

PROSPECTUS SUPPLEMENT dated
May 12, 1998 to PROSPECTUS
dated February 26, 1998.

Pricing Supplement No. 2

TEXACO CAPITAL INC.
SERIES 1998
MEDIUM-TERM NOTES
Guaranteed by
Texaco Inc.

Notes Due More Than 9 Months From Date of Issue

Principal Amount: \$20,000,000.00
Specified Currency: U.S. Dollar
Fixed Rate Note: Yes
Interest Rate: 6.60%

Maturity Date: May 22, 2018
Extendible: No
Final Maturity Date: N/A
Issue Price: 100.0000%
Record Dates: Monthly on the 7th
Interest Payment Dates: Monthly on the 22nd
Original Issue Date: May 22, 1998
Book-Entry Note: Yes
Certificated Note: No
Redemption Provisions: The Note may not be redeemed
before 5/22/99. On or after that date,
the Note may be redeemed, in whole
at par, monthly (based on following
business day convention) at the coupon
dates at the option of Texaco Capital
Inc. on not less than 10 days nor more
than 60 days notice, at 100% of its
principal amount, together with
accrued interest to the date fixed
for redemption.

Zero-Coupon Note: No

Floating Rate Note: No
Base Rate: N/A
- CD Rate: N/A
- Commercial Paper Rate: N/A
- Federal Funds Rate: N/A
- LIBOR: N/A
- Treasury Rate: N/A
- Other: N/A
Initial Interest Rate: N/A
Interest Reset Period: N/A
Interest Reset Dates: N/A
Interest Determination Dates: N/A
Interest Payment Period: N/A
Interest Payment Dates: N/A
Index Maturity: N/A
Maximum Interest Rate: N/A
Minimum Interest Rate: N/A
Spread: N/A
Spread Multiplier: N/A
Issuer Able to Change Spread
or Spread Multiplier: N/A

Repayment Provisions: No
Currency Indexed Note: No
- Denominated Currency: N/A
- Indexed Currency: N/A
- Face Amount: N/A
- Base Exchange Rate: N/A
- Calculation Agent: N/A
- Reference Dealer: N/A
Commodity Indexed Notes: No
Other Terms: No

Bear Stearns & Co. Inc.

Name of Agent