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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):
January 23, 1995

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)

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Item 5. Other Events

1. On January 23, 1995, the Registrant issued an Earnings Press Release entitled "Texaco Reports Results For The Fourth Quarter and Year 1994," 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 January 23, 1995, entitled "Texaco Reports Results For The Fourth Quarter and Year 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: January 24, 1995

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 23, 1995, entitled "Texaco Reports Results For The Fourth Quarter and Year 1994" filed as Exhibit 99.1 to this Form 8-K:

1. 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 1993 and 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 years 1993 and 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
Second Quarter 1994	-	\$13.45 per barrel
Third Quarter 1994	-	\$14.82 per barrel
Fourth Quarter 1994	-	\$14.45 per barrel

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

Year 1993	-	\$14.26 per barrel
Year 1994	-	\$13.43 per barrel

2. The second graph is also located within the eighth 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 1993 and 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 years 1993 and 1994. The plot points are as follows:

First Quarter 1993	-	\$1.99 per MCF
Second Quarter 1993	-	\$2.26 per MCF
Third Quarter 1993	-	\$2.17 per MCF
Fourth Quarter 1993	-	\$2.34 per MCF
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

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

Year 1993	-	\$2.19 per MCF
Year 1994	-	\$1.99 per MCF

TEXACO REPORTS RESULTS

 FOR THE FOURTH QUARTER AND YEAR 1994

FOR IMMEDIATE RELEASE: MONDAY, JANUARY 23, 1995.

WHITE PLAINS, N.Y., Jan. 23 - Texaco announced today that consolidated worldwide net income from continuing operations for the fourth quarter of 1994 was \$381 million, or \$1.42 per share, as compared with \$349 million, or \$1.25 per share, for the fourth quarter of 1993. Net income from continuing operations for the year 1994 was \$979 million, or \$3.43 per share, as compared with \$1,259 million, or \$4.47 per share, for the year 1993.

Texaco Inc. (Millions):	Fourth Quarter		Year	
	1994	1993	1994	1993
Net income from continuing operations before special items	\$ 288	\$ 284	\$ 915	\$1,132
Net special charges	(9)	-	(125)	(83)
Tax benefits on asset sales	102	65	189	210
Net income from continuing operations	381	349	979	1,259
Discontinued chemical operations:				
(Loss) from operations	-	-	-	(17)
Gain (loss) on disposal of business	18	(10)	(69)	(174)
Net income	\$ 399	\$ 339	\$ 910	\$1,068

In commenting on 1994's results Alfred C. DeCrane, Jr., Texaco's Chairman of the Board and Chief Executive Officer stated, "Fourth quarter earnings reflect some early results of the company's focused programs to emphasize core activities and business growth opportunities together with the sales of non-core assets, the reduction of overhead and the delayering of the organization. The increases in crude oil and natural gas production, particularly in the North Sea, combined with overall higher crude oil prices and particularly strong sales and margins in Latin America made strong contributions to our enhanced performance. However, these benefits were partially offset by depressed downstream margins in the U.S., Europe and the Far East, and lower U.S. natural gas prices."

- more -

- 2 -

Net income from continuing operations for the fourth quarter of 1994 of \$381 million included a special charge of \$9 million related to property damage from a fire at the Panama refinery.

Net income from continuing operations for the full year 1994 of \$979 million also included a special gain of \$23 million from the sale of an interest in a downstream joint venture in Sweden, as well as special charges of \$20 million related to property damage from a fire at the Pembroke, Wales, refinery and \$119 million relating to staff reductions and write-downs of certain assets being offered for sale as part of the company's business plan for worldwide growth. Net income from continuing operations for the year 1993 of \$1,259 million included special charges of \$235 million related to staff reductions, write-downs of assets and provisions for financial reserves, partly offset by \$152 million of net deferred tax benefits principally arising from tax law and rate changes in the United Kingdom.

Results from continuing operations also included tax benefits of \$102 million for the fourth quarter and \$189 million for the full year 1994, realizable through the sales of interests in a subsidiary. Similar tax benefits for the year 1993 were \$210 million. These benefits are realizable due to taxable gains on completed and announced sales of non-core assets, including the sale of discontinued chemical operations.

A net loss of \$69 million, which included a fourth quarter benefit of \$18 million for a change in tax estimates, was reflected in 1994 for discontinued operations relating to the sale of substantially all of Texaco's worldwide chemical business. Comparatively, a net loss of \$174 million on this disposal was recorded in 1993 reflecting the initial projected effects of these sales. The first phase of the chemical sales has been completed, while negotiations for the sale of the lubricant additives business are continuing.

Capital and exploratory expenditures for continuing operations, including equity in such expenditures of affiliates, were \$2,741 million for the year 1994, as compared to \$2,892 million for the prior year. Expenditures for the

fourth quarter of 1994 amounted to \$953 million versus \$1,005 million for the same quarter in 1993.

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ANALYSIS OF FUNCTIONAL NET INCOME

OPERATING EARNINGS FROM CONTINUING OPERATIONS
 PETROLEUM AND NATURAL GAS
 UNITED STATES

Exploration & Production (Millions):	Fourth Quarter		Year	
	1994	1993	1994	1993
Operating earnings from continuing operations before special items	\$ 115	\$ 114	\$ 438	\$ 548
Special charges	-	-	(24)	(38)
Total operating earnings	\$ 115	\$ 114	\$ 414	\$ 510

Comparative fourth quarter results reflect the impact of crude oil prices that averaged \$2.09 per barrel higher than the 1993 levels. This improvement was offset by the downward slide in natural gas prices which were \$.54 per MCF, or 23 percent lower than the same quarter in 1993. The fourth quarter and year benefitted from lower operating and overhead expenses, partly offset by higher exploratory expenses in the fourth quarter. Results for the year 1994 declined from year 1993 due to the combined impact of lower prices for natural gas, as well as generally lower crude oil prices prevailing during the first half of the year.

Fourth quarter results include a net gain of \$8 million resulting from various asset sales less certain asset write-downs.

The company's results in 1994 benefitted from its exploration and development program that has successfully added production which is largely offsetting the impact of normal production declines from maturing fields.

Special charges for 1994 provide for the estimated cost of employee separations. Special charges in 1993 included a deferred tax charge of \$32 million due to the U.S. tax rate increase, coupled with charges relating to staff reductions.

	Fourth Quarter		Year	
	1994	1993	1994	1993
Manufacturing & Marketing (Millions):				
Operating earnings from continuing operations before special items	\$ 72	\$ 100	\$ 281	\$ 306
Special charges	-	-	(24)	(91)
Total operating earnings	\$ 72	\$ 100	\$ 257	\$ 215

Earnings for both the fourth quarter and year 1994 reflect the impact of lower product margins particularly in the fourth quarter. For the year, margins were especially soft on the East and Gulf coasts. These adverse factors more than offset the fourth quarter benefits from improved refinery performance. Also, results for the year benefitted from increased sales of Texaco-branded gasolines.

Special charges for 1994 relate to the adjustment to fair market value of certain facilities offered for sale and the estimated cost of employee separations. Special charges for 1993 included charges for staff reductions, environmental reserves and the U.S. tax rate increase.

INTERNATIONAL

	Fourth Quarter		Year	
	1994	1993	1994	1993
Exploration & Production (Millions):				
Operating earnings from continuing operations before special items	\$ 107	\$ 36	\$ 269	\$ 212
Net special (charges) credits	-	-	(16)	110
Total operating earnings	\$ 107	\$ 36	\$ 253	\$ 322

Results for the fourth quarter and year 1994 reflect increased production of both crude oil and natural gas particularly in the North Sea, Australia, Indonesia and the Partitioned Neutral Zone between Kuwait and Saudi Arabia. Lower crude oil prices prevailing earlier in the year partly offset the benefits of increased production throughout 1994. For the fourth quarter, earnings also reflected higher crude oil prices as well as a \$10 million gain on the sale of an interest in a field in the U.K. North Sea.

The year 1994 included non-cash charges of \$15 million, as compared to \$8 million of 1993 benefits, relating to the currency exchange impacts of the Pound Sterling on deferred income taxes.

Special charges for 1994 related to the adjustment to fair market value of certain facilities being offered for sale and the estimated cost of employee separations. Special charges for the year 1993 included a third quarter benefit of \$169 million related to changes in the U.K. Petroleum Revenue Tax associated with the taxability of certain items, as well as a tax rate reduction. Also, included in 1993 were special charges related to staff reductions and the write-down of the carrying value of certain assets, principally in the North Sea, brought about by changes in the Petroleum Revenue Tax laws.

Manufacturing & Marketing (Millions):	Fourth Quarter		Year	
	1994	1993	1994	1993
Operating earnings from continuing operations before special items	\$ 108	\$ 120	\$ 375	\$ 464
Net special charges	-	-	(15)	(30)
Total operating earnings	\$ 108	\$ 120	\$ 360	\$ 434

The fourth quarter and year 1994 results reflect lower product margins in Europe and in the Caltex operating areas, as well as lower earnings resulting from downtime caused by the Pembroke and Panama fires. Also, unfavorable currency exchange effects occurring earlier in 1994 in the Caltex operating areas impacted earnings for the year. These impacts were partially offset by higher margins and product volumes in Latin America.

Results included inventory valuation benefits for the Caltex operating areas of \$20 million for the fourth quarter and \$16 million for the year 1994, which resulted primarily from higher crude oil prices in the latter part of 1994. In 1993, market values of inventories were lower than their carrying values which resulted in charges of \$36 million and \$51 million for the fourth quarter and the year, respectively.

The year 1994 included non-cash charges of \$16 million, as compared to \$4 million in 1993 benefits, relating to the currency exchange impacts of the Pound Sterling on deferred income taxes.

The year 1994 included special charges related to the estimated cost of employee separations, and the adjustment to fair market value of certain properties being offered for sale, partly offset by a special gain of \$23 million related to the sale of an interest in a downstream joint venture in Sweden. The year 1993 included special charges related to staff reductions and write-downs of the carrying values of certain assets.

NONPETROLEUM

(Millions):	Fourth Quarter		Year	
	1994	1993	1994	1993
Results from continuing operations				
before special items	\$ 10	\$ (1)	\$ (3)	\$ (9)
Special charges	(9)	-	(29)	(4)
Total operating earnings	\$ 1	\$ (1)	\$ (32)	\$ (13)

Fourth quarter 1994 earnings included increased gasification licensing revenues. Results for 1994 included special charges of \$29 million by an insurance subsidiary 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	
	1994	1993	1994	1993
Results from continuing operations				
before special items	\$(124)	\$ (85)	\$(445)	\$(389)
Net special charges	-	-	(17)	(30)
Tax benefits on asset sales	102	65	189	210
Total corporate/nonoperating	\$ (22)	\$ (20)	\$(273)	\$(209)

Results for the fourth quarter and year 1994 were principally impacted by the effect of reduced capitalization of interest expense due to project completions, lower gains on sales of securities, and unfavorable U.S. tax effects on interest expense. Partially offsetting these impacts was lower corporate overhead for 1994, flowing from the company's continuing expense reduction efforts.

Special charges for 1994 and 1993 were principally related to staff reductions.

Results for the fourth quarter and year 1994 included \$102 million and \$189 million, respectively, of tax benefits realizable through sales of interests in a subsidiary. Similar benefits of \$65 million and \$210 million were recognized for the 1993 fourth quarter and year, respectively.

CAPITAL AND EXPLORATORY EXPENDITURES

International upstream expenditures of \$795 million for 1994 were somewhat reduced from the prior year reflecting successful project completions in the U.K. North Sea which have increased production of liquids and natural gas. These decreases were partially offset by increased expenditures, principally in the fourth quarter, on new projects in the North Sea and offshore Nigeria, as well as ongoing development in China and Australia. In the United States, expenditures for the year were \$790 million, essentially unchanged from the prior year, as a result of strong drilling activity during the first half of 1994 with particular emphasis on developmental gas projects.

Worldwide downstream expenditures of \$1,116 million in 1994 also declined as compared to 1993 due to project completions. Lower expenditures for refinery upgrade projects in the United States were partially offset by higher international expenditures for the full year. Texaco's affiliate, Caltex, reflected higher investments for refinery construction and upgrade projects earlier this year, as well as higher marketing expenditures. Ongoing refinery upgrading construction in Panama which began late in 1993, was largely offset by lower marketing expenditures for service station construction and rehabilitation in the U.K., principally during the fourth quarter.

- xxx -

NOTE TO EDITORS: Tables for the fourth quarter and year are attached.

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	Fourth Quarter		Year	
	1994	1993	1994	1993
FUNCTIONAL NET INCOME (\$000,000)				
Operating Earnings (Losses) from Continuing Operations (a)				
Petroleum and natural gas				
Exploration and production				
United States	\$ 115	\$ 114	\$ 414	\$ 510
International	107	36	253	322
Total	222	150	667	832
Manufacturing, marketing and distribution				
United States	72	100	257	215
International	108	120	360	434
Total	180	220	617	649
Total petroleum and natural gas	402	370	1,284	1,481
Nonpetroleum	1	(1)	(32)	(13)
Total operating earnings	403	369	1,252	1,468
Corporate/Nonoperating (a)	(22)	(20)	(273)	(209)
Net Income from continuing operations	381	349	979	1,259
Discontinued chemical operations				
(Loss) from operations	-	-	-	(17)
Gain (loss) on disposal of business	18	(10)	(69)	(174)
Total net income	\$ 399	\$ 339	\$ 910	\$1,068
Per common share (dollars):				
Net income (loss):				
Continuing operations	\$1.42	\$1.25	\$ 3.43	\$ 4.47
Discontinued operations	.07	(.04)	(.26)	(.73)
Total net income	\$1.49	\$1.21	\$ 3.17	\$ 3.74
Average number of common shares outstanding (000,000)	257.7	259.1	258.8	258.9

(a) Results include special items

	Fourth Quarter		Year	
	1994	1993	1994	1993
OTHER FINANCIAL DATA (\$000,000)				
Revenues from continuing operations	\$ 8,959	\$ 8,575	\$33,353	\$34,071
Total assets as of December 31			(b) \$25,600	\$26,626
Stockholders' equity as of December 31			(b) \$ 9,750	\$10,279
Total debt as of December 31			(b) \$ 6,500	\$ 6,826
Capital and exploratory expenditures Texaco Inc. and subsidiary companies				
Exploration and production				
United States	\$ 191	\$ 280	\$ 789	\$ 796
International	269	165	645	755
Total	460	445	1,434	1,551
Manufacturing, marketing and distribution				
United States	105	115	271	347
International	111	158	292	291
Total	216	273	563	638
Other	17	17	37	43
Total Texaco Inc. and subsidiaries	693	735	2,034	2,232
Equity in affiliates				
United States	61	46	157	157
International	199	224	550	503
Total equity in affiliates	260	270	707	660
Total continuing operations	953	1,005	2,741	2,892
Discontinued chemical operations	1	30	22	84
Total	\$ 954	\$ 1,035	\$ 2,763	\$ 2,976
Dividends paid to common stockholders	\$ 208	\$ 207	\$ 830	\$ 828
Dividends per common share (dollars)	\$.80	\$.80	\$ 3.20	\$ 3.20
Dividend requirements for preferred stockholders	\$ 15	\$ 24	\$ 91	\$ 101

(b) Preliminary

	Fourth Quarter		Year	
	1994	1993	1994	1993
OPERATING DATA - INCLUDING INTERESTS IN AFFILIATES				
Net production of crude oil and natural gas liquids (000 BPD)				
United States	404	417	407	423
Other Western Hemisphere	20	18	20	20
Europe	135	94	120	81
Other Eastern Hemisphere	241	217	236	204
Total	800	746	783	728
Net production of natural gas - available for sale (000 MCFPD)				
United States	1,680	1,726	1,716	1,729
International	371	287	319	238
Total	2,051	2,013	2,035	1,967
Natural gas sales (000 MCFPD)				
United States	3,120	2,677	3,092	2,735
International	388	315	337	255
Total	3,508	2,992	3,429	2,990
Natural gas liquids sales (including purchased LPGs) (000 BPD)				
United States	241	194	218	190
International	81	52	73	51
Total	322	246	291	241
Refinery input (000 BPD)				
United States	707	652	673	658
Other Western Hemisphere	18	45	40	50
Europe	303	335	285	330
Other Eastern Hemisphere	454	440	455	432
Total	1,482	1,472	1,453	1,470
Refined product sales (000 BPD)				
United States	903	859	882	830
Other Western Hemisphere	322	307	312	291
Europe	455	510	447	489
Other Eastern Hemisphere	734	764	711	724
Total	2,414	2,440	2,352	2,334