

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

() Check this box if no longer subject to Section 16.

Form 4 or Form 5 obligations may continue. See Instructions 1(b).

1. Name and Address of Reporting Person

Union Carbide Corporation, (1)
39 Old Ridgebury Road
Danbury, CT 06817

2. Issuer Name and Ticker or Trading Symbol

Tegal Corporation
(TGal)

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year

09/30/1998

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

() Director (X) 10% Owner () Officer (give title below) () Other
(specify below)

7. Individual or Joint/Group Filing (Check Applicable Line)

(X) Form filed by One Reporting Person
() Form filed by More than One Reporting Person

<TABLE>

<CAPTION>

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security	2. Transaction Date	3. Code	4. Securities Acquired (A) or Disposed of (D)	5. Amount of Securities (D) or Beneficially Owned at End of Month	6. Director or Officer (I)	7. Nature of Indirect Beneficial Ownership
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Common Stock				1,028,891(2)	I	Through limited partnership
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Common Stock	9/1/98	S	550,000	D \$2.875	I	(1)
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<CAPTION>

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative	3. Transaction Date	4. Derivative Acquired (A) or Disposed of (D)	5. Number of Derivative Securities (A) or Disposed of (D)	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities	8. Price of Derivative	9. Number of Derivative Securities	10. Director or Officer (I)	11. Nature of Indirect Beneficial Ownership
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Explanation of Responses:

(1) The Reporting Person is the sole shareholder of Benefit Capital Management Corporation, the holder of record of all securities reported hereon. The Reporting Person disclaims beneficial ownership of all securities reported hereon. Benefit Capital Management Corporation is holder of record in its capacity as investment manager of Prudential Insurance Company of America (Acct.# VCA-GA-5298).

(2) Represents the maximum number of shares that may be distributed to the Reporting Person in a pro rata distribution by Nazem III to its partners. The number of shares may vary depending on the fair market value of Nazem III's portfolio securities at the time of any distribution, among other factors.

SIGNATURE OF REPORTING PERSON

/s/ John Macdonald, Assistant Secretary

DATE

October 9, 1998