FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1995-05-10** | Period of Report: **1995-03-31**
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FILER

TEXACO INC

CIK:**97349**| IRS No.: **741383447** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-00027** | Film No.: **95536188**
SIC: **2911** Petroleum refining

Business Address
2000 WESTCHESTER AVE
WHITE PLAINS NY 10650
9142534000

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United States
Securities and Exchange Commission
Washington, D.C. 20549
Form 10-Q

____

Quarterly Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

For the quarterly period ended March 31, 1995 Commission file number 1-27

Texaco Inc.
(Exact name of the registrant as specified in its charter)

Delaware	74-1383447
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2000 Westchester Avenue White Plains, New York	10650
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (914) 253-4000

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Texaco Inc. (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

As of April 28, 1995, there were outstanding 259,732,953 shares of Texaco Inc. Common Stock - par value $6.25.

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<TABLE>
<CAPTION>

PART I - FINANCIAL INFORMATION

TEXACO INC. AND SUBSIDIARY COMPANIES
STATEMENT OF CONSOLIDATED INCOME
FOR THE THREE MONTHS ENDED March 31, 1995 AND 1994
(Millions of dollars, except per share amounts)

	(Unaudited) For the three months ended March 31,	
	1995	1994
<S>	<C>	<C>
REVENUES		
Sales and services	$8,585	$7,232
Equity in income of affiliates, income from		

dividends, interest, asset sales and other	474	202
	9,059	7,434
DEDUCTIONS		
Purchases and other costs	6,526	5,183
Operating expenses	745	731
Selling, general and administrative expenses	357	391
Maintenance and repairs	89	90
Exploratory expenses	55	66
Depreciation, depletion and amortization	568	408
Interest expense	124	122
Taxes other than income taxes	124	125
Minority interest	17	11
	8,605	7,127
Income from continuing operations before income taxes	454	307
Provision for income taxes	153	105
Net income from continuing operations	301	202
Discontinued operations	-	-
NET INCOME	$ 301	$ 202
Preferred stock dividend requirements	$ 16	$ 24
Net income available for common stock	$ 285	$ 178
Per common share (dollars)		
Net income		
Continuing operations	$ 1.10	$ .69
Discontinued operations	-	-
Net income	$ 1.10	$ .69
Cash dividends paid	$ .80	$ .80
Average number of common shares outstanding (thousands)	259,623	259,185

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

<TABLE>
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TEXACO INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 1995 AND DECEMBER 31, 1994

(Millions of dollars)

<S>	March 31, 1995 (Unaudited) <C>	December 31, 1994 <C>
ASSETS		

Current Assets		
Cash and cash equivalents	$ 391	$ 404
Short-term investments - at fair value	30	60
Accounts and notes receivable, less allowance for doubtful accounts of $24 million in 1995 and $25 million in 1994	3,207	3,297
Inventories	1,420	1,358
Assets under agreements for sale	-	488
Net assets of discontinued operations	195	195
Deferred income taxes and other current assets	304	217
Total current assets	5,547	6,019
Investments and Advances	5,698	5,336
Properties, Plant and Equipment - at cost	31,143	31,095
Less - Accumulated depreciation, depletion and amortization	18,008	17,612
Net properties, plant and equipment	13,135	13,483
Deferred Charges	607	667
Total	$24,987	$25,505
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Notes payable, commercial paper and current portion of long-term debt	$ 469	$ 917
Accounts payable and accrued liabilities	3,141	3,297
Estimated income and other taxes	808	801
Total current liabilities	4,418	5,015
Long-Term Debt and Capital Lease Obligations	5,645	5,564
Deferred Income Taxes	838	879
Employee Retirement Benefits	1,083	1,130
Deferred Credits and Other Noncurrent Liabilities	2,477	2,558
Minority Interest in Subsidiary Companies	606	610
Total	15,067	15,756
Stockholders' Equity		
Market Auction Preferred Shares	300	300
ESOP Convertible Preferred Stock	509	515
Unearned employee compensation	(279)	(282)
Common stock - par value $6.25:		
Shares authorized - 350,000,000		
Shares issued - 274,293,417 in 1995 and 1994, including treasury stock	1,714	1,714
Paid-in capital in excess of par value	655	654
Retained earnings	7,552	7,463
Currency translation adjustment	179	87
Unrealized net gain on investments	35	51
	10,665	10,502
Less - Common stock held in treasury, at cost - 14,608,489 shares in 1995 and 14,761,296 shares in 1994	745	753
Total stockholders' equity	9,920	9,749
Total	$24,987	$25,505

<FN>

See accompanying notes to consolidated financial statements.

</TABLE>

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TEXACO INC. AND SUBSIDIARY COMPANIES
CONDENSED STATEMENT OF CONSOLIDATED CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 1995 AND 1994

(Millions of dollars)

	(Unaudited) For the three months ended March 31, 1995	1994
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net income	$301	$202
Reconciliation to net cash provided by (used in) operating activities		
Depreciation, depletion and amortization	568	408
Deferred income taxes	5	31
Exploratory expenses	55	66
Minority interest in net income	17	11
Dividends from affiliates, less than equity in income	(114)	(45)
Gains on asset sales	(201)	(19)
Changes in operating working capital	(244)	(145)
Other - net	(26)	(46)
Net cash provided by operating activities	361	463
INVESTING ACTIVITIES		
Capital and exploratory expenditures	(440)	(545)
Proceeds from sales of assets	602	43
Purchases of investment instruments	(168)	(295)
Sales/maturities of investment instruments	222	315
Other - net	4	3
Net cash provided by (used in) investing activities	220	(479)
FINANCING ACTIVITIES		
Borrowings having original terms in excess of three months		
Proceeds	54	9
Repayments	(32)	(21)
Net increase (decrease) in other borrowings	(384)	172
Dividends paid to the company's stockholders		
Common	(208)	(207)
Preferred	(6)	(14)
Dividends paid to minority shareholders	(20)	(8)
Net cash used in financing activities	(596)	(69)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	2	-
DECREASE IN CASH AND CASH EQUIVALENTS	(13)	(85)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	404	488
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$391	$403

<FN>
See accompanying notes to consolidated financial statements.
</TABLE>

TEXACO INC. AND SUBSIDIARY COMPANIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Assets Under Agreements for Sale

In 1994, Texaco announced that it agreed to sell more than 300 scattered U.S. producing fields to Apache Corporation and agreed to form a strategic alliance with STENA, which involves the sale of a portion of its international marine fleet. At December 31, 1994, the net properties, plant and equipment and deferred income taxes relating to those assets, and to other non-core assets for which sales agreements had been signed, were classified as current assets in the Consolidated Balance Sheet under the caption "Assets under agreements for sale." During the first quarter 1995, Texaco completed virtually all of these non-core asset sales, generating some $600 million in cash proceeds. The remainder of these non-core assets will be sold during the second quarter of 1995 and were included within the caption "Deferred income taxes and other current assets" in the Consolidated Balance Sheet at March 31, 1995.

Note 2. Discontinued Operations

In 1993, Texaco Inc. entered into memorandums of understanding with an affiliate of the Jon M. Huntsman Group of Companies for the sale of substantially all of Texaco's worldwide chemical operations and, therefore, has accounted for these operations as discontinued operations.

On April 21, 1994, Texaco Inc. received from Huntsman Corporation $850 million as part of the sale of Texaco Chemical Company, consisting of $650 million in cash and an 11-year subordinated note with a face amount of $200 million. Not included in this transaction was Texaco's worldwide lubricant additives business.On February 14, 1995, Texaco and Huntsman Corporation announced that they intend to form a joint venture to own and operate this business, which includes manufacturing facilities in Port Arthur, Texas, Ghent, Belgium and Rio De Janeiro, Brazil, as well as sales and marketing offices in various locations in the U.S. and abroad. Formation of the joint venture and completion of the transaction is expected to take place during the third quarter of 1995.

The results for Texaco's worldwide lubricant additives business are accounted for as discontinued operations pending finalization of the formation of the joint venture. The assets and liabilities of the worldwide lubricant additives business have been classified in the Consolidated Balance Sheet as "Net assets of discontinued operations."

Revenues for the discontinued operations totaled $54 million for the first quarter of 1995, representing the lubricant additives business, and $268 million for the first quarter of 1994, which includes the operations of both the chemical and lubricant additives businesses.

Note 3. Inventories

The inventories of Texaco Inc. and consolidated subsidiary companies were as follows:

<TABLE>
<CAPTION>

	As of March 31, 1995 (Unaudited)	As of December 31, 1994
	(Millions of dollars)	
<S>	<C>	<C>
Crude oil	$ 263	$ 284
Petroleum products and petrochemicals	946	854
Other merchandise	23	30
Materials and supplies	188	190
Total	$1,420	$1,358

</TABLE>

Note 4. Contingent Liabilities

Information relative to commitments and contingent liabilities of Texaco Inc. and subsidiary companies is presented in Notes 16 and 17, beginning on page 57, of Texaco Inc.'s 1994 Annual Report to Stockholders.

In the company's opinion, while it is impossible to ascertain the ultimate legal and financial liability with respect to the above-mentioned and other contingent liabilities and commitments, including lawsuits, claims, guarantees, taxes and regulations, the aggregate amount of such liability in excess of financial reserves, together with deposits and prepayments made against disputed tax claims, is not anticipated to be materially important in relation to the consolidated financial position or results of operations of Texaco Inc. and its subsidiaries.

Note 5. Caltex Group of Companies

Summarized unaudited financial information for the Caltex Group of Companies, owned 50% by Texaco and 50% by Chevron Corporation, is presented below and is reflected on a 100% Caltex Group basis:

<TABLE>
<CAPTION>

	For the three months ended March 31, 1995	1994
	(Millions of dollars)	
<S>	<C>	<C>
Gross revenues	$4,980	$3,368

Income before income taxes	$ 542	$ 295
Net income	$ 416	$ 178

</TABLE>

Net income for the first quarter of 1995 includes a net gain for U.S. reporting purposes of $171 million relating to the sale of a portion of land and air utility rights by a Caltex Petroleum Corporation affiliate in Japan required for a public project. The proceeds include compensation that will be used to remove and relocate or replace existing fixed operating assets affected by the sale.

On March 28, 1995, the merger of refining and marketing assets of Caltex Australia Limited (CAL), a 75 percent owned subsidiary of Caltex Petroleum Corporation, with the refining and marketing assets of Ampol Limited, a unit of Pioneer International Limited, received regulatory approval from the Australian Trade Practices Commission. CAL and Pioneer each hold a 50 percent stake in the new company, Australian Petroleum Pty Ltd.

Effective January 1, 1994, the Caltex Group adopted Statement of Financial Accounting Standards (SFAS) No. 115 "Accounting for Certain Investments in Debt and Equity Securities". SFAS No. 115 requires that certain investments be classified into three categories based on management's intent and be reported at fair value unless intended to be held to maturity. Adoption of SFAS No. 115 had no effect on reported net income. The cumulative effect of adopting SFAS No. 115 at January 1, 1994 resulted in an increase in Caltex's total stockholders' equity of $70 million, after related income taxes, and an additional net increase of $10 million during the first three months of 1994. These increases are primarily unrealized gains on investments classified as available-for-sale by certain affiliates of Caltex.

* * * * * * * * * * *

In the determination of preliminary and unaudited financial statements for the three-month periods ended March 31, 1995 and 1994, Texaco's accounting policies have been applied on a basis consistent with the application of such policies in Texaco's financial statements issued in its 1994 Annual Report to Stockholders. In the opinion of Texaco, all adjustments and disclosures necessary to present fairly the results of operations for such periods have been made. These adjustments include normal recurring adjustments. The information is subject to year-end audit by independent public accountants. Texaco makes no forecasts or representations with respect to the level of net income for the year 1995.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Consolidated worldwide net income from continuing operations for Texaco Inc. and subsidiary companies for the first quarter of 1995 was $301 million, or $1.10 per share, as compared with $202 million, or $.69 per share, for the first quarter of 1994. Net income for the first quarter of 1995 included net gains of $88 million, principally relating to the sale of land by a Caltex Petroleum Corporation affiliate in Japan and to sales of non-core U.S. producing properties.

The company made good progress during the first quarter of 1995 on key initiatives of its worldwide plan for growth. International production of oil and gas continued to show solid growth, the company realized stronger Latin American marketing profits, continued to make further inroads in expense reduction and improved the efficiency of its capital program. The company also closed the sale of major non-core producing assets in the U.S., realizing some $600 million in cash proceeds which will be reinvested in growth opportunities.

The first quarter's performance benefited from worldwide crude oil prices which averaged over $3 per barrel higher than last year's depressed levels. This was offset by extremely depressed refining margins in the U.S. and in Europe and an almost 30 percent comparative drop in U.S. natural gas prices. Refining operations in the U.S. were pressured by rising raw material costs, mandated new product formulations and changing government regulations. Additionally, the weakening of the U.S. dollar in the first quarter of 1995 resulted in a non-cash earnings charge of $26 million relating to deferred taxes in the United Kingdom.

OPERATING EARNINGS

PETROLEUM AND NATURAL GAS

UNITED STATES

Exploration and Production

Exploration and production earnings for the first quarter of 1995 were $143 million, as compared to $75 million for the first quarter of 1994. First quarter 1995 results include a net gain of $8 million resulting from previously announced non-core producing property sales after certain write-downs of properties being held for sale and reserves for environmental remediation on these properties totalling some $112 million. First quarter 1995 earnings benefited from crude oil prices that averaged $14.85 per barrel, or $3.83 per barrel higher than the levels in the 1994 first quarter.

Operating earnings in the first quarter of 1995 were adversely impacted by natural gas prices which were almost 30 percent, or $.64 per MCF, lower than in the first quarter of 1994. The decline in U.S. natural gas prices reflects abundant supplies in the face of reduced demand due to unseasonably warm weather, particularly in the Northeast. First quarter 1995 results benefited from lower expenses, reflecting both successful initiatives to reduce lifting costs on core producing properties, as well as reduced overheads associated with the non-core properties that are being sold.

Crude oil and natural gas production declined some 3 percent on a barrel-of-oil equivalent basis compared with the first quarter of 1994, principally relating to non-core producing properties. For core properties, normal production declines from maturing fields generally have been offset by successful field development programs.

Manufacturing and Marketing

Manufacturing and marketing results for the first quarter of 1995 were losses of $19 million, as compared with earnings of $78 million for the first quarter of 1994. The first quarter of 1995 reflects the impact of extremely depressed refining margins, as rising crude oil costs outpaced a moderate rise in overall refined products prices. This reflects the impact of unseasonably warm weather on middle distillates prices and the surplus of reformulated gasolines caused by the highly disruptive market entry and government regulation changes for these gasolines in several states. Also, a narrowing cost spread between light and heavy crude oils reduced the upgrading benefits normally derived from complex manufacturing systems.

Partially offsetting the impact of lower margins were benefits from the improved performance at the company's U.S. refineries, reflecting increased utilization in 1995, as compared to 1994 when the company experienced higher scheduled downtime for maintenance.

INTERNATIONAL

Exploration and Production

Exploration and production earnings for the first quarter of 1995 were $82 million, as compared to $45 million for the first quarter of 1994. Operating earnings for 1995 benefited from both increased crude oil and natural gas production in the U.K., mainly from the Strathspey field, higher crude oil production in Australia from the Roller and Skate fields that began producing in mid-year 1994 and continuing field development programs in the Partitioned Neutral Zone between Kuwait and Saudi Arabia.

First quarter 1995 earnings also benefited from crude oil prices that averaged $3 per barrel higher than the prices that existed in the first quarter of 1994. These price benefits were partly offset by higher exploratory expenses. Additionally, exploration and production results in the U.K. were adversely impacted in 1995 by a non-cash earnings charge of $13 million relating to deferred income taxes caused by the weak U.S. dollar/ British pound relationship at the closing of the quarter.

Manufacturing and Marketing

Manufacturing and marketing earnings for the first quarter of 1995 were $181 million, as compared to $125 million for the first quarter of 1994. First quarter 1995 results include a net gain of $80 million principally relating to the sale of land by a Caltex affiliate in Japan. Excluding this gain, 1995 operating earnings declined as compared to 1994 reflecting decreased European refined product margins, particularly in the U.K. The poor margins resulted from rising refinery feedstock costs that were not recovered in product prices due to oversupply conditions in the marketplace. Additionally, manufacturing and marketing results in the U.K. were impacted by the weakening of the U.S. dollar in the first quarter of 1995 resulting in non-cash earnings charges of $13 million relating to deferred income taxes.

Partly offsetting the decline in European results were the operations in Latin America, which continue to reflect increased earnings. These improvements, especially in Brazil, stem from both higher refined product sales volumes and margins. However, downtime at the Panama refinery, resulting from the fourth quarter 1994 fire, continued to have a negative impact on 1995 results. In the Caltex markets in the Pacific Rim, the impact of somewhat lower refining margins was more than offset by currency gains.

NONPETROLEUM

Net income was $4 million for the first quarter of 1995, as compared to a loss of $1 million for the first quarter of 1994. Results for the first quarter of 1995 reflect improved comparative results for Heddington Insurance Limited, a subsidiary.

CORPORATE/NONOPERATING

For the first quarter of 1995, corporate/nonoperating charges of $90 million improved, compared with the $120 million for the first quarter of 1994. Results for 1995 include $25 million in gains principally from sales of equity securities held for investment, as well as higher interest income and reduced corporate overhead reflecting the company's continuing progress in reducing expenses. The impact of higher interest rates on corporate borrowings was mostly offset by the effect of lower debt levels.

LIQUIDITY AND CAPITAL RESOURCES

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As of March 31, 1995, Texaco's cash, cash equivalents and short-term investments totaled $421 million, as compared to the 1994 year-end level of $464 million. Texaco's total cash from operating activities for the first quarter of 1995 (as presented on the Condensed Statement of Consolidated Cash Flows) included several significant outflows that were not directly related to current period operations, and which in the aggregate, amounted to some $130 million. Among these outflows were payments related to litigation settlements, mainly the State of Louisiana royalty dispute, and severance.

During the first quarter of 1995, cash generated from normal operating activities and proceeds from asset sales, which are discussed below, were used to support Texaco's capital and exploratory expenditures of $440 million, for payment of dividends to common, preferred and minority shareholders of $234 million, and for the reduction of debt.

Total debt at March 31, 1995 amounted to $6.1 billion as compared to $6.5 billion at year-end 1994. Texaco's ratio of total debt to total borrowed and invested capital was 36.7% at March 31, 1995 and 38.5% at year-end 1994.

During the first quarter of 1995, Texaco terminated $175 million of its receive fixed/pay floating interest rate swaps, reducing the notional principal amount of these swaps from $777 million at December 31, 1994 to $602 million at March 31, 1995.

Texaco maintains a revolving credit facility with commitments of $2.0 billion, which remained unused at both March 31, 1995 and at year-end 1994. Additionally, a subsidiary maintains a long-term revolving credit facility for $330 million, which was fully utilized at March 31, 1995 and year-end 1994 and is reflected in long-term debt.

At March 31, 1995, Texaco's long-term debt included $764 million of debt scheduled to mature within one year, which the company has both the intent and the ability to refinance on a long-term basis.

Proceeds from asset sales for the first quarter of 1995 amounted to $602 million. These proceeds were principally related to the disposition of non-core producing properties in the United States, including some 300 scattered properties sold to Apache Corporation, and will be reinvested in growth opportunities in core businesses.

Subsequent to March 31, 1995, Texaco completed the formation of a strategic alliance with STENA, a Swedish marine transportation company, which will coordinate the company's international marine transportation requirements. In conjunction with this realignment, Texaco sold a portion of its international marine fleet, generating proceeds of some $50 million.

The company considers its financial position sufficient to meet its anticipated future financial requirements.

EMPLOYEE SEVERANCE PROGRAM
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On July 5, 1994, Texaco announced its plan for growth which includes a series of action steps to increase competitiveness and profitability. This program also calls for reduction in overheads and improvements in operating efficiencies. Implementation of Texaco's program is expected to result in the reduction of approximately 2,500 employees involving both the U.S. and international upstream and downstream segments, as well as various support staff functions. During the second quarter of 1994, Texaco recorded a charge of $88 million, net of tax, for the anticipated severance costs associated with the reduction of the 2,500 employees.

As of March 31, 1995, implementation of Texaco's program has included reductions of approximately 1,960 employees worldwide with a related commitment to severance payments of $88 million, or an after-tax cost of $58 million. Of this commitment, payments of $61 million have been made as of March 31, 1995. Currently, there is no change in the company's projections under this program.

CAPITAL AND EXPLORATORY EXPENDITURES

Capital and exploratory expenditures for continuing operations, including affiliates, were $513 million for the first quarter of 1995, as compared with $624 million for the same period in 1994. This reduction mainly reflects lower scheduled upstream expenditures during the first quarter in the U.S., as compared to an extremely high level of developmental gas drilling activity in the first quarter of 1994, as well as efficiency improvements in areas such as drilling in 1995.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Reference is made to the discussion of Contingent Liabilities in Note 4 to the Consolidated Financial Statements of this Form 10-Q and to Item 3 of Texaco Inc.'s 1994 Annual Report on Form 10-K, which are incorporated herein by reference.

Environmental Matters

As of March 31, 1995, Texaco Inc. and its subsidiaries were parties to various proceedings, instituted by governmental authorities, arising under the provisions of applicable laws or regulations relating to the discharge of materials into the environment or otherwise relating to the protection of the environment, none of which is material to the business or financial condition of the company. The following is a brief description of a terminated proceeding which, because of the amount involved, requires disclosure under applicable Securities and Exchange Commission regulations:

> On March 22, 1995, Texaco Trading and Transportation Inc.("TTTI") entered into a Consent Agreement and Order settling an administrative proceeding brought by the U.S. Environmental Protection Agency ("EPA"), Region VII, in May 1994. The EPA alleged that pipelines owned by TTTI released oil into surface waters in violation of the Federal Clean Water Act.

Item 5. Other Information

<TABLE>
<CAPTION>

	(Unaudited) For the three months ended March 31,	
	1995	1994
	(Millions of dollars)	
<S>	<C>	<C>

FUNCTIONAL NET INCOME

Operating earnings (losses) from continuing operations		
Petroleum and natural gas		
Exploration and production		
United States	$143	$ 75
International	82	45
Total	225	120
Manufacturing, marketing and distribution		
United States	(19)	78
International	181	125
Total	162	203
Total petroleum and natural gas	387	323
Nonpetroleum	4	(1)
Total operating earnings	391	322
Corporate/Nonoperating	(90)	(120)
Net income from continuing operations	301	202
Discontinued operations	-	-
Net income	$301	$202

CAPITAL AND EXPLORATORY EXPENDITURES

Texaco Inc. and subsidiary companies		
Exploration and production		
United States	$172	$270
International	115	123
Total	287	393
Manufacturing, marketing and distribution		
United States	43	50
International	42	53
Total	85	103
Other	5	6
Total	377	502
Equity in affiliates		
United States	32	25
International	104	97
Total	136	122
Total continuing operations	513	624
Discontinued operations	1	19
Total, including equity in affiliates	$514	$643

</TABLE>

<TABLE>
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	(Unaudited) For the three months ended March 31, 1995	1994
<S>	<C>	<C>
OPERATING DATA - INCLUDING INTERESTS IN AFFILIATES		
Net production of crude oil and natural gas liquids (thousands of barrels per day)		
United States	389	408
Other Western Hemisphere	17	20
Europe	135	117
Other Eastern Hemisphere	238	239
Total	779	784
Net production of natural gas available for sale (millions of cubic feet per day)		
United States	1,661	1,686
International	432	330
Total	2,093	2,016
Natural gas sales (millions of cubic feet per day)		
United States	3,277	2,914
International	481	349
Total	3,758	3,263
Natural gas liquids sales, including purchased LPG's (thousands of barrels per day)		
United States	237	196
International	89	61
Total	326	257
Refinery input (thousands of barrels per day)		
United States	685	613
Other Western Hemisphere	23	51
Europe	313	329
Other Eastern Hemisphere	466	478
Total	1,487	1,471
Refined product sales (thousands of barrels per day)		
United States	890	816
Other Western Hemisphere	349	310
Europe	447	462
Other Eastern Hemisphere	780	723
Total	2,466	2,311

</TABLE>

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

- (11) Computation of Earnings Per Share of Common Stock of Texaco Inc. and Subsidiary Companies.

- (12) Computation of Ratio of Earnings to Fixed Charges of Texaco on a Total Enterprise Basis.

- (20) Copy of Texaco Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1994 (including portions of Texaco Inc.'s Annual Report to Stockholders for the year 1994), as previously filed by the Registrant with the Securities and Exchange Commission, File No. 1-27.

- (27) Financial Data Schedule.

(b) Reports on Form 8-K:

During the first quarter of 1995, the Registrant filed a Current Report on Form 8-K for the following event:

1. January 24, 1995 (date of earliest event reported: January 23, 1995)

   Item 5. Other Events - reported that Texaco issued an Earnings Press Release for the fourth quarter and year 1994. Texaco appended as an exhibit thereto a copy of the Press Release entitled "Texaco Reports Results for the Fourth Quarter and Year 1994," dated January 23, 1995.

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, thereunto duly authorized.

Texaco Inc.

(Registrant)

By: R.C. Oelkers

(Comptroller)

By: R.E. Koch

(Assistant Secretary)

Date: May 10, 1995

EXHIBIT 11

<TABLE>
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TEXACO INC. AND SUBSIDIARY COMPANIES
COMPUTATION OF EARNINGS PER SHARE OF COMMON STOCK
FOR THE THREE MONTHS ENDED MARCH 31, 1995 AND 1994

(Millions of dollars, except per share amounts)

	(Unaudited) For the three months ended March 31, 1995	1994
<S>	<C>	<C>
Primary Net Income Per Common Share		
Net income from continuing operations	$ 301	$ 202
Discontinued operations	-	-
Net income	301	202
Less: Preferred stock dividend requirements	16	24
Primary net income available for common stock	$ 285	$ 178
Average number of primary common shares outstanding (thousands)	259,623	259,185
Primary net income per common share	$ 1.10	$ .69
Fully Diluted Net Income Per Common Share		
Net income	$ 301	$ 202
Preferred stock dividend requirements of non-dilutive issues and adjustments to net income associated with dilutive securities	6	24

Fully diluted net income	$ 295	$ 178
	=======	=======
Average number of primary common shares outstanding (thousands)	259,623	259,185
Additional shares outstanding assuming full conversion of dilutive convertible securities into common stock, (thousands):		
Convertible debentures	148	148
Convertible Preferred Stock		
Series B ESOP	9,988	-
Series F ESOP	673	-
Other	84	74
	-------	-------
Average number of fully diluted common shares outstanding (thousands)	270,516	259,407
	=======	=======
Fully diluted net income per common share	$ 1.09	$ .69
	=======	=======

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EXHIBIT 12

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COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
OF TEXACO ON A TOTAL ENTERPRISE BASIS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 1995 AND
FOR EACH OF THE FIVE YEARS ENDED DECEMBER 31, 1994 (a)

(Millions of dollars)

	For the Three Months Ended March 31, 1995	Years Ended December 31, 1994	1993	1992	1991	1990	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	
Income from continuing operations, before provision or benefit for income taxes and cumulative effect of accounting changes effective 1-1-92	$ 514	$1,409	$1,392	$1,707	$1,744	$2,448	
Dividends from less than 50% owned companies more or (less) than equity in net income	(1)	(1)	(8)	(9)	5	(7)	
Minority interest in net income		17	44	17	18	16	12
Previously capitalized interest charged to income during the period	8	29	33	30	23	16	
Total earnings	538	1,481	1,434	1,746	1,788	2,469	
Fixed charges:							
Items charged to income:							
Interest charges	154	594	546	551	644	676	
Interest factor attributable to operating lease rentals	29	118	91	94	76	58	
Preferred stock dividends of subsidiaries guaranteed by Texaco Inc.	10	31	4	-	-	-	
Total items charged to income	193	743	641	645	720	734	
Interest capitalized		6	21	57	109	80	50
Interest on ESOP debt guaranteed by Texaco Inc.	4	14	14	18	26	38	
Total fixed charges	203	778	712	772	826	822	
Earnings available for payment of fixed charges (Total earnings + Total items charged to income)	$ 731	$2,224	$2,075	$2,391	$2,508	$3,203	
Ratio of earnings to fixed charges of Texaco on a total enterprise basis	3.60	2.86	2.91	3.10	3.04	3.90	

<FN>
(a) Excludes discontinued operations.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM
TEXACO INC.'S QUARTERLY REPORT ON FORM 10-Q FOR THE PERIOD ENDED
MARCH 31, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH
FINANCIAL STATEMENTS.
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<CIK> 0000097349
<NAME> TEXACO INC.
<MULTIPLIER> 1,000,000

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