SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 - For the quarter ended June 30, 1994

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-640

NL INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

New Jersey	13-5267260
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

3000 North Sam Houston Parkway East, Houston, Texas 77032
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (713) 987-5000

Indicate by check mark whether the registrant (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) had been subject to such filing requirements for the past 90 days. Yes X No

Number of shares of common stock outstanding on August 3, 1994: 51,039,943

NL INDUSTRIES, INC. AND SUBSIDIARIES

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NL INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands)

ASSETS	December 31, 1993	June 30, 1994
Current assets:		
Cash and cash equivalents	$ 106,593	$ 135,779
Marketable securities	41,045	25,579
Accounts and notes receivable	116,355	170,367
Inventories	194,167	179,148
Prepaid expenses	5,637	9,307
Deferred income taxes	3,701	4,967
Total current assets	467,498	525,147
Other assets:		
Marketable securities	18,428	19,449
Refundable income taxes	91,994	22,030
Investment in joint ventures	190,787	188,534
Prepaid pension cost	16,307	18,430
Other	42,932	41,550
Total other assets	360,448	289,993
Property and equipment:		
Land	18,237	19,582
Buildings	129,582	138,140
Machinery and equipment	515,090	556,164
Mining properties	72,711	76,435
Construction in progress	30,050	33,156
	765,670	823,477
Less accumulated depreciation and depletion	387,067	423,866
Net property and equipment	378,603	399,611
	$1,206,549	$1,214,751

NL INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (CONTINUED)

(In thousands)

LIABILITIES AND SHAREHOLDERS' DEFICIT	December 31, 1993	June 30, 1994
Current liabilities:		
Current maturities of long-term debt	$ 35,716	$ 37,056
Accounts payable and accrued liabilities	177,265	183,997
Payable to affiliates	9,566	10,559
Income taxes	6,353	8,227
Deferred income taxes	3,623	2,516
Total current liabilities	232,523	242,355
Noncurrent liabilities:		
Long-term debt	835,169	797,510
Deferred income taxes	138,977	192,992
Accrued pension cost	72,606	76,419
Accrued postretirement benefits cost	68,322	66,774
Other	121,309	129,942
Total noncurrent liabilities	1,236,383	1,263,637
Minority interest	2,438	2,745
Shareholders' deficit:		
Common stock	8,355	8,355

Additional paid-in capital	759,281	759,281
Adjustments:		
Currency translation	(115,803)	(125,330)
Pension liabilities	(3,442)	(3,442)
Marketable securities	(2,164)	(1,234)
Accumulated deficit	(543,059)	(564,960)
Treasury stock	(367,963)	(366,656)
Total shareholders' deficit	(264,795)	(293,986)
	$1,206,549	$1,214,751

[FN]
Commitments and contingencies (Note 13)

NL INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	1993	1994	1993	1994
Revenues and other income:				
Net sales	$221,378	$237,113	$419,896	$438,962
Other, net	4,291	5,200	10,377	28,214
	225,669	242,313	430,273	467,176
Costs and expenses:				
Cost of sales	171,671	178,925	314,177	325,881
Selling, general and administrative	50,900	54,250	95,639	110,261
Interest	26,615	21,071	52,752	42,136
	249,186	254,246	462,568	478,278
Loss before income taxes and minority interest	(23,517)	(11,933)	(32,295)	(11,102)
Income tax expense	(4,314)	(3,354)	(8,855)	(10,303)
Loss before minority interest	(27,831)	(15,287)	(41,150)	(21,405)
Minority interest	(171)	(247)	(342)	(496)
Net loss	$(28,002)	$(15,534)	$(41,492)	$(21,901)
Net loss per share of common stock	$ (.55)	$ (.30)	$ (.82)	$ (.43)
Weighted average common shares outstanding	50,890	51,040	50,890	51,002

NL INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIT

Six months ended June 30, 1994

(In thousands)

			Adjustments		
	Common stock	Additional paid-in capital	Currency translation	Pension liabilities	Marketable securities
Balance at December 31, 1993	$8,355	$759,281	$(115,803)	$(3,442)	$(2,164)
Net loss	-	-	-	-	-

Adjustments	-	-	(9,527)	-	930
Other, net	-	-	-	-	-
Balance at June 30, 1994	$8,355	$759,281	$(125,330)	$(3,442)	$(1,234)

	Accumulated deficit	Treasury stock	Total
Balance at December 31, 1993	$(543,059)	$(367,963)	$(264,795)
Net loss	(21,901)	-	(21,901)
Adjustments	-	-	(8,597)
Other, net	-	1,307	1,307
Balance at June 30, 1994	$(564,960)	$(366,656)	$(293,986)

NL INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Six months ended June 30, 1993 and 1994

(In thousands)

	1993	1994
Cash flows from operating activities:		
Net loss	$(41,492)	$(21,901)
Adjustments:		
Depreciation, depletion and amortization	24,673	17,481
Deferred income taxes	1,566	30,195
Net (gains) losses from:		
Securities transactions	(1,982)	1,213
Disposition of property and equipment	593	1,279
Marketable trading securities:		
Purchases	-	(870)
Dispositions	-	15,124
Other, net	1,244	(3,386)
Change in assets and liabilities:		
Accounts and notes receivable	(24,730)	(46,791)
Inventories	357	22,715
Prepaid expenses	(1,737)	(2,503)
Accounts payable and accrued liabilities	(3,819)	5,829
Income taxes	2,653	75,490
Other, net	8,410	17,703
Total adjustments	7,228	133,479
Net cash provided (used) by operating activities	(34,264)	111,578
Cash flows from investing activities:		
Capital expenditures	(19,982)	(16,564)
Marketable securities:		
Purchases	(1,615)	-
Dispositions	58,006	-
Proceeds from disposition of property and equipment	220	212
Investment in joint ventures, net	-	2,405
Other, net	670	350
Net cash provided (used) by investing activities	37,299	(13,597)

NL INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Six months ended June 30, 1993 and 1994

(In thousands)

	1993	1994
Cash flows from financing activities:		
Notes payable and long-term debt:		
Additions	$ 993	$ 32,622
Principal payments	(17,288)	(105,472)
Deferred financing costs	(646)	(685)
Distributions to minority interest	(33)	(202)
Net cash used by financing activities	(16,974)	(73,737)
Cash and cash equivalents:		
Net change from:		
Operating, investing and financing activities	(13,939)	24,244
Currency translation	(1,831)	4,942
Balance at beginning of period	87,333	106,593
Balance at end of period	$ 71,563	$ 135,779
Supplemental disclosures - cash paid (received) for:		
Interest, net of amounts capitalized	$ 53,494	$ 35,130
Income taxes	4,806	(95,134)

NL INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION:

NL Industries, Inc. is primarily a holding company and conducts its operations through its wholly-owned subsidiaries, Kronos, Inc. (titanium dioxide pigments, or "TiO2") and Rheox, Inc. (specialty chemicals). At June 30, 1994, Valhi, Inc. held approximately 49% of NL's outstanding common stock and Tremont Corporation, a 48%-owned affiliate of Valhi, held an additional 18% of NL's outstanding common stock. Together, Tremont and Valhi may be deemed to control NL. Contran Corporation holds, directly or through subsidiaries, approximately 90% of Valhi's outstanding common stock.

The consolidated balance sheet of NL Industries, Inc. and Subsidiaries (collectively, the "Company") at December 31, 1993 has been condensed from the Company's audited consolidated financial statements at that date. The consolidated balance sheet at June 30, 1994 and the consolidated statements of operations, shareholders' deficit and cash flows for the interim periods ended June 30, 1993 and 1994, have been prepared by the Company, without audit. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the consolidated financial position, results of operations and cash flows have been made. The results of operations for the interim periods are not necessarily indicative of the operating results for a full year or of future operations.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. Certain prior-year amounts have been reclassified to conform to the 1994 presentation. The accompanying consolidated financial statements should be read in conjunction with the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 1993 (the "1993 Annual Report").

NOTE 2 - LOSS PER SHARE OF COMMON STOCK:

Loss per share of common stock is based on the weighted average number of common shares outstanding. Common stock equivalents are excluded from the computation because they are antidilutive.

NOTE 3 - BUSINESS SEGMENT INFORMATION:

The Company's operations are conducted in two business segments - TiO2 conducted by Kronos and specialty chemicals conducted by Rheox.

	Three months ended June 30, 1993	Three months ended June 30, 1994	Six months ended June 30, 1993	Six months ended June 30, 1994
	(In thousands)			
Net sales:				
Kronos	$193,194	$206,407	$365,277	$380,667
Rheox	28,184	30,706	54,619	58,295
	$221,378	$237,113	$419,896	$438,962
Operating income:				
Kronos	$ 7,530	$ 17,664	$ 24,686	$ 33,023
Rheox	7,636	8,578	13,585	15,532
	15,166	26,242	38,271	48,555
General corporate income (expense):				
Securities earnings	1,298	642	4,168	843
Corporate expenses, net	(13,366)	(17,746)	(21,982)	(18,364)
Interest expense	(26,615)	(21,071)	(52,752)	(42,136)
	$(23,517)	$(11,933)	$(32,295)	$(11,102)

NOTE 4 - INVENTORIES:

	December 31, 1993	June 30, 1994
	(In thousands)	
Raw materials	$ 19,785	$ 29,832
Work in process	7,173	6,798
Finished products	135,102	106,920
Supplies	32,107	35,598
	$194,167	$179,148

NOTE 5 - MARKETABLE SECURITIES AND SECURITIES TRANSACTIONS:

	December 31, 1993	June 30, 1994
	(In thousands)	
Current - U.S. Treasury securities:		
Unrealized gains (losses)	$ 52	$ (723)
Cost	40,993	26,302
Aggregate market	$41,045	$25,579
Noncurrent - marketable equity securities:		
Unrealized gains	$ 33	$ 665
Unrealized losses	(2,951)	(2,562)
Cost	21,346	21,346
Aggregate market	$18,428	$19,449

The Company has classified its U.S. Treasury securities as trading securities and its marketable equity securities as available-for-sale.

Net gains and losses from securities transactions are composed of:

	Three months ended June 30, 1993	Three months ended June 30, 1994	Six months ended June 30, 1993	Six months ended June 30, 1994
	(In thousands)			
Unrealized gains (losses):				
Marketable equity securities	$ 84	$ -	$ 64	$ -
Other securities	(270)	(387)	286	(775)
Realized gains (losses) - other securities	518	(25)	1,632	(438)

	$ 332	$(412)	$1,982	$(1,213)

NOTE 6 - INVESTMENT IN JOINT VENTURES:

	December 31, 1993	June 30, 1994
	(In thousands)	
TiO2 manufacturing joint venture	$188,031	$185,583
Other	2,756	2,951
	$190,787	$188,534

NOTE 7 - OTHER NONCURRENT ASSETS:

	December 31, 1993	June 30, 1994
	(In thousands)	
Intangible assets, net	$15,317	$15,183
Deferred financing costs, net	18,954	17,616
Other	8,661	8,751
	$42,932	$41,550

NOTE 8 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	December 31, 1993	June 30, 1994
	(In thousands)	
Accounts payable	$ 89,010	$ 73,543
Accrued liabilities:		
Employee benefits	32,350	35,276
Environmental costs	14,517	24,605
Interest	6,933	6,785
Miscellaneous taxes	2,240	3,817
Other	32,215	39,971
	88,255	110,454
	$177,265	$183,997

NOTE 9 - OTHER NONCURRENT LIABILITIES:

	December 31, 1993	June 30, 1994
	(In thousands)	
Environmental costs	$ 70,789	$ 79,253
Deferred technology fee income	26,881	23,142
Insurance claims and expenses	10,299	15,556
Employee benefits	10,084	10,736
Other	3,256	1,255
	$121,309	$129,942

NOTE 10 - LONG-TERM DEBT:

	December 31, 1993	June 30, 1994
	(In thousands)	
NL Industries:		
11.75% Senior Secured Notes	$250,000	$250,000

13% Senior Secured Discount Notes	102,627	109,304
	352,627	359,304
Kronos:		
DM bank credit facility (DM 548,000 and DM 460,448)	316,032	290,589
Joint venture term loan	104,143	96,429
5% to 8% bank loans payable through 2000	12,338	10,393
Other	2,175	1,850
	434,688	399,261
Rheox:		
Bank term loan	82,500	75,000
Other	1,070	1,001
	83,570	76,001
	870,885	834,566
Less current maturities	35,716	37,056
	$835,169	$797,510

NOTE 11 - INCOME TAXES:

The difference between the provision for income tax expense attributable to loss before income taxes and minority interest and the amount that would be expected using the U.S. federal statutory income tax rate is presented below. The expected tax benefit in 1993 is computed at the previously-reported U.S. federal statutory rate of 34% because the retroactive increase to the current 35% rate was not enacted until August 1993.

	Six months ended June 30,	
	1993	1994
	(In thousands)	
Expected tax benefit	$ 10,983	$ 3,886
Non-U.S. tax rates	6,203	2,703
Incremental tax on income of companies not included in NL's consolidated U.S. federal income tax return	(1,541)	(1,096)
Valuation allowance	(24,208)	(15,138)
U.S. state income taxes	(292)	(283)
Other, net	-	(375)
Income tax expense	$ (8,855)	$(10,303)

NOTE 12 - OTHER INCOME, NET:

	Three months ended June 30,		Six months ended June 30,	
	1993	1994	1993	1994
	(In thousands)			
Securities earnings:				
Interest and dividends	$ 966	$1,054	$ 2,186	$ 2,056
Securities transactions	332	(412)	1,982	(1,213)
	1,298	642	4,168	843
Litigation settlement gain	-	-	-	20,040
Technology fee income	-	2,453	-	4,862
Royalty income	565	594	1,061	1,020
Currency transaction gains, net	1,054	502	1,676	366
Disposition of property and equipment	(374)	(292)	(593)	(1,279)
Other, net	1,748	1,301	4,065	2,362
	$4,291	$5,200	$10,377	$28,214

NOTE 13 - COMMITMENTS AND CONTINGENCIES:

For descriptions of certain legal proceedings, income tax and other commitments and contingencies related to the Company, reference is made to (i) Part II, Item 1 -"Legal Proceedings," (ii) the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1994 and (iii) the 1993 Annual Report.

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

RESULTS OF OPERATIONS

The Company's chemical operations are conducted in two business segments - TiO2 conducted by Kronos and specialty chemicals conducted by Rheox. The Company's return to profitability, and the timing thereof, are dependent in large part upon improved pricing for TiO2. Based on the Company's current near-term outlook for its TiO2 business, the Company expects to report a net loss for calendar 1994, although its results for the second half of the year should be improved compared to 1993.

	Three months ended June 30, 1993	1994	% Change	Six months ended June 30, 1993	1994	% Change
	(In millions)			(In millions)		
Net sales:						
Kronos	$193.2	$206.4	+7%	$365.3	$380.7	+4%
Rheox	28.2	30.7	+9%	54.6	58.3	+7%
	$221.4	$237.1	+7%	$419.9	$439.0	+5%
Operating income:						
Kronos	$ 7.6	$ 17.6	+135%	$ 24.7	$ 33.1	+34%
Rheox	7.6	8.6	+12%	13.6	15.5	+14%
	$ 15.2	$ 26.2	+73%	$ 38.3	$ 48.6	+27%
Percent changes in TiO2:						
Sales volume			+10%			+9%
Average selling prices (in billing currencies)			+1%			-1%

Kronos' TiO2 operating income in the second quarter and first half of 1994 increased from the comparable 1993 periods due to higher sales volumes, slightly lower per unit operating costs and technology fee income. Primarily as a result of improved pricing in Europe, Kronos' average TiO2 selling prices in the first half of 1994 approximated both first-half 1993 and full-year 1993 average selling prices. A significant amount of sales are denominated in currencies other than the U.S. dollar, and fluctuations in the value of the U.S. dollar

relative to other currencies decreased the dollar value of sales for the second quarter and first half of 1994 by $7 million and $15 million, respectively, compared to the 1993 periods. Kronos expects the impact of previously-announced price increases will further improve its operating income in the second half of 1994. Rheox's operating results for both the second quarter and first half of 1994 improved compared to the 1993 periods primarily as a result of higher sales volumes and lower operating costs.

The following table sets forth certain information regarding general corporate income (expense).

	Three months ended June 30, 1993	1994	Difference	Six months ended June 30, 1993	1994	Difference
	(In millions)			(In millions)		
Securities earnings	$ 1.3	$ .7	$ (.6)	$ 4.2	$ .9	$(3.3)
Corporate expenses, net	(13.4)	(17.7)	(4.3)	(22.0)	(18.5)	3.5
Interest expense	(26.6)	(21.1)	5.5	(52.8)	(42.1)	10.7
	$(38.7)	$(38.1)	$ .6	$(70.6)	$(59.7)	$10.9

Year-to-date corporate expenses, net were lower as a $20 million gain related to the first-quarter 1994 settlement of the Company's lawsuit against Lockheed Corporation was partially offset by increased provisions for environmental remediation and other costs.

Interest expense declined due to lower debt outstanding and lower interest rates on Deutsche mark-denominated debt, partially offset by the higher interest rates on the Company's Senior Notes.

The Company's operations are conducted on a worldwide basis. In both 1993 and 1994, the Company's income tax expense was impacted by losses in certain countries for which no current refund is available and for which the Company believes recognition of a deferred tax asset is not currently considered appropriate.

LIQUIDITY AND CAPITAL RESOURCES

The Company's consolidated cash flows from operating, investing and financing activities for the six months ended June 30, 1993 and 1994 are presented below.

	Six months ended June 30, 1993	1994
	(In millions)	
Net cash provided (used) by:		
Operating activities	$(34.3)	$111.6
Investing activities	37.3	(13.6)
Financing activities	(16.9)	(73.8)
Net cash provided (used) by operating, investing and financing activities	$(13.9)	$ 24.2

The TiO2 industry is cyclical, with the previous peak in selling prices in early 1990. During the recent down cycle of the past few years, the Company's operations have used significant amounts of cash. Receipt of the German tentative tax refunds, discussed below, significantly increased the Company's cash flow from operating activities for the first half of 1994 and was a factor in the Company's improved liquidity. Excluding the effects of the receipt of the German tentative tax refunds, the Company's operations continued to use cash during the first half of 1994 but at a lower rate than the year-earlier period. The Company has taken and continues to take measures to manage its near-term and long-term liquidity requirements, including cost reduction efforts, tightening of controls over working capital and the formation of a TiO2 manufacturing joint venture and the refinancing of certain debt in 1993. The Company currently expects to have sufficient liquidity to meet its obligations including operations, capital expenditures and debt service.

Certain of the Company's income tax returns in various U.S. and non-U.S. jurisdictions, including Germany, are being examined and tax authorities have proposed or may propose tax deficiencies. During the second quarter of 1994, the German tax authorities withdrew certain tax assessment reports and remitted tax refunds aggregating DM 185 million ($112 million), including interest, on a tentative basis. The Company applied DM 143 million ($87 million) of the German tentative tax refunds to reduce outstanding borrowings under its DM revolving credit facility. The examination of the Company's German income tax returns continues. The Company understands the German tax authorities intend to remit additional tentative refunds aggregating DM 35 million and issue new assessment reports proposing tax deficiencies. The Company expects to apply the additional tentative refunds to reduce the outstanding borrowings under its DM bank credit facility. The Company has granted a DM 100 million ($63 million at June 30, 1994) lien on its Nordenham, Germany TiO2 plant in favor of the German tax authorities until any future assessments proposing tax deficiencies are resolved. The timing of receipt of any additional tentative tax refunds and the timing and amount of new assessments proposing tax deficiencies remains uncertain. The Company believes that it has adequately provided accruals for additional income taxes and related interest expense which may ultimately result from all such examinations.

Net repayments of indebtedness in the first half of 1994 include payments of DM 143 million of the DM credit facility ($87 million), $8 million on the Rheox bank term loan and $8 million on the joint venture term loan, and borrowings under the DM bank credit facility of DM 55 million ($33 million).

At June 30, 1994, the Company had cash, cash equivalents and current marketable securities aggregating $161 million (34% held by non-U.S. subsidiaries) including restricted cash and cash equivalents of $15 million. The Company's subsidiaries had $178 million available for borrowing under existing non-U.S. credit facilities at June 30, 1994, of which $90 million is available only for (i) permanently reducing the DM term loan or (ii) paying future German tax assessments, as described above.

The Company has been named as a defendant, potentially responsible party, or both, in a number of legal proceedings associated with environmental matters, including waste disposal sites currently or formerly owned, operated or used by the Company, many of which disposal sites or facilities are on the U.S. Environmental Protection Agency's Superfund National Priorities List or similar state lists. The Company believes it has adequate reserves ($87 million at June 30, 1994) for reasonably estimable costs of such matters. It is not possible to estimate the range of costs for certain sites. The Company has estimated that the upper end of the range of reasonably possible costs to the Company for sites for which it is possible to estimate costs is approximately $136 million. No assurance can be given that actual costs will not exceed accrued amounts or the upper end of the range for sites for which estimates have been made, and no assurance can be given that costs will not be incurred with respect to sites as to which no estimate presently can be made. Further, there can be no assurance that additional environmental matters will not arise in the future. The Company is also a defendant in a number of legal proceedings seeking damages for personal injury and property damage arising out of the sale of lead pigments and lead-based paints. Based on, among other things, the results of such litigation to date, the Company believes that the pending lead pigment litigation is without merit and has not accrued any amounts for such pending lead pigment litigation. The Company currently believes the disposition of all claims and disputes, individually or in the aggregate, should not have a material adverse effect on the Company's consolidated financial position, results of operations or liquidity. There can be no assurance that additional matters of these types will not arise in the future. In addition, various legislation and administrative regulations have, from time to time, been enacted or proposed at the state, local and federal levels that seek to impose various obligations on present and former manufacturers of lead pigment and lead-based paint with respect to asserted health concerns associated with the use of such products and effectively overturn court decisions in which the Company and other pigment manufacturers have been successful.

The Company periodically evaluates its liquidity requirements, capital needs and availability of resources in view of, among other things, its debt service requirements, capital expenditure requirements and estimated future operating cash flows. As a result of this process, the Company has in the past and may in the future seek to refinance or restructure indebtedness, raise additional capital, restructure ownership interests, sell interests in subsidiaries, marketable securities or other assets, or take a combination of such steps or other steps to increase its liquidity and capital resources.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Reference is made to the 1993 Annual Report and the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 1994 for descriptions of certain previously-reported legal proceedings.

Coren, et al. v. Cardozo v. Sherwin-Williams, et al. and Pacheco, et al. v. Ortiz v. The Sherwin-Williams Company, et al. In May 1994, joint stipulations of dismissal without prejudice were filed by the third-party plaintiff and the third-party defendants (including the Company) in each of these previously-reported cases.

Barros v. Pires v. Sherwin-Williams Co., et al. In May 1994, the third-party plaintiffs withdrew their motion for reconsideration or reversal of the court's previous decision dismissing the third-party defendants, including the Company.

The City of New York, the New York City Housing Authority and the New York City Health and Hospitals Corp. v. Lead Industries Association, Inc., et al. In May 1994, the trial court granted the defendants' motion to dismiss the plaintiffs' restitution and indemnification claims. The plaintiffs filed a notice of appeal.

Skipworth v. Sherwin-Williams Co., et al. In June 1994, the plaintiffs appealed the trial court's decision dismissing the plaintiffs' case with prejudice.

NL Industries, Inc. v. Commercial Union Insurance Cos., et al. In July 1994, the court entered judgment on the previously-reported order requiring Commercial Union to pay previously-incurred Company costs in defending two lead pigment cases. The defendant's time to appeal has not yet expired.

Wagner, et al. v. Anzon and NL Industries, Inc. Defendants' motion for summary judgment was denied; trial remains set for September 1994.

United States of America v. Peter Gull and NL Industries, Inc. In June 1994, both the Company and the U.S. Environmental Protection Agency (the "U.S. EPA") appealed the previously-reported judgment.

Pedricktown. In July 1994, the U.S. EPA selected a remediation plan for the remaining clean-up of operable unit one which the U.S. EPA estimates will cost $18.7 million to complete. No agreement regarding the allocation of such costs among the potential responsible parties has been reached.

Dallas Smelter. The Texas Natural Resources Commission has filed a report and petition against the Company and Mainland Land and Equipment ("Mainland") seeking approximately $.2 million in penalties and implementation of a site investigation plan in connection with the Company's former smelter in Dallas, Texas. The report and petition alleges that the Company and Mainland are responsible for the discharge of pollutants and for the failure to undertake actions to abate and remove the discharge of pollutants. The Company has filed an answer denying the allegations and has requested a hearing.

Day, et al. v. NLO, Inc., et al. In July 1994, the parties reached a settlement agreement pursuant to which the Department of Energy would pay all costs of the settlement, the plaintiffs' case would be dismissed, and the Company and NLO would be released and dismissed. The settlement is subject to final court approval.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its Annual Meeting of Stockholders on May 4, 1994. The only matter voted upon was the election of directors. All of the Company's directors stood for election. The vote with respect to each was as follows:

Director	Vote For	Vote Withheld
J. Landis Martin	47,254,675	277,704
Kenneth R. Peak	47,266,695	265,684
Glenn R. Simmons	47,241,495	290,884
Harold C. Simmons	47,249,605	282,774
Michael A. Snetzer	47,265,057	267,322
Lawrence A. Wigdor	47,266,793	265,586
Admiral Elmo R. Zumwalt, Jr.	47,260,756	271,623

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS

None.

(b) REPORTS ON FORM 8-K

Reports on Form 8-K for the quarter ended June 30, 1994 and for the month of July 1994:

April 25, 1994 - reported Items 5 and 7.
May 5, 1994 - reported Items 5.
May 31, 1994 - reported Items 5 and 7.
July 25, 1994 - reported Items 5 and 7.

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.

NL INDUSTRIES, INC.
(Registrant)

Date: August 4, 1994

By /s/ Joseph S. Compofelice
Joseph S. Compofelice
Vice President and
Chief Financial Officer

Date: August 4, 1994

By /s/ Dennis G. Newkirk
Dennis G. Newkirk
Vice President and Controller
(Principal Accounting Officer)

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.

NL INDUSTRIES, INC.
(Registrant)

Date: August __, 1994 By

Joseph S. Compofelice
Vice President and
Chief Financial Officer

Date: August __, 1994 By

Dennis G. Newkirk
Vice President and Controller
(Principal Accounting Officer)