FORM 10-K405

Annual report pursuant to section 13 and 15(d), Regulation S-K Item 405

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PARKER & PARSLEY 90-C CONV LP

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

FORM 10-K

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

For the fiscal year ended December 31, 1998

Commission File No. 33-26097-10

PARKER & PARSLEY 90-C CONV., L.P.
(Exact name of Registrant as specified in its charter)

Delaware	75-2347264
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
303 West Wall, Suite 101, Midland, Texas	79701
(Address of principal executive offices)	(Zip code)

Registrant's Telephone Number, including area code : (915) 683-4768
Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act:
Limited partnership interests ($1,000 per unit)

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 (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes / x / No / /

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. / x /

No market currently exists for the limited partnership interests of the Registrant. Based on original purchase price the aggregate market value of limited partnership interests owned by non-affiliates of the Registrant is $7,501,000.

As of March 8, 1999, the number of outstanding limited partnership interests was 7,531. The following documents are incorporated by reference into the indicated parts of this Annual Report on Form 10-K: None

Parts I and II of this Report contain forward looking statements that involve risks and uncertainties. Accordingly, no assurances can be given that the actual events and results will not be materially different than the anticipated results described in the forward looking statements. See "Item 1. Business" for a description of various factors that could materially affect the ability of the

Partnership to achieve the anticipated results described in the forward looking statements.

PART I

ITEM 1. Business

Parker & Parsley 90-C Conv., L.P. (the "Partnership") is a general partnership organized in 1990 under the laws of the State of Texas. The Partnership converted to a Delaware limited partnership on August 1, 1991. As of August 8, 1997, Pioneer Natural Resources USA, Inc. ("Pioneer USA") became the managing general partner of the Partnership. Prior to August 8, 1997, the Partnership's managing general partner was Parker & Parsley Development L.P. ("PPDLP"), a wholly-owned subsidiary of Parker & Parsley Petroleum Company ("Parker & Parsley"). On August 7, 1997, Parker & Parsley and Mesa Inc. ("Mesa") received shareholder approval to merge and create Pioneer Natural Resources Company ("Pioneer"). On August 8, 1997, PPDLP was merged with and into Pioneer USA, a wholly-owned subsidiary of Pioneer, resulting in Pioneer USA becoming the managing general partner of the Partnership as PPDLP's successor by merger. For a more complete description of the Parker & Parsley and Mesa merger, see Pioneer's Registration Statement on Form S-4 as filed with the Securities & Exchange Commission.

A Registration Statement, as amended, filed pursuant to the Securities Act of 1933, registering general partnership interests aggregating $30,000,000 in a series of Texas general partnerships formed under the Parker & Parsley 89-90 Development Drilling Program, was declared effective by the Securities and Exchange Commission on August 1, 1989. On December 28, 1990, the offering of general partnership interests in the Partnership, the fifth partnership formed under such registration statement, was closed, with interests aggregating $7,531,000 being sold to 517 subscribers.

The Partnership engages primarily in oil and gas development and production and is not involved in any industry segment other than oil and gas. See "Item 6. Selected Financial Data" and "Item 8. Financial Statements and Supplementary Data" of this report for a summary of the Partnership's operating information and identifiable assets.

The principal markets during 1998 for the oil produced by the Partnership were refineries and oil transmission companies that have facilities near the Partnership's oil producing properties. The principal markets for the Partnership's gas were companies that have pipelines located near the Partnership's gas producing properties. Of the Partnership's total oil and gas revenues for 1998, approximately 69% and 13% were attributable to sales made to Genesis Crude Oil, L.P. and Western Gas Resources, Inc., respectively.

The Partnership's revenues, profitability, cash flow and future rate of growth are highly dependent on the prevailing prices of oil and gas, which are affected

by numerous factors beyond the Partnership's control. Oil and gas prices historically have been very volatile. A substantial or extended decline in the prices of oil or gas could have a material adverse effect on the Partnership's revenues, profitability and cash flow and could, under certain circumstances, result in a reduction in the carrying value of the Partnership's oil and gas properties.

Because of the demand for oil and gas, the Partnership does not believe that the termination of the sales of its products to any one customer would have a material adverse impact on its operations. The loss of a particular customer for gas may have an effect if that particular customer has the only gas pipeline located in the areas of the Partnership's gas producing properties. The Partnership believes, however, that the effect would be temporary, until alternative arrangements could be made.

Federal and state regulation of oil and gas operations generally includes the fixing of maximum prices for regulated categories of natural gas, the imposition of maximum allowable production rates, the taxation of income and other items, and the protection of the environment. Although the Partnership believes that its business operations do not impair environmental quality and that its costs of complying with any applicable environmental regulations are not currently significant, the Partnership cannot predict what, if any, effect these environmental regulations may have on its current or future operations.

The Partnership does not have any employees of its own. Pioneer USA employs 818 persons, many of whom dedicated a part of their time to the conduct of the Partnership's business during the period for which this report is filed. Pioneer USA is responsible for all management functions.

Numerous uncertainties exist in estimating quantities of proved reserves and future net revenues therefrom. The estimates of proved reserves and related future net revenues set forth in this report are based on various assumptions, which may ultimately prove to be inaccurate. Therefore, such estimates should not be construed as estimates of the current market value of the Partnership's proved reserves.

No material part of the Partnership's business is seasonal and the Partnership conducts no foreign operations.

ITEM 2. Properties

The Partnership's properties consist primarily of leasehold interests in properties on which oil and gas wells are located. Such property interests are often subject to landowner royalties, overriding royalties and other oil and gas leasehold interests.

Fractional working interests in developmental oil and gas prospects located primarily in the Spraberry Trend Area of West Texas were acquired by the Partnership, resulting in the Partnership's participation in the drilling of 44 oil and gas wells. One well was sold and one well was plugged and abandoned due to uneconomical operations. At December 31, 1998, the Partnership had 42 producing oil and gas wells.

For information relating to the Partnership's estimated proved oil and gas reserves at December 31, 1998, 1997 and 1996 and changes in such quantities for the years then ended, see Note 7 of Notes to Financial Statements included in "Item 8. Financial Statements and Supplementary Data" below. Such reserves have been estimated by the engineering staff of Pioneer USA with a review by Williamson Petroleum Consultants, Inc., an independent petroleum consultant.

ITEM 3. Legal Proceedings

The Partnership from time to time is a party to various legal proceedings incidental to its business involving claims in oil and gas leases or interests, other claims for damages in amounts not in excess of 10% of its current assets and other matters, none of which Pioneer believes to be material to the Partnership.

ITEM 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of 1998.

PART II

ITEM 5. Market for Partnership's Common Equity and Related Stockholder Matters

At March 8, 1999, the Partnership had 7,531 outstanding limited partnership interests held of record by 509 subscribers. There is no established public trading market for the limited partnership interests. Under the limited partnership agreement, Pioneer USA has made certain commitments to purchase partnership interests at a computed value.

Revenues which, in the sole judgement of the managing general partner, are not required to meet the Partnership's obligations are distributed to the partners at least quarterly in accordance with the limited partnership agreement. During the years ended December 31, 1998 and 1997, $130,281 and $357,952, respectively, of such revenue-related distributions were made to the limited partners.

ITEM 6. Selected Financial Data

The following table sets forth selected financial data for the years ended December 31:
<TABLE>

	1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
Operating results:					
Oil and gas sales	$ 430,499	$ 661,475	$ 837,849	$ 722,324	$ 804,039
Impairment of oil and gas properties	$ 185,784	$ 79,288	$ -	$ 48,088	$ -
Net income (loss)	$ (258,625)	$ 105,740	$ 359,349	$ 163,626	$ 152,612
Allocation of net income (loss):					
Managing general partner	$ (2,586)	$ 1,057	$ 3,593	$ 1,668	$ 1,558
Limited partners	$ (256,039)	$ 104,683	$ 355,756	$ 161,958	$ 151,054
Limited partners' net income (loss) per limited partnership interest	$ (34.00)	$ 13.90	$ 47.24	$ 21.51	$ 20.06

Limited partners' cash distributions per limited partnership interest	$ 17.30	$ 47.53	$ 51.98	$ 45.34	$ 51.71
At year end:					
Total assets	$1,011,034	$1,411,804	$1,661,127	$1,728,891	$ 1,886,057

</TABLE>

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

1998 compared to 1997

The Partnership's 1998 oil and gas revenues decreased 35% to $430,499 from $661,475 in 1997. The decrease in revenues resulted from lower average prices received. In 1998, 24,493 barrels of oil, 8,694 barrels of natural gas liquids ("NGLs") and 30,348 mcf of gas were sold, or 38,245 barrel of oil equivalents ("BOEs"). In 1997, 25,817 barrels of oil, 3,661 barrels of NGLs and 50,304 mcf of gas were sold, or 37,862 BOEs. Due to the decline characteristics of the Partnership's oil and gas properties, management expects a certain amount of decline in production in the future until the Partnership's economically recoverable reserves are fully depleted.

Consistent with the managing general partner, the Partnership has historically accounted for processed natural gas production as wellhead production on a wet gas basis. Effective September 30, 1997, as a result of the merger with Mesa, the managing general partner accounts for processed natural gas production in two components: natural gas liquids and dry residue gas. As a result of the change in the managing general partner's policy, the Partnership now accounts for processed natural gas production as processed natural gas liquids and dry residue gas. Consequently, separate product volumes will not be comparable for periods prior to September 30, 1997. Also, prices for gas products will not be comparable as the price per mcf for natural gas for the year ended December 31, 1998 is the price received for dry residue gas and the price per mcf for natural gas produced prior to October 1997 was presented as a price for wet gas (i.e., natural gas liquids combined with dry residue gas).

The average price received per barrel of oil decreased $6.24, or 32%, from $19.48 in 1997 to $13.24 in 1998. The average price received per barrel of NGLs decreased $3.78, or 36%, from $10.58 in 1997 to $6.80 in 1998. The average price received per mcf of gas decreased 35% from $2.38 in 1997 to $1.55 in 1998. The market price for oil and gas has been extremely volatile in the past decade, and management expects a certain amount of volatility to continue in the foreseeable future. The Partnership may therefore sell its future oil and gas production at average prices lower or higher than received in 1998.

Total costs and expenses increased in 1998 to $693,871 compared to $562,477 in 1997, an increase of $131,394, or 23%. This increase was due to increases in impairment of oil and gas properties and depletion, offset by decreases in production costs and general and administrative expenses ("G&A").

Production costs were $314,363 in 1998 and $331,332 in 1997, resulting in a decrease of $16,969, or 5%. The decrease was due to declines in production and ad valorem taxes and workover expense, offset by an increase in well maintenance costs.

G&A's components are independent accounting and engineering fees and managing general partner personnel and operating costs. During this period G&A decreased,

in aggregate, 30% from $21,436 in 1997 to $15,084 in 1998. The Partnership paid the managing general partner $12,838 in 1998 and $17,703 in 1997 for G&A incurred on behalf of the Partnership. G&A is allocated, in part, to the Partnership by the managing general partner. Such allocated expenses are determined by the managing general partner based upon its judgement of the level of activity of the Partnership relative to the managing general partner's activities and other entities it manages. The method of allocation has been consistent over the past several years with certain modifications incorporated to reflect changes in Pioneer USA's overall business activities.

In accordance with Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of" ("SFAS 121"), the managing general partner reviews the Partnership's oil and gas properties for impairment whenever events or circumstances indicate a decline in the recoverability of the carrying value of the Partnership's assets may have occurred. Declining commodity prices prompted impairment reviews in 1998 and 1997. As a result of the review and evaluation of its long-lived assets for impairment, the Partnership recognized non-cash charges of $185,784 and $79,288 related to its oil and gas properties during 1998 and 1997, respectively.

Depletion was $178,640 in 1998 compared to $130,421 in 1997. This represented an increase of $48,219, or 37%. This increase was primarily the result of a combination of factors that included a decline in proved reserves during 1998 due to the lower commodity prices, offset by a reduction in the Partnership's net depletable basis from charges taken in accordance with SFAS 121 during the fourth quarter of 1997 and a reduction in oil production of 1,324 barrels for the period ended December 31, 1998 compared to the same period in 1997.

1997 compared to 1996

The Partnership's 1997 oil and gas revenues decreased 21% to $661,475 from $837,849 in 1996. The decrease in revenues resulted from declines in production and lower average prices received. In 1997, 25,817 barrels of oil, 3,661 barrels of NGLs and 50,304 mcf of gas were sold, or 37,862 BOEs. In 1996, 30,485 barrels of oil and 64,557 mcf of gas were sold, or 41,245 BOEs.

Consistent with the managing general partner, the Partnership has historically accounted for processed natural gas production as wellhead production on a wet gas basis. As is described above in "Results of Operations - 1998 compared to 1997", the Partnership changed its method of accounting for processed natural gas to a dry gas basis in the fourth quarter of 1997. As a result of this change, the Partnership now accounts for processed natural gas production as processed natural gas liquids and dry residue gas. Consequently, 1997 and 1996 separate product volumes are not comparable.

The declines in production volumes were primarily attributable to the decline characteristics of the Partnership's oil and gas properties.

The average price received per barrel of oil decreased $2.40, or 11%, from $21.88 in 1996 to $19.48 in 1997. The average price received per barrel of NGLs during 1997 was $10.58. The average price received per mcf of gas decreased 10% from $2.65 in 1996 to $2.38 in 1997.

A gain on disposition of assets of $800 was recognized during 1997 from credits received from the disposal of oil and gas equipment on one fully depleted well. Loss on disposition of assets of $6,508 was recognized during 1996 of which $6,674 was attributable to the sale of one gas well, offset by salvage income of $166 received from the disposal of oil and gas equipment on one well that was plugged and abandoned in a prior year and to credits received from the disposal of oil and gas equipment on fully depleted wells.

Total costs and expenses increased in 1997 to $562,477 compared to $477,266 in 1996, an increase of $85,211, or 18%. This increase was due to the impairment of oil and gas properties and depletion, offset by decreases in production costs and G&A.

Production costs were $331,332 in 1997 and $337,193 in 1996, resulting in a $5,861 decrease. The decrease was due to a decline in production taxes and workover expense, offset by a slight increase in ad valorem taxes.

During this period G&A decreased, in aggregate, 21% from $27,292 in 1996 to $21,436 in 1997. The Partnership paid the managing general partner $17,703 in 1997 and $24,441 in 1996 for G&A incurred on behalf of the Partnership.

The Partnership recognized a non-cash SFAS 121 impairment provision of $79,288 related to its oil and gas properties during the fourth quarter of 1997.

Depletion was $130,421 in 1997 compared to $112,781 in 1996. This represented an increase of $17,640 or 16%. This increase was primarily attributable to a decline in oil reserves during 1997 as a result of lower commodity prices, offset by a decline in oil production of 4,668 barrels for 1997 as compared to 1996.

Impact of inflation and changing prices on sales and net income

Inflation impacts the fixed overhead rate charges of the lease operating expenses for the Partnership. During 1998, the annual change in the index of average weekly earnings of crude petroleum and gas production workers issued by the U.S. Department of Labor, Bureau of Labor Statistics increased (effective April 1, 1998) 10.3%. The 1997 annual change in average weekly earnings increased by 2%. The 1996 index increased 4.1%. The impact of inflation for other lease operating expenses is small due to the current economic condition of the oil industry.

The oil and gas industry experienced volatility during the past decade because of the fluctuation of the supply of most fossil fuels relative to the demand for such products and other uncertainties in the world energy markets causing significant fluctuations in oil and gas prices. During 1998, the price per barrel for oil production similar to the Partnership's ranged from approximately $9.50 to $15.50. During most of 1997 and 1996, the Partnership benefitted from higher oil prices as compared to previous years. However, during the fourth quarter of 1997, oil prices began a downward trend that has continued into March 1999. On March 8, 1999, the market price for West Texas intermediate crude was $11.00 per barrel. A continuation of the current commodity price environment will continue to have an adverse effect on the Partnership's revenues, operating cash flow and distributions and could result in additional decreases in the carrying value of the Partnership's oil and gas properties.

Prices for natural gas are subject to ordinary seasonal fluctuations, and this volatility of natural gas prices may result in production being curtailed and, in some cases, wells being completely shut-in.

Liquidity and capital resources

Net Cash Provided by Operating Activities

Net cash provided by operating activities decreased $251,807 during the year ended December 31, 1998 from the year ended December 31, 1997, primarily attributable to declines in oil and gas sales receipts, offset by decreases in production costs and G&A expenses paid.

Net Cash Provided by (Used in) Investing Activities

The Partnership's investing activities during 1998 and 1997 included expenditures related to equipment replacement on various oil and gas properties.

Proceeds from disposition of assets of $800 from the salvage of equipment on one fully depleted well were received during 1997.

Net Cash Used in Financing Activities

Cash was sufficient in 1998 for distributions to the partners of $131,597 of which $1,316 was distributed to the managing general partner and $130,281 to the limited partners. In 1997, cash was sufficient for distributions to the partners of $361,567 of which $3,615 was distributed to the managing general partner and $357,952 to the limited partners.

The current commodity price environment will continue to impact the distributions and could result in limited or no distributions to the partners.

Year 2000 Project Readiness

Historically, many computer programs have been developed that use only the last two digits in a date to refer to a year. As the year 2000 nears, the inability of such computer programs and embedded technologies to distinguish between "1900" and "2000" has given rise to the "Year 2000" problem. Theoretically, such computer programs and related technology could fail outright or communicate inaccurate data, if not remediated or replaced. With the proliferation of electronic data interchange, the Year 2000 problem represents a significant exposure to the entire global community, the full extent of which cannot be accurately assessed.

In proactive response to the Year 2000 problem, the managing general partner established a "Year 2000" project to assess, to the extent possible, the Partnership's and the managing general partner's internal Year 2000 problem; to take remedial actions necessary to minimize the Year 2000 risk exposure to the managing general partner and significant third parties with whom it has data interchange; and, to test its systems and processes once remedial actions have been taken. The managing general partner has contracted with IBM Global Services to perform the assessment and remedial phases of its Year 2000 project.

The assessment phase of the managing general partner's Year 2000 project is at varying stages of completion as it pertains to information technology and non-information technology applications and systems in the United States, Canada and Argentina. As of December 31, 1998, the managing general partner estimates that the assessment phase is approximately 86% complete, on a worldwide basis, and has included, but is not limited to, the following procedures:

- the identification of necessary remediation, upgrade and/or replacement of existing information technology applications and systems;

- the assessment of non-information technology exposures, such as telecommunications systems, security systems, elevators and process control equipment;

- the initiation of inquiry and dialogue with significant third party business partners, customers and suppliers in an effort to understand and assess their Year 2000 problems, readiness and potential impact on the managing general partner and its Year 2000 problem;

- the implementation of processes designed to reduce the risk of reintroduction of Year 2000 problems into the managing general partner's systems and business processes; and,

- the formulation of contingency plans for mission-critical information technology systems.

The managing general partner expects to complete the assessment phase of its Year 2000 project by the end of the first quarter of 1999 but is being delayed by limited responses received on inquiries made of third party businesses. To date, the managing general partner has distributed Year 2000 problem inquiries to over 500 entities and has received responses to approximately 37% of those inquiries.

The remedial phase of the managing general partner's Year 2000 project is also at varying stages of completion as it pertains to the remediation of information technology and non-information technology applications and systems in the United States, Canada and Argentina. As of December 31, 1998, the managing general partner estimates that the remedial phase is approximately 54% complete, on a worldwide basis, subject to the continuing results of the third party inquiry assessments and the testing phase. The remedial phase has included the upgrade and/or replacement of certain application and hardware systems. The managing general partner has upgraded its Artesia general ledger accounting systems through remedial coding and is currently testing this system for Year 2000 compliance. The remediation of non-information technology is expected to be completed during July 1999. The managing general partner's Year 2000 remedial actions have not significantly delayed other information technology projects or upgrades.

The testing phase of the managing general partner's Year 2000 project is on schedule. The managing general partner expects to complete the testing of the Artesia system upgrades by March 1999 and all other information technology systems and non-information technology remediation by the end of the third quarter of 1999.

The managing general partner expects that its total costs related to the Year 2000 problem will approximate $3.6 million, of which approximately $500 thousand will have been incurred to replace non-compliant information technology systems. The managing general partner intends to use its working capital to pay for the costs of the Year 2000 projects. As of December 31, 1998, the managing general partner's total costs incurred on the Year 2000 problem were $1.8 million, of which $200 thousand were incurred to replace non-compliant systems. The managing general partner will allocate a portion of the costs of the Year 2000 programming charges to the Partnership in accordance with the general and administration allocation. (See Note 2 of Notes to Financial Statements included in "Item 8. Financial Statements and Supplementary Data".)

The risks associated with the Year 2000 problem are significant. A failure to remedy a critical Year 2000 problem could have a materially adverse affect on the Partnership's results of operations and financial condition. The most likely worst case scenario which may be encountered as a result of a Year 2000 problem could include information and non-information system failures, the receipt or transmission of erroneous data, lost data or a combination of similar problems of a magnitude that cannot be accurately assessed at this time.

In the assessment phase of the managing general partner's Year 2000 project, contingency plans are being designed to mitigate the exposures to mission-critical information technology systems, such as oil and gas sales receipts, vendor and royalty cash distributions, debt compliance, accounting, and employee compensation. Such contingency plans anticipate the extensive utilization of third-party data processing services, personal computer applications and the substitution of courier and mail services in place of electronic data interchange. Given the uncertainties regarding the scope of the Year 2000 problem and the compliance of significant third parties, there can be no assurance that contingency plans will have anticipated all Year 2000 scenarios.

ITEM 8. Financial Statements and Supplementary Data

Index to Financial Statements

INDEPENDENT AUDITORS' REPORT

The Partners
Parker & Parsley 90-C Conv., L.P.
(A Delaware Limited Partnership):

We have audited the balance sheet of Parker & Parsley 90-C Conv., L.P. as of December 31, 1998, and the related statements of operations, partners' capital and cash flows for the year then ended. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Parker & Parsley 90-C Conv., L.P. as of December 31, 1998, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Ernst & Young LLP

Dallas, Texas
March 15, 1999

INDEPENDENT AUDITORS' REPORT

The Partners
Parker & Parsley 90-C Conv., L.P.
(A Delaware Limited Partnership):

We have audited the financial statements of Parker & Parsley 90-C Conv., L.P. as of December 31, 1997, and the related statements of operations, partners' capital and cash flows for the years ended December 31, 1997 and 1996. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Parker & Parsley 90-C Conv., L.P. as of December 31, 1997, and the results of its operations and its cash flows for the years ended December 31, 1997 and 1996, in conformity with generally accepted accounting principles.

KPMG LLP

Midland, Texas
March 20, 1998

PARKER & PARSLEY 90-C CONV., L.P.
(A Delaware Limited Partnership)

BALANCE SHEETS
December 31

	1998	1997
ASSETS		
Current assets:		
Cash	$ 66,221	$ 87,423
Accounts receivable - oil and gas sales	41,400	69,891
Total current assets	107,621	157,314
Oil and gas properties - at cost, based on the successful efforts accounting method	5,765,217	5,751,870
Accumulated depletion	(4,861,804)	(4,497,380)
Net oil and gas properties	903,413	1,254,490
	$ 1,011,034	$ 1,411,804
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable - affiliate	$ 13,398	$ 23,946
Partners' capital:		
Managing general partner	9,946	13,848
Limited partners (7,531 interests)	987,690	1,374,010

	997,636	1,387,858
	$ 1,011,034	$ 1,411,804

The accompanying notes are an integral part of these financial statements.

PARKER & PARSLEY 90-C CONV., L.P.
(A Delaware Limited Partnership)

STATEMENTS OF OPERATIONS
For the years ended December 31

	1998	1997	1996
Revenues:			
Oil and gas	$ 430,499	$ 661,475	$ 837,849
Interest	4,747	5,942	5,274
Gain (loss) on disposition of assets	-	800	(6,508)
	435,246	668,217	836,615
Costs and expenses:			
Oil and gas production	314,363	331,332	337,193
General and administrative	15,084	21,436	27,292
Impairment of oil and gas properties	185,784	79,288	-
Depletion	178,640	130,421	112,781
	693,871	562,477	477,266
Net income (loss)	$(258,625)	$ 105,740	$ 359,349
Allocation of net income (loss):			
Managing general partner	$ (2,586)	$ 1,057	$ 3,593
Limited partners	$(256,039)	$ 104,683	$ 355,756
Net income (loss) per limited partnership interest	$ (34.00)	$ 13.90	$ 47.24

The accompanying notes are an integral part of these financial statements.

PARKER & PARSLEY 90-C CONV., L.P.
(A Delaware Limited Partnership)

STATEMENTS OF PARTNERS' CAPITAL

	Managing general partner	Limited partners	Total
Partners' capital at January 1, 1996	$ 16,767	$1,662,989	$1,679,756
Distributions	(3,954)	(391,466)	(395,420)
Net income	3,593	355,756	359,349
Partners' capital at December 31, 1996	16,406	1,627,279	1,643,685
Distributions	(3,615)	(357,952)	(361,567)
Net income	1,057	104,683	105,740
Partners' capital at December 31, 1997	13,848	1,374,010	1,387,858
Distributions	(1,316)	(130,281)	(131,597)
Net loss	(2,586)	(256,039)	(258,625)
Partners' capital at December 31, 1998	$ 9,946	$ 987,690	$ 997,636

The accompanying notes are an integral part of these financial statements.

PARKER & PARSLEY 90-C CONV., L.P.
(A Delaware Limited Partnership)

STATEMENTS OF CASH FLOWS
For the years ended December 31

	1998	1997	1996
Cash flows from operating activities:			
Net income (loss)	$(258,625)	$ 105,740	$ 359,349
Adjustments to reconcile net income			

(loss) to net cash provided by operating activities:			
Impairment of oil and gas properties	185,784	79,288	-
Depletion	178,640	130,421	112,781
(Gain) loss on disposition of assets	-	(800)	6,508
Changes in assets and liabilities:			
Accounts receivable	28,491	54,396	(54,851)
Accounts payable	(10,548)	6,504	(31,693)
Net cash provided by operating activities	123,742	375,549	392,094
Cash flows from investing activities:			
Additions to oil and gas properties	(13,347)	(6,923)	(3,869)
Proceeds from disposition of assets	-	800	4,608
Net cash provided by (used in) investing activities	(13,347)	(6,123)	739
Cash flows from financing activities:			
Cash distributions to partners	(131,597)	(361,567)	(395,420)
Net increase (decrease) in cash	(21,202)	7,859	(2,587)
Cash at beginning of year	87,423	79,564	82,151
Cash at end of year	$ 66,221	$ 87,423	$ 79,564

The accompanying notes are an integral part of these financial statements.

PARKER & PARSLEY 90-C CONV., L.P.
(A Delaware Limited Partnership)

NOTES TO FINANCIAL STATEMENTS
December 31, 1998, 1997 and 1996

Note 1. Organization and nature of operations

Parker & Parsley 90-C Conv., L.P. (the "Partnership") is a general partnership organized in 1990 under the laws of the State of Texas. The Partnership converted to a Delaware limited partnership on August 1, 1991. As of August 8, 1997, Pioneer Natural Resources USA, Inc. ("Pioneer USA") became the managing general partner of the Partnership. Prior to August 8, 1997, the Partnership's managing general partner was Parker & Parsley Development L.P. ("PPDLP"), a wholly-owned subsidiary of Parker & Parsley Petroleum Company ("Parker & Parsley"). On August 7, 1997, Parker & Parsley and Mesa Inc. received shareholder approval to merge and create Pioneer Natural Resources Company ("Pioneer"). On August 8, 1997, PPDLP was merged with and into Pioneer USA, a wholly-owned subsidiary of Pioneer, resulting in Pioneer USA becoming the managing general partner of the Partnership as PPDLP's successor by merger.

The Partnership engages primarily in oil and gas development and production in Texas and is not involved in any industry segment other than oil and gas.

Note 2. Summary of significant accounting policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Oil and gas properties - The Partnership utilizes the successful efforts method of accounting for its oil and gas properties and equipment. Under this method, all costs associated with productive wells and nonproductive development wells are capitalized while nonproductive exploration costs are expensed. Capitalized costs relating to proved properties are depleted using the unit-of-production method on a property-by-property basis based on proved oil (dominant mineral) reserves as determined by the engineering staff of Pioneer USA, the Partnership's managing general partner, and reviewed by independent petroleum consultants. The carrying amounts of properties sold or otherwise disposed of and the related allowances for depletion are eliminated from the accounts and any gain or loss is included in operations.

Impairment of long-lived assets - In accordance with Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of" ("SFAS 121"), the Partnership reviews its long-lived assets to be held and used on an individual property basis, including oil and gas properties accounted for under the successful efforts method of accounting, whenever events or circumstances indicate that the carrying value of those assets may not be recoverable. An impairment loss is indicated if the sum of the expected future cash flows is less than the carrying amount of the assets. In this circumstance, the Partnership recognizes an impairment loss for the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset.

Use of estimates in the preparation of financial statements - Preparation of the accompanying financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reporting amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net income (loss) per limited partnership interest - The net income (loss) per limited partnership interest is calculated by using the number of outstanding limited partnership interests.

Income taxes - A Federal income tax provision has not been included in the financial statements as the income of the Partnership is included in the individual Federal income tax returns of the respective partners.

Statements of cash flows - For purposes of reporting cash flows, cash includes depository accounts held by banks.

General and administrative expenses - General and administrative expenses are allocated in part to the Partnership by the managing general partner or its affiliates. Such allocated expenses are determined by the managing general partner based upon its judgement of the level of activity of the Partnership relative to the managing general partner's activities and other entities it manages. The method of allocation has been consistent over the past several years with certain modifications incorporated to reflect changes in

Pioneer USA's overall business activities.

Reclassifications - Certain reclassifications may have been made to the 1997 and 1996 financial statements to conform to the 1998 financial statement presentations.

Environmental - The Partnership is subject to extensive federal, state and local environmental laws and regulations. These laws, which are constantly changing, regulate the discharge of materials into the environment and may require the Partnership to remove or mitigate the environmental effects of the disposal or release of petroleum or chemical substances at various sites. Environmental expenditures are expensed or capitalized depending on their future economic benefit. Expenditures that relate to an existing condition caused by past operations and that have no future economic benefits are expensed. Liabilities for expenditures of a noncapital nature are recorded when environmental assessment and/or remediation is probable, and the costs can be reasonably estimated. Such liabilities are generally undiscounted unless the timing of cash payments for the liability or component are fixed or reliably determinable. No such liabilities have been accrued as of December 31, 1998.

Revenue recognition - The Partnership uses the entitlements method of accounting for crude oil and natural gas revenues.

Reporting comprehensive income - Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" ("SFAS No. 130") establishes standards for the reporting and display of comprehensive income (loss) and its components in a full set of general purpose financial statements. Comprehensive income (loss) includes net income (loss) and other comprehensive income (loss).

The Partnership has no items of other comprehensive income (loss), as defined by SFAS No. 130. Consequently, the provisions of SFAS No. 130 do not apply to the Partnership.

Note 3. Impairment of long-lived assets

In accordance with SFAS 121, the Partnership reviews its proved oil and gas properties for impairment whenever events and circumstances indicate a decline in the recoverability of the carrying value of the Partnership's oil and gas properties. Based upon a decline in the Partnership's outlook for future commodity prices, the Partnership has estimated the expected future cash flows of its oil and gas properties as of December 31, 1998, 1997 and 1996, and compared such estimated future cash flows to the respective carrying amount of the oil and gas properties to determine if the carrying amounts were likely to be recoverable. For those proved oil and gas properties for which the carrying amount exceeded the estimated future cash flows, an impairment was determined to exist; therefore, the Partnership adjusted the carrying amount of those oil and gas properties to their fair value as determined by discounting their expected future cash flows at a discount rate commensurate with the risks involved in the industry. As a result, the Partnership recognized non-cash impairment provisions of $185,784 and $79,288 related to its proved oil and gas properties during 1998 and 1997, respectively.

Note 4. Income taxes

The financial statement basis of the Partnership's net assets and liabilities was $64,114 greater than the tax basis at December 31, 1998.

The following is a reconciliation of net income (loss) per statements of operations with the net income (loss) per Federal income tax returns for the years ended December 31:

	1998	1997	1996
Net income (loss) per statements of operations	$(258,625)	$ 105,740	$ 359,349
Depletion and depreciation provisions for tax reporting purposes (greater than) less than amounts for financial reporting purposes	50,997	(98,399)	(121,400)
Impairment of oil and gas properties for financial reporting purposes	185,784	79,288	-
Other	1,870	(2,081)	6,706
Net income (loss) per Federal income tax returns	$ (19,974)	$ 84,548	$ 244,655

Note 5. Oil and gas producing activities

The following is a summary of the costs incurred, whether capitalized or expensed, related to the Partnership's oil and gas producing activities for the years ended December 31:

	1998	1997	1996
Development costs	$ 13,347	$ 6,123	$ 3,704

Capitalized oil and gas properties consist of the following:

	1998	1997
Proved properties:		
Property acquisition costs	$ 226,701	$ 226,701
Completed wells and equipment	5,538,516	5,525,169
	5,765,217	5,751,870
Accumulated depletion	(4,861,804)	(4,497,380)
Net capitalized costs	$ 903,413	$ 1,254,490

Note 6. Related party transactions

Pursuant to the limited partnership agreement, the Partnership had the following related party transactions with the managing general partner or its affiliates during the years ended December 31:

	1998	1997	1996
Payment of lease operating and supervision charges in accordance with standard industry operating agreements	$124,074	$128,942	$120,014
Reimbursement of general and administrative expenses	$ 12,838	$ 17,703	$ 24,441

The Partnership participates in oil and gas activities through an income tax partnership (the "Program") pursuant to the Program agreement. Pioneer USA, P&P Employees 90-C Conv., L.P. ("EMPL") (the "Entities"), Parker & Parsley 90-C, L.P. and the Partnership (the "Partnerships") are parties to the Program agreement. EMPL is a limited partnership organized for the benefit of certain employees of Pioneer USA.

The costs and revenues of the Program are allocated to the Entities and the Partnerships as follows:

	Entities (1)	Partnerships (2)
Revenues:		
Proceeds from disposition of depreciable and depletable properties -		
First three years	14.141414%	85.858586%
After first three years	19.191919%	80.808081%
All other revenues -		
First three years	14.141414%	85.858586%
After first three years	19.191919%	80.808081%
Costs and expenses:		
Lease acquisition costs, drilling and completion costs and all other costs	9.090909%	90.909091%
Operating costs, reporting and legal expenses and general and administrative expenses-		
First three years	14.141414%	85.858586%
After first three years	19.191919%	80.808081%

(1) Excludes Pioneer USA's 1% general partner ownership which is allocated at the Partnership level and 30 limited partner interests owned by Pioneer USA.
(2) The allocation between the Partnership and Parker & Parsley 90-C, L.P. is 38.349119% and 61.650881%, respectively.

Note 7. Oil and gas information (unaudited)

The following table represents information relating to the Partnership's estimated proved oil and gas reserves at December 31, 1998, 1997 and 1996 and changes in such quantities during the years then ended. Due to a change in the accounting policy of the managing general partner in 1997, the Partnership began accounting for processed natural gas production in two components: processed natural gas liquids ("NGLs") and dry residue gas. NGLs are reflected in "Oil and NGLs" in the table below. All of the Partnership's reserves are proved developed and located within the United States. The Partnership's reserves are based on an evaluation prepared by the engineering staff of Pioneer USA and reviewed by Williamson Petroleum Consultants, Inc., an independent petroleum consultant, using criteria established by the Securities and Exchange Commission. Reserve value information is available to limited partners pursuant to the Partnership agreement and, therefore, is not presented.

	Oil and NGLs (bbls)	Gas (mcf)
Net proved reserves at January 1, 1996	386,827	964,462
Revisions	95,644	258,581
Sale of reserves	(126)	(18,702)
Production	(30,485)	(64,557)
Net proved reserves at December 31, 1996	451,860	1,139,784
Revisions	2,219	(662,760)
Production	(29,478)	(50,304)

Net proved reserves at December 31, 1997	424,601	426,720
Revisions	(204,124)	(171,338)
Production	(33,187)	(30,348)
Net proved reserves at December 31, 1998	187,290	225,034

As of December 31, 1998, the estimated present value of future net revenues of proved reserves, calculated using December 31, 1998 prices of $10.61 per barrel of oil, $5.48 per barrel of NGLs and $1.41 per mcf of gas, discounted at 10% was approximately $301,000 and undiscounted was $417,000.

Numerous uncertainties exist in estimating quantities of proved reserves and future net revenues therefrom. The estimates of proved reserves and related future net revenues set forth in this report are based on various assumptions, which may ultimately prove to be inaccurate. Therefore, such estimates should not be construed as estimates of the current market value of the Partnership's proved reserves. The Partnership emphasizes that reserve estimates are inherently imprecise and, accordingly, the estimates are expected to change as future information becomes available.

Note 8. Major customers

The following table reflects the major customers of the Partnership's oil and gas sales (a major customer is defined as a customer whose sales exceed 10% of total sales) during the years ended December 31:

	1998	1997	1996
Genesis Crude Oil, L.P.	69%	69%	73%
Western Gas Resources, Inc.	13%	12%	8%

At December 31, 1998, the amounts receivable from Genesis Crude Oil, L.P. and Western Gas Resources, Inc. were $18,361 and $8,629, respectively, which are included in the caption "Accounts receivable - oil and gas sales" in the accompanying Balance Sheet.

The Partnership's share of oil and gas production is sold to various purchasers. Pioneer USA is of the opinion that the loss of any one purchaser would not have an adverse effect on the ability of the Partnership to sell its oil and gas production.

Note 9. Organization and operations

The Partnership was organized December 28, 1990 as a general partnership under the Texas Uniform General Partnership Act for the purpose of acquiring and developing oil and gas properties. The Partnership converted to a Delaware limited partnership on August 1, 1991. The managing general partner received an opinion of legal counsel to the effect that such conversion will not result in material adverse tax consequences to the Partnership. The following is a brief summary of the more significant provisions of the limited partnership agreement:

Managing general partner - The managing general partner of the Partnership is Pioneer USA. Pioneer USA has the power and authority to manage, control and administer all Program and Partnership affairs. As managing general partner and operator of the Partnership's properties, all production expenses are incurred by Pioneer USA and billed to the Partnership and a portion of revenue is initially received by Pioneer USA prior to being paid to the Partnership. Under the Partnership agreement, the managing general partner pays 1% of the Partnership's acquisition, drilling and completion costs and 1% of its operating and general and administrative expenses. In return, it is allocated 1% of the Partnership's revenues.

Limited partner liability - The maximum amount of liability of any limited partner is the total contributions of such partner plus his share of any undistributed profits.

Initial capital contributions - The partners entered into subscription agreements for aggregate capital contributions of $7,531,000. Pioneer USA is required to contribute amounts equal to 1% of initial Partnership capital less commission and organization and offering costs allocated to the limited partners and to contribute amounts necessary to pay costs and expenses allocated to it under the Partnership agreement to the extent its share of revenues does not cover such costs.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

PART III

ITEM 10. Directors and Executive Officers of the Partnership

The Partnership does not have any officers or directors. Under the limited partnership agreement, the Partnership's managing general partner, Pioneer USA, is granted the exclusive right and full authority to manage, control and administer the Partnership's business.

Set forth below are the names, ages and positions of the directors and executive officers of Pioneer USA. Directors of Pioneer USA are elected to serve until the next annual meeting of stockholders or until their successors are elected and qualified.

Name	Age at December 31, 1998	Position
Scott D. Sheffield	46	President and Director
Timothy L. Dove	42	Executive Vice President and Director
Dennis E. Fagerstone	49	Executive Vice President and Director
Mark L. Withrow	51	Executive Vice President, General Counsel and Director
M. Garrett Smith	37	Executive Vice President, Chief

		Financial Officer and Director
Mel Fischer (a)	64	Executive Vice President
Lon C. Kile	43	Executive Vice President
Rich Dealy	32	Vice President and Chief Accounting Officer

(a) Mr. Fischer was a director and officer until his retirement from Pioneer and Pioneer USA on February 19, 1999.

Scott D. Sheffield. Mr. Sheffield is a distinguished graduate of The University of Texas with a B.S. in Petroleum Engineering. Since August 1997, he has served as President, Chief Executive Officer and a director of Pioneer and President and a director of Pioneer USA. Mr. Sheffield was the President and a director of Parker & Parsley from May 1990 until August 1997 and was the Chairman of the Board and Chief Executive Officer of Parker & Parsley from October 1990 until August 1997. He was the sole director of Parker & Parsley from May 1990 until October 1990. Mr. Sheffield joined Parker & Parsley Development Company ("PPDC"), a predecessor of Parker & Parsley, as a petroleum engineer in 1979. He served as Vice President - Engineering of PPDC from September 1981 until April 1985 when he was elected President and a director. In March 1989, Mr. Sheffield was elected Chairman of the Board and Chief Executive Officer of PPDC. Before joining PPDC, Mr. Sheffield was employed as a production and reservoir engineer for Amoco Production Company.

Timothy L. Dove. Mr. Dove became Executive Vice President - Business Development of Pioneer and Pioneer USA in August 1997. He was also appointed a director of Pioneer USA in August 1997. Mr. Dove joined Parker & Parsley in May 1994 as Vice President - International and was promoted to Senior Vice President - Business Development in October 1996, in which position he served until August 1997. Prior to joining Parker & Parsley, Mr. Dove was employed with Diamond Shamrock Corp., and its successor, Maxus Energy Corp, in various capacities in international exploration and production, marketing, refining and marketing and planning and development. Mr. Dove earned a B.S. in Mechanical Engineering from Massachusetts Institute of Technology in 1979 and received his M.B.A. in 1981 from the University of Chicago.

Dennis E. Fagerstone. Mr. Fagerstone, a graduate of the Colorado School of Mines with a B.S. in Petroleum Engineering, became an Executive Vice President of Pioneer and Pioneer USA in August 1997. He was also appointed a director of Pioneer USA in August 1997. He served as Executive Vice President and Chief Operating Officer of Mesa from March 1, 1997 until August 1997. From October 1996 to February 1997, Mr. Fagerstone served as Senior Vice President and Chief Operating Officer of Mesa and from May 1991 to October 1996, he served as Vice President - Exploration and Production of Mesa. From June 1988 to May 1991, Mr. Fagerstone served as Vice President - Operations of Mesa.

Mark L. Withrow. Mr. Withrow, a graduate of Abilene Christian University with a B. S. in Accounting and Texas Tech University with a Juris Doctorate degree, became Executive Vice President, General Counsel and Secretary of Pioneer and Pioneer USA in August 1997. He was also appointed a director of Pioneer USA in August 1997. Mr. Withrow was Vice President - General Counsel of Parker & Parsley from January 1991, when he joined Parker & Parsley, to January 1995, when he was appointed Senior Vice President - General Counsel. He was

Parker & Parsley's Secretary from August 1992 until August 1997. Prior to joining Parker & Parsley, Mr. Withrow was the managing partner of the law firm of Turpin, Smith, Dyer, Saxe & MacDonald, Midland, Texas.

M. Garrett Smith. Mr. Smith, a graduate of The University of Texas with a B.S. in Electrical Engineering and Southern Methodist University with an M.B.A., was appointed Executive Vice President and Chief Financial Officer of Pioneer in December 1997. He served as Senior Vice President - Finance of Pioneer from August 1997 until December 1997. Mr. Smith was elected Senior Vice President - Finance and a director of Pioneer USA in August 1997. He served as Vice President - Corporate Acquisitions of Mesa from January 1997 until August 1997. From October 1996 to December 1996, Mr. Smith served as Vice President - Finance of Mesa and from 1994 to 1996 he served as Director of Financial Planning of Mesa. Mr. Smith was employed by BTC Partners, Inc. (a former financial advisor to Mesa) from 1989 to 1994.

Mel Fischer. Mr. Fischer, a graduate of the University of California at Berkeley with a Masters degree in Geology, became Executive Vice President - Worldwide Exploration of Pioneer and Pioneer USA in August 1997. He served as a director of Parker & Parsley from November 1995 until August 1997 and was Executive Vice President - Worldwide Exploration for Parker & Parsley from February 1997 to August 1997. Mr. Fischer retired from Pioneer and Pioneer USA effective February 15, 1999. He worked in the petroleum industry for 32 years, starting as a Petroleum Geologist with Texaco in 1962, and retiring as

President, Occidental International Exploration and Production Company in March 1994. For the 10 years prior to becoming President of Occidental International, he served as Executive Vice President, World Wide Exploration with Occidental Oil and Gas Corporation. He is a registered geologist in the State of California, a member of the American Association of Petroleum Geologists and an emeritus member of the Board of Advisors for the Earth Sciences Research Institute at the University of Utah.

Lon C. Kile. Mr. Kile, a graduate of Oklahoma State University with a B.B.A. in Accounting, became Executive Vice President of Pioneer and Pioneer USA in August 1997. Mr. Kile was Senior Vice President - Investor Relations from October 1996 to August 1997. Previously, he served as Vice President and Manager of the Mid-Continent Division, Vice President - Equity Finance & Analysis and Vice President - Marketing & Program Administration. Prior to joining Parker & Parsley in 1985, he was employed as Supervisor - Senior, Audit, in charge of Parker & Parsley's audit, with Arthur Young.

Rich Dealy. Mr. Dealy is a graduate of Eastern New Mexico University with a B.B.A. in Accounting and Finance and is a Certified Public Accountant. He became Vice President and Chief Accounting Officer of Pioneer and Pioneer USA in February 1998. Mr. Dealy served as Controller of Pioneer USA from August 1997 to February 1998. He served as Controller of Parker & Parsley from August 1995 to August 1997. Mr. Dealy joined Parker & Parsley as an Accounting Manager in July, 1992. He was previously employed with KPMG Peat Marwick as an Audit Senior, in charge of Parker & Parsley's audit.

ITEM 11. Executive Compensation

The Partnership does not have any directors or officers. Management of the Partnership is vested in Pioneer USA, the managing general partner. The

Partnership participates in oil and gas activities through an income tax partnership (the "Program") pursuant to the Program agreement. Under the Program agreement, Pioneer USA and P&P Employees 90-C Conv., L.P. ("EMPL") pay approximately 10% of the Partnership's acquisition, drilling and completion costs and approximately 15% during the first three years and approximately 20% after three years of its operating and general and administrative expenses. In return, they are allocated approximately 15% during the first three years and approximately 20% after three years of the Partnership's revenues. See Notes 6 and 9 of Notes to Financial Statements included in "Item 8. Financial Statements and Supplementary Data" for information regarding fees and reimbursements paid to the managing general partner or its affiliates by the Partnership.

Pioneer USA's current executive officers and other employees are general partners of EMPL which serves as a co-general partner of the Program. Under this arrangement, EMPL pays approximately 2.5% of the Partnership's acquisition, drilling and completion costs and approximately 3.75% during the first three years and approximately 5% after three years of its operating and general and administrative expenses. In return, EMPL is allocated approximately 3.75% during the first three years and approximately 5% after three years of the Partnership's revenues. EMPL does not receive any fees or reimbursements from the Partnership.

The Partnership does not directly pay any salaries of the executive officers of Pioneer USA, but does pay a portion of Pioneer USA's general and administrative expenses of which these salaries are a part. See Note 6 of Notes to Financial Statements included in "Item 8. Financial Statements and Supplementary Data".

ITEM 12. Security Ownership of Certain Beneficial Owners and Management

(a) Beneficial owners of more than five percent

The Partnership is not aware of any person who beneficially owns 5% or more of the outstanding limited partnership interests of the Partnership. Pioneer USA owned 30 limited partner interests at January 1, 1999.

(b) Security ownership of management

The Partnership does not have any officers or directors. The managing general partner of the Partnership, Pioneer USA, has the exclusive right and full authority to manage, control and administer the Partnership's business. Under the limited partnership agreement, limited partners holding a majority of the outstanding limited partnership interests have the right to take certain actions, including the removal of the managing general partner or any other general partner. The Partnership is not aware of any current arrangement or activity which may lead to such removal. The Partnership is not aware of any officer or director of Pioneer USA who beneficially owns limited partnership interests in the Partnership.

ITEM 13. Certain Relationships and Related Transactions

Transactions with the managing general partner or its affiliates

Pursuant to the limited partnership agreement, the Partnership had the following related party transactions with the managing general partner or its affiliates during the years ended December 31:

	1998	1997	1996

Payment of lease operating and supervision charges in accordance with standard industry operating agreements	$124,074	$128,942	$120,014
Reimbursement of general and administrative expenses	$ 12,838	$ 17,703	$ 24,441

Under the limited partnership agreement, the managing general partner pays 1% of the Partnership's acquisition, drilling and completion costs and 1% of its operating and general and administrative expenses. In return, it is allocated 1% of the Partnership's revenues. Also, see Notes 6 and 9 of Notes to Financial Statements included in "Item 8. Financial Statements and Supplementary Data", regarding the Partnership's participation with the managing general partner in oil and gas activities of the Program.

PART IV

ITEM 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K.

(a) 1. Financial statements

The following are filed as part of this annual report:

Independent Auditors' Report - Ernst & Young LLP

Independent Auditors' Report - KPMG LLP

Balance sheets as of December 31, 1998 and 1997

Statements of operations for the years ended December 31, 1998, 1997 and 1996

Statements of partners' capital for the years ended December 31, 1998, 1997 and 1996

Statements of cash flows for the years ended December 31, 1998, 1997 and 1996

Notes to financial statements

2. Financial statement schedules

All financial statement schedules have been omitted since the required information is in the financial statements or notes thereto, or is not applicable nor required.

(b) Reports on Form 8-K

None.

(c) Exhibits

The exhibits listed on the accompanying index to exhibits are filed or incorporated by reference as part of this annual report.

S I G N A T U R E S

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.

PARKER & PARSLEY 90-C CONV., L.P.

Dated: March 26, 1999 By: Pioneer Natural Resources USA, Inc.
Managing General Partner

By: /s/ Scott D. Sheffield

Scott D. Sheffield, President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

/s/ Scott D. Sheffield ------------------------- Scott D. Sheffield	President and Director of Pioneer USA	March 26, 1999
/s/ Timothy L. Dove ------------------------- Timothy L. Dove	Executive Vice President and Director of Pioneer USA	March 26, 1999
/s/ Dennis E. Fagerstone ------------------------- Dennis E. Fagerstone	Executive Vice President and Director of Pioneer USA	March 26, 1999
/s/ Mark L. Withrow ------------------------- Mark L. Withrow	Executive Vice President, General Counsel and Director of Pioneer USA	March 26, 1999
/s/ M. Garrett Smith ------------------------- M. Garrett Smith	Executive Vice President, Chief Financial Officer and Director of Pioneer USA	March 26, 1999
/s/ Lon C. Kile ------------------------- Lon C. Kile	Executive Vice President of Pioneer USA	March 26, 1999
/s/ Rich Dealy ------------------------- Rich Dealy	Vice President and Chief Accounting Officer of Pioneer USA	March 26, 1999

PARKER & PARSLEY 90-C CONV., L.P.

INDEX TO EXHIBITS

The following documents are incorporated by reference in response to Item 14(c):

Exhibit No.	Description	Page
3(a)	Form of Agreement of Limited Partnership of Parker & Parsley 90-C Conv., L.P. incorporated by reference to Exhibit A of the Post-Effective Amendment No. 1 of the Partnership's Registration Statement on Form S-1 (Registration No. 33-26097)	-
4(b)	Form of Limited Partner Subscription Agreement incorporated by reference to Exhibit C of the Post-Effective Amendment No. 1 of the Partnership's Registration Statement on Form S-1 (Registration No. 33-26097)	-
4(b)	Form of General Partner Subscription Agreement incorporated by reference to Exhibit D of the Post-Effective Amendment No. 1 of the Partnership's Registration Statement on Form S-1 (Registration No. 33-26097)	-
4(b)	Power of Attorney incorporated by reference to Exhibit B of Amendment No. 1 of the Partnership's Registration Statement on Form S-1 (Registration No. 33-26097)	-
4(c)	Specimen Certificate of Limited Partnership Interest incorporated by reference to Exhibit 4c of the Partnership's Registration Statement on Form S-1 (Registration No. 33-26097)	-
10(b)	Form of Development Drilling Program Agreement incorporated by reference to Exhibit B of the Post-Effective Amendment No. 1 of the Partnership's Registration Statement on Form S-1 (Registration No. 33-26097)	-
27.1*	Financial Data Schedule	

*Filed herewith

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