrant's telephone number, including area code)

Item 5. Other Events
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On July 27, 2000, the Registrant issued an Earnings Press Release entitled "Texaco Reports Second Quarter 2000 Results," 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 July 27, 2000 entitled "Texaco Reports Second Quarter 2000 Results."

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: /s/ MICHAEL H. RUDY

(Secretary)

Date: July 27, 2000

TEXACO REPORTS SECOND QUARTER 2000 RESULTS

FOR IMMEDIATE RELEASE: THURSDAY, JULY 27, 2000.

WHITE PLAINS, N.Y., July 27 - Texaco reported today second quarter 2000 income before special items of $641 million ($1.17 per share). Net income for the period was $625 million ($1.14 per share).

EARNINGS SUMMARY

	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Income before special items (millions)	$ 641	$ 286	$1,243	$ 391
Per share	$ 1.17	$ 0.52	$ 2.27	$ 0.70
Net income (millions)	$ 625	$ 273	$1,199	$ 472
Per share	$ 1.14	$ 0.50	$ 2.19	$ 0.85

Texaco Chairman and Chief Executive Officer Peter I. Bijur commented, "Our strong earnings performance during the quarter was driven by high crude oil prices and increased U.S. natural gas prices. Strong worldwide demand and low industry inventories kept both crude oil and U.S. natural gas prices well above last year's levels.

"Our upstream operations contributed the greatest share of our earnings improvement during this period. During the quarter, the divestiture of several non-core producing assets added over $200 million to our cash flow. We continue to be encouraged by the results of our exploration program as well as the progress on our major development activities. In addition, the Petronius field offshore in the Gulf of Mexico began producing on July 9 and our production there should grow to 20,000 barrels per day in October.

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"In the downstream, our overall results improved versus this year's first quarter but were below last year. While our refining results have improved in Europe and on the Gulf and East Coasts of the United States, the combination of high crude oil costs and the extremely competitive environment contributed to weak marketing margins in most areas. Margins in the Caltex region have been especially weak and, accordingly, our performance there has been disappointing. During the quarter, the sale of Equilon's Wood River refinery was completed, furthering our long term strategy of reducing our refining exposure."

Commenting on Texaco's capital spending, Bijur stated, "Notwithstanding our strong earnings and cash flow, we continue to maintain a disciplined approach to our capital spending throughout the company."

Texaco Inc. (Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Income before special items	$ 641	$ 286	$1,243	$ 391
Gains (losses) on major asset sales	2	(55)	(65)	(55)
Tax issues	-	54	46	65
Inventory valuation adjustments	-	55	-	138
Employee benefits revision	-	-	18	-
Litigation issue	(4)	-	(17)	-
Reorganization,				

restructuring and employee separation costs	-	(67)	(12)	(67)
Net loss on Erskine pipeline	(14)	-	(14)	-
Special items	(16)	(13)	(44)	81
Net income	$ 625	$ 273	$1,199	$ 472

Details on special items are included in the following segment information.

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OPERATING RESULTS

EXPLORATION AND PRODUCTION

United States (Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Operating income before special items	$ 393	$ 138	$ 754	$ 165
Special items	(40)	10	(107)	21
Total operating income	$ 353	$ 148	$ 647	$ 186

U.S. Exploration and Production earnings for the second quarter and first six months of 2000 were considerably better than last year due to higher crude oil and natural gas prices. Tight oil supplies caused second quarter WTI crude oil prices to average nearly $29.00 per barrel. Texaco's realized crude oil prices for the second quarter and first six months of 2000 were $24.90 and $24.67 per barrel, 95 percent and 125 percent higher than last year. Increased demand and low storage levels caused U.S. natural gas prices to rise. For the second quarter and first six months of 2000, average natural gas prices were $3.28 and $2.86 per MCF, 60 percent and 49 percent above last year.

Daily production decreased nine percent for the second quarter and eight percent for the first six months of the year. This expected reduction was due to sales of non-core producing properties and natural field declines. During the second quarter, we received $67 million from these sales bringing our total cash proceeds for the year to $330 million.

Operating expenses increased eight percent for the second quarter and six months as higher crude oil and natural gas prices led to higher utilities expenses and production taxes. Exploratory expenses for the second quarter and first six months of 2000 were $22 million and $41 million before tax, $16 million and $51 million below last year, reflecting reduced activities in the U.S.

Results for the first six months of 2000 included special charges of $107 million, including $40 million in the second quarter, for net losses on sales of non-core producing assets. Results for the second quarter of 1999 included a special gain of $21 million for the sale of our interest in several California fields and a special charge of $11 million for employee separation costs. Results for 1999 also included a first quarter special benefit of $11 million for a production tax refund.

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International (Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Operating income before special items	$ 195	$ 80	$ 488	$ 62
Special items	66	(2)	66	(2)
Total operating income	$ 261	$ 78	$ 554	$ 60

International Exploration and Production earnings for the second quarter and first six months of 2000 were significantly higher than last year due to higher crude oil prices and lower expenses. Market conditions have kept crude oil prices strong throughout the first six months. Our realized crude oil prices for the second quarter and first six months of 2000 were $23.64 and $23.47 per barrel, 72 percent and 102 percent higher than last year. Average natural gas prices were $1.44 for the second quarter and $1.46 for the first six months of 2000, 17 percent and seven percent above last year.

Daily production decreased 10 percent for the second quarter and five percent for the first six months due to scheduled maintenance and repairs in our U.K. North Sea operations, lower lifting entitlements for cost recovery in Indonesia as a result of higher crude oil prices and the sale of non-core producing properties. Production continues to increase in the Partitioned Neutral Zone and the Karachaganak field in the Republic of Kazakhstan. During the second quarter, we received proceeds of $137 million from the sales of non-core producing properties.

In line with lower production, operating expenses decreased eight percent for the second quarter and seven percent for the first six months of 2000. Exploratory expenses for the second quarter were $38 million before tax, slightly lower than last year. Exploratory expenses for the first six months were $72 million before tax, $46 million lower than last year which included an unsuccessful exploratory well in a new offshore area of Trinidad.

Results for the second quarter of 2000 included a special benefit of $80 million for net gains on the sale of non-core producing properties and a special charge of $14 million for net losses resulting from the Erskine pipeline interruption in the U.K. North Sea. Results for the second quarter of 1999 included a special charge of $2 million for employee separation costs.

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REFINING, MARKETING AND DISTRIBUTION

United States (Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Operating income before special items	$ 80	$ 111	$ 93	$ 165
Special items	(35)	(87)	(30)	(79)
Total operating income	$ 45	$ 24	$ 63	$ 86

U.S. Refining, Marketing and Distribution earnings before special items were lower than last year for both the second quarter and first six months. U.S. downstream activities are primarily conducted through Equilon Enterprises LLC, Texaco's western alliance with Shell Oil Company, and Motiva Enterprises LLC, Texaco's eastern alliance with Shell Oil Company and Saudi Refining, Inc.

During the second quarter and first six months of 2000, Equilon's earnings declined due to weak marketing and lubricant margins. Maintenance activity at the Puget Sound, Martinez and Wood River refineries adversely impacted results for both years. Marketing margins were depressed because pump prices lagged increases in supply costs in a very competitive market.

Motiva's results for the second quarter and first six months of 2000 benefited from improved East and Gulf Coast refining margins. Maintenance activities this year in both quarters at the Delaware City Refinery and in the second quarter at the Port Arthur Refinery adversely impacted results. Lower gasoline and distillate inventory levels and tight supplies due to industry refinery downtime helped refining margins. While refining results improved, marketing margins were negatively impacted by higher supply costs which were not fully recovered in the competitive market.

Results for the first six months of 2000 included a second quarter special charge of $31 million for the loss on the sale of the Wood River refinery, a charge for a patent litigation issue of $17 million, $4 million in the second quarter, and a first quarter gain of $18 million for an employee benefits revision. Results for the first six months of 1999 included second quarter special charges for losses on refinery asset sales of $76 million and employee separation costs of $11 million and a first quarter special benefit of $8 million for inventory valuation adjustments.

International (Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Operating income before special items	$ 90	$ 76	$ 153	$ 221
Special items	-	75	(12)	150
Total operating income	$ 90	$ 151	$ 141	$ 371

International Refining and Marketing earnings before special items for the second quarter of 2000 increased from last year. Refining results improved dramatically in Europe as margins improved in the U.K. and the Netherlands. However, marketing results declined due to increased costs and highly competitive market conditions in our European and Latin American areas of operation. Refining results in Latin America were nearly level with the second quarter 1999. Operating results for our Caltex affiliate decreased due to lower marketing margins in the Asia Pacific area.

Results for the first six months of 2000 declined due to weak marketing margins in the Caltex region, Latin America and Europe. Refining results were mixed as European and Asian margins improved, while increased crude costs negatively impacted refining margins in Panama.

Results for 2000 included first quarter special charges of $12 million for employee separation costs. The second quarter of 1999 included a special gain of $54 million for a Korean tax benefit, Caltex restructuring charges of $25 million and employee separation costs in Europe and Latin America of $9 million. Results for 1999 also included a special benefit for inventory valuation adjustments of $130 million, $55 million in the second quarter.

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GLOBAL GAS AND POWER

(Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Operating income before special items	$ -	$ 4	$ 20	$ 10
Special items	-	(3)	-	(3)
Total operating income	$ -	$ 1	$ 20	$ 7

Operating results for the first six months of 2000 benefited from the first quarter recovery of natural gas liquids prices which was not sustained in the second quarter. Results for 1999 included gains from several asset sales, including a gas gathering pipeline in the U.S. and our 50 percent interest in a U.K. retail gas marketing venture.

Results for the second quarter of 1999 included a special charge of $3 million for employee separation costs.

CORPORATE/NON-OPERATING RESULTS

(Millions of dollars):	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Results before special items	$ (115)	$ (122)	$ (263)	$ (230)
Special items	(7)	(6)	39	(6)
Total corporate/non-operating	$ (122)	$ (128)	$ (224)	$ (236)

Corporate and non-operating expenses before special items for the second quarter benefited from a favorable prior period tax revision and lower interest expense. The first six months of 2000 included expenses for our Olympic sponsorship program and higher other corporate expenses. Results for the first six months of 1999 benefited from a $21 million gain on the sale of marketable securities.

Results for the first six months of 2000 included a first quarter special benefit of $46 million for favorable income tax settlements and a second quarter special charge of $7 million for early extinguishment of debt associated with the anticipated sale of an offshore producing facility in the U.K. North Sea. Results for 1999 included a second quarter special charge of $6 million for employee separation costs.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures were $1,769 million for the first six months of 2000, compared with $1,458 million for 1999.

Led by a 57 percent increase in our international segment, total upstream expenditures increased 24 percent as we continued to focus on high margin, high impact projects. Investment continued in the Malampaya natural gas project in the Philippines and the Karachaganak field in Kazakhstan. In addition to spending on these projects, expenditures for platform development work continued on the Captain B project in the U.K. North Sea. In the United States, upstream spending decreased by 17 percent primarily due to the completion, last year, of the Gemini project in the Deepwater Gulf of Mexico.

In the United States downstream, refinery expenditures declined as we continued to reduce our exposure to the refining business with the sale of our El Dorado refinery in November of 1999 and the Wood River refinery in June of 2000. Internationally, expenditures decreased due to the completion of a project at the Pembroke refinery last year and lower marketing investments in Latin America.

Expenditures for Global Gas and Power more than doubled from last year primarily from the purchase of a 20 percent interest in Energy Conversion Devices, Inc., which develops and commercializes enabling technologies for use in the fields of alternative energy and information technologies. This investment further advances our goal to be a leader in the development and commercialization of advanced, environmentally smart alternative energy technologies.

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Listen in live to Texaco's second quarter 2000 earnings discussion with financial analysts on Thursday, July 27th at 11:30 am EDT at:

http://www.webevents.broadcast.com/texaco/q200earnings

For technical assistance, call Sheila Lujan at 800-366-9831

Note: This press release contains a number of forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In particular, statements made concerning Texaco's expected performance and financial results in future periods are based upon Texaco's current expectations and beliefs and are subject to a number of known and unknown risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The following factors known to Texaco, among others, could cause Texaco's actual results to differ materially from those described in the forward-looking statements: decreased demand for motor fuels, natural gas and other products; worldwide and industry economic conditions; inaccurate forecasts of crude oil, natural gas and petroleum product prices and production; higher costs, expenses and interest rates; etc. In addition, you are encouraged to review Texaco's latest reports filed with the SEC, including Texaco's Annual Report on Form 10-K filed with the SEC on March 24, 2000, which describes a number of additional risks and uncertainties that could cause actual results to vary materially from those listed in the forward-looking statements made in this press release.

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Income (loss) (Millions of dollars)	Second Quarter(a)		Six Months(a)	
	2000	1999	2000	1999
Exploration and production				
United States	$ 353	$ 148	$ 647	$ 186
International	261	78	554	60
Total	614	226	1,201	246
Refining, marketing and distribution				
United States	45	24	63	86
International	90	151	141	371
Total	135	175	204	457
Global gas and power	-	1	20	7
Total operating segments	749	402	1,425	710
Other business units	(2)	(1)	(2)	(2)
Corporate/Non-operating	(122)	(128)	(224)	(236)
Net income	$ 625	$ 273	$1,199	$ 472
Net income per common share (dollars) - diluted	$1.14	$ .50	$ 2.19	$ .85
Average number of common shares outstanding for computation of earnings per share (millions) - diluted	544.4	530.2	544.9	529.6
Provision for income taxes included in net income	$ 404	$ 122	$ 767	$ 107

(a) Includes special items indicated in this release.

Other Financial Data (Millions of dollars)	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Revenues	$12,069	$ 8,269	$23,340	$15,459
Total assets as of June 30			$29,700(b)	$28,195
Stockholders' equity as of June 30			$12,680(b)	$11,814
Total debt as of June 30			$ 7,100(b)	$ 7,377
Capital and exploratory expenditures				
Exploration and production				
United States	$ 209	$ 205	$ 384	$ 461
International	526	340	879	561
Total	735	545	1,263	1,022
Refining, marketing and distribution				
United States	71	85	136	158
International	41	99	141	176
Total	112	184	277	334
Global gas and power	156	51	184	86
Total operating segments	1,003	780	1,724	1,442
Other business units	42	9	45	16
Total	$ 1,045	$ 789	$1,769	$ 1,458
Exploratory expenses included above				
United States	$ 22	$ 38	$ 41	$ 92
International	38	42	72	118
Total	$ 60	$ 80	$ 113	$ 210
Dividends paid to common stockholders	$ 244	$ 237	$ 489	$ 474
Dividends per common share (dollars)	$ .45	$ .45	$ .90	$ .90
Dividend requirements for preferred stockholder	$ 4	$ 10	$ 7	$ 23

(b) Preliminary

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Operating Data	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Exploration and production				
United States				
Net production of crude oil and natural gas liquids (MBPD)	364	399	371	404
Net production of natural gas available for sale (MMCFPD)	1,349	1,479	1,355	1,483
Total net production (MBOEPD)	589	646	597	651
Natural gas sales (MMCFPD)	4,054	3,015	3,724	3,295
Average U.S. crude (per bbl.)	$24.90	$12.80	$24.67	$10.95
Average U.S. natural gas (per mcf)	$ 3.28	$ 2.05	$ 2.86	$ 1.92
Average WTI (Spot) (per bbl.)	$28.97	$17.66	$28.94	$15.44
Average Kern (Spot) (per bbl.)	$23.17	$11.26	$23.00	$ 9.49
International				
Net production of crude oil and natural gas liquids (MBPD)				
Europe	98	143	120	136
Indonesia	124	150	124	165
Partitioned Neutral Zone	136	121	135	119
Other	64	69	68	67
Total	422	483	447	487
Net production of natural gas available for sale (MMCFPD)				
Europe	205	244	248	265
Colombia	188	160	197	157
Other	145	112	148	111
Total	538	516	593	533
Total net production (MBOEPD)	512	569	546	576
Natural gas sales (MMCFPD)	567	549	626	557
Average International crude (per bbl.)	$23.64	$13.73	$23.47	$11.60
Average International natural gas (per mcf)	$ 1.44	$ 1.23	$ 1.46	$ 1.37
Average U.K. natural gas (per mcf)	$ 2.27	$ 2.17	$ 2.32	$ 2.39
Average Colombia natural gas (per mcf)	$ 1.12	$ .59	$ 1.03	$ .62
Total worldwide net production (MBOEPD)	1,101	1,215	1,143	1,227

Operating Data	Second Quarter 2000	Second Quarter 1999	Six Months 2000	Six Months 1999
Refining, marketing and distribution				
United States				
Refinery input (MBPD)				
Equilon area	295	373	286	369
Motiva area	279	313	270	307
Total	574	686	556	676
Refined product sales (MBPD)				
Equilon area	760	710	725	641
Motiva area	365	376	353	378
Other	344	291	318	299
Total	1,469	1,377	1,396	1,318
International				
Refinery input (MBPD)				
Europe	385	368	375	367
Caltex area	361	416	354	427
Latin America/West Africa	64	72	58	73
Total	810	856	787	867
Refined product sales (MBPD)				
Europe	616	601	626	619
Caltex area	563	663	588	667
Latin America/West Africa	466	501	457	489
Other	91	82	92	93
Total	1,736	1,847	1,763	1,868