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

SCHEDULE 13G

Under the Securities Exchange Act of 1934 (Amendment No.) *

National Convenience Stores, Inc. (Name of Issuer)

Common Stock**
(Title Of Class of Securities)

635570500 (CUSIP Number)

Check the following box if a fee is being paid with this statement /X/. (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7).

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

- -----** The amount reflected in item 9 of the cover pages includes 150,585shares of common stock issuable upon conversion of warrants (CUSIP 635570112) CUSIP NO. 635570500 13G Page 2 of 11 Pages _____ ______ 1 NAME OF REPORTING PERSON S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Merrill Lynch & Co., Inc. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing (a) / / (b) / / 3 SEC USE ONLY CITIZENSHIP OR PLACE OF ORGANIZATION Delaware 5 SOLE VOTING POWER 6 SHARED VOTING POWER NUMBER OF SHARES 411,800 BENEFICIALLY _____ 7 SOLE DISPOSITIVE POWER BY EACH None REPORTING ______ PERSON WITH 8 SHARED DISPOSITIVE POWER 411,800

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

411,800

12	TYPE OF REPORTING HC, CO	G PERSOI						
_	*SEE INSTRUCTION BEFORE FILLING OUT!							
	IP NO. 635570500		13G	Page 3 of 11 Pages				
-	NAME OF REPORTING S.S OR I.R.S. IDI Merrill Lyne	ENTIFICA	ATION NO. OF ABOVE PERSON					
-			DX IF A MEMBER OF A GROUP* Jo (a) / / (b) / /	oint Filing				
-	SEC USE ONLY							
4 CITIZENSHIP OR PLACE OF ORGANIZATION Delaware								
_		5	SOLE VOTING POWER None					
	NUMBER OF SHARES	6	SHARED VOTING POWER 411,800					
	BENEFICIALLY OWNED BY EACH	7	SOLE DISPOSITIVE POWER None					
	REPORTING PERSON WITH	8	SHARED DISPOSITIVE POWER 411,800					
_	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 411,800							
-	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*							
1	PERCENT OF CLASS		ENTED BY AMOUNT IN ROW 9					
2	TYPE OF REPORTING PERSON* HC, CO							
-		*SEE :	INSTRUCTION BEFORE FILLING OU	ΤŢ!				
US	IP NO. 635570500		13G	Page 4 of 11 Pages				
_	NAME OF REPORTING	G PERSOI	N ATION NO. OF ABOVE PERSON					
_	Princeton Se	ervices	, Inc.					
	CHECK THE APPROP	RIATE BO	DX IF A MEMBER OF A GROUP* Jo (a) / / (b) / /	pint Filing				
-	SEC USE ONLY							
_	CITIZENSHIP OR PLACE OF ORGANIZATION							
-	Delaware	5	SOLE VOTING POWER None					
	NUMBER OF SHARES	6	SHARED VOTING POWER 411,800					

	OWNED BY EACH REPORTING	7	SOLE DISPO None	SITIVE POWER							
_	PERSON WITH	8	SHARED DIS 411,8								
9	AGGREGATE AMOUNT 411,800	BENEFICI	ALLY OWNED	BY EACH REPORTING							
10	10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*										
11	PERCENT OF CLASS	REPRESEN	TED BY AMO	UNT IN ROW 9							
12	TYPE OF REPORTIN	G PERSON*	·								
	*SEE INSTRUCTION BEFORE FILLING OUT!										
CUS	SIP NO. 635570500			13G	Page 5 of 11 Pages						
1	NAME OF REPORTIN		CION NO. OF	ABOVE PERSON							
	Fund Asset Management, L.P.										
2	CHECK THE APPROP	RIATE BOX	X IF A MEMB (a) / / (b) / /	ER OF A GROUP* Join	-						
3	SEC USE ONLY										
4	4 CITIZENSHIP OR PLACE OF ORGANIZATION										
	Delaware										
		5	SOLE VOTIN None	G POWER							
	NUMBER OF SHARES	6	SHARED VOT 411,8								
	OWNED BY EACH		None	SITIVE POWER							
	REPORTING PERSON WITH	8	SHARED DIS 411,8	POSITIVE POWER							
	AGGREGATE AMOUNT 411,800	BENEFICI	ALLY OWNED	BY EACH REPORTING							
	CHECK BOX IF THE	AGGREGAT	E AMOUNT I	N ROW (9) EXCLUDES	CERTAIN SHARES*						
	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9										
	TYPE OF REPORTIN	G PERSON*	r								
*SEE INSTRUCTION BEFORE FILLING OUT!											
CU:	SIP NO. 635570500			13G	Page 6 of 11 Pages						
1 NAME OF REPORTING PERSON S.S OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON											
Merrill Lynch Phoenix Fund, Inc.											

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing (a) / /

```
(b) / /
 SEC USE ONLY
4 CITIZENSHIP OR PLACE OF ORGANIZATION
       Maryland
_ _________
                   5 SOLE VOTING POWER
                           None
  NUMBER OF
                  6 SHARED VOTING POWER
                          411,800
  BENEFICIALLY
                   7 SOLE DISPOSITIVE POWER
    OWNED
   BY EACH
                           None
                   -----
   REPORTING
                  8 SHARED DISPOSITIVE POWER
  PERSON WITH
                           411,800
 ______
  AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
      411,800
10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
     6.7%
12 TYPE OF REPORTING PERSON*
      IV
*SEE INSTRUCTION BEFORE FILLING OUT!
                            SCHEDULE 13G
Item 1 (a)
             Name of Issuer:
             National Convenience Stores
Item 1 (b)
             Address of Issuer's Principal Executive Offices:
             100 Waugh Drive
              Houston, Texas 77007
Item 2 (a)
              Names of Persons Filing:
              Merrill Lynch & Co., Inc.
              Merrill Lynch Group, Inc.
              Princeton Services, Inc.
              Fund Asset Management, L.P.
              Merril Lynch Phoenix Fund, Inc.
Item 2 (b)
             Address of Principal Business Office, or, if None, Residence:
              Merrill Lynch & Co., Inc.
              World Financial Center, North Tower
              250 Vesey Street
              New York, New York 10281
              Merrill Lynch Group, Inc.
              World Financial Center, North Tower
              250 Vesey Street
              New York, New York 10281
              Princeton Services, Inc.
              800 Scudders Mill Road
              Plainsboro, New Jersey 08536
              Fund Asset Management, L.P.
              800 Scudders Mill Road
              Plainsboro, New Jersey 08536
              Merril Lynch Phoenix Fund, Inc.
              800 Scudders Mill Road
              Plainsboro, New Jersey 08536
                         Page 7 of 11 Pages
Item 2 (c)
                Citizenship:
                See Item 4 of Cover Pages
```

Title of Class of Securities:

Item 2 (d)

Common Stock

635570500

Item 3

Merrill Lynch & Co., Inc. ("ML&Co."), Merrill Lynch Group, Inc. ("ML Group") and Princeton Services, Inc. ("PSI") are parent holding companies, in accordance with (S) 240.13d-1(b)(1)(ii)(G). Fund Asset Management, L.P. ("FAM") is an investment adviser registered under (S) 203 of the Investment Advisers Act of 1940. Merril Lynch Phoenix Fund, Inc. ("the Fund") is an investment company registered under Section 8 of the Investment Company Act of 1940.

Item 4 Ownership

(a) Amount Beneficially Owned:

See Item 9 of Cover Pages. Pursuant to (S) 240.13d-4, ML&Co., ML Group, PSI, FAM, and the Fund (the "Reporting Persons") disclaim beneficial ownership of the securities of National Convenience Stores, Inc. ("The Company") referred to herein, and the filing of this Schedule 13G shall not be construed as an admission that the Reporting Persons are, for the purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934 the beneficial owner of any securities of the Company covered by this statement.

(b) Percent of Class:

See Item 11 of Cover Pages

- (c) Number of shares as to which such person has:
 - (i) sole power to vote or to direct the vote:

See Item 5 of Cover Pages

(ii) shared power to vote or to direct the vote:

See Item 6 of Cover Pages

(iii) sole power to dispose or to direct the disposition of:

See Item 7 of Cover Pages

(iv) shared power to dispose or to direct the disposition of:

Page 8 of 11 Pages

See Item 8 of Cover Pages

Item 5 Ownership of Five Percent or Less of a Class.

Not Applicable

Item 6 Ownership of More than Five Percent on Behalf of Another Person.

MLAM is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940 and acts as an investment adviser to investment companies registered under Section 8 of the Investment Company Act of 1940. With respect to securities held by those investment companies, several persons have the right to receive, or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities. The Fund, a reporting person on this Schedule 13G for which MLAM serves as investment adviser, has an interest that relates to more than 5% of the class of securities reported herein. No other person has an interest that relates to more than 5% of the class of securities reported herein.

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company.

See Exhibit A

Item 8 Identification and Classification of Members of the Group.

Not Applicable

Item 9 Notice of Dissolution of Group.

Not Applicable

Page 9 of 11 Pages

Item 10 Certification.

By signing below each of the undersigned certifies that, to the best of their knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

Signature.

After reasonable inquiry and to the best of my knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: February 14, 1994 Merrill Lynch & Co., Inc.

/s/ David L. Dick

Name: David L. Dick

Title: Assistant Secretary

Merrill Lynch Group, Inc.

/s/ David L. Dick

Name: David L. Dick Title: Secretary

Princeton Services, Inc.

/s/ David L. Dick

Name: David L. Dick
Title: Attorney-in-Fact*

Fund Asset Management, L.P.
By: Princeton Services, Inc.
(General Partner)

/s/ David L. Dick

Name: David L. Dick
Title: Attorney-in-Fact**

Merrill Lynch Phoenix Fund, Inc.

/s/ David L. Dick

Name: David L. Dick
Title: Attorney-in-Fact**

Page 10 of 11 Pages EXHIBIT A TO SCHEDULE 13G

ITEM 7 DISCLOSURE RESPECTING SUBSIDIARIES

Three of the persons filing this report, Merrill Lynch & Co., Inc., a Delaware corporation with its principal place of business at World Financial Center, North Tower, 250 Vesey Street, New York, New York ("ML&Co."), Merrill Lynch Group, Inc., a Delaware corporation with its principal place of business at World Financial Center, North Tower, 250 Vesey Street, New York, New York ("ML Group"), and Princeton Services, Inc., a Delaware corporation with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey ("PSI"), are parent holding companies pursuant to Rule 13d-1(b)(1)(ii)(G). The relevant subsidiaries of ML&Co. are ML Group and PSI, which is the general partner of Fund Asset Management, L.P. ('"FAM"). The relevant subsidiary of ML Group is PSI.

ML Group, a wholly-owned direct subsidiary of ML&Co., may be deemed to be the beneficial owner of 6.7% of the common stock of National Convenient Stores (the "Company") by virtue of its control of its wholly-owned subsidiary, PSI.

^{*} Signed pursuant to a power of attorney, dated February 10, 1994, included as an exhibit to Schedule 13G filed with the Securities and Exchange Commission by Merrill Lynch & Co., Inc., et. al. on February 14, 1994 with respect to Dial REIT Inc.

^{**} Signed pursuant to a power of attorney, dated February 10, 1994, included as an exhibit to Schedule 13G filed with the Securities and Exchange Commission by Merrill Lynch & Co., Inc., et. al. on February 14, 1994 with respect to Matrix Service Company.

PSI, a wholly-owned direct subsidiary of ML Group, may be deemed to be the beneficial owner of 6.7% of the common stock of the Company by virtue of its being the general partner of FAM.

FAM, a Delaware limited partnership with its principal place of business at 800 Scudders Mill Road, PLainsboro, New Jersey, is an investment adviser registered under Section 203 of the Investment Advisors Act of 1940. FAM may be deemed to be the beneficial owner of 6.7% of the common stock of the Company as a result of its acting as investment adviser to investment companies registered under Section 8 of the Investment Company Act of 1940.

One registered investment company advised by FAM, Merril Lynch Phoenix Fund, Inc., is the beneficial owner of 6.7% of the common stock of the Company.

Pursuant to (S) 240.13d-4, ML&Co., ML Group, PSI, FAM and the Fund disclaim beneficial ownership of the securities of the Company, and the filing of this Schedule 13G shall not be construed as an admission that any such entity is, for the purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934, the beneficial owner of any securities of the Company.

Page 11 of 11 Pages