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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2009

Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year **2009**, or tax year beginning

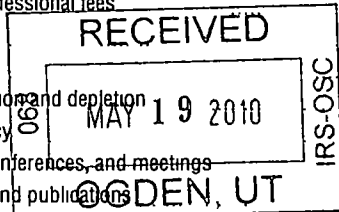
, and ending

G Check all that apply: Initial return Initial return of a former public charity Final return
 Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE DISCOVERY FUND	A Employer identification number 75-1989523
	Number and street (or P O box number if mail is not delivered to street address) 777 ROSEDALE	B Telephone number (817) 332-4301
	Room/suite 300	C If exemption application is pending, check here <input type="checkbox"/>
	City or town, state, and ZIP code FORT WORTH, TX 76104	D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 15,191,593. (Part I, column (d) must be on cash basis.)		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	435.	435.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	1,060,585.			STATEMENT 1
b Gross sales price for all assets on line 6a 1,330,960.				
7 Capital gain net income (from Part IV, line 2)		1,270,318.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total. Add lines 1 through 11	1,061,020.	1,270,753.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees STMT 3	3,484.	348.		0.
b Accounting fees STMT 4	1,836.	918.		0.
c Other professional fees				
17 Interest				
18 Taxes				
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 5	464.	150.		0.
24 Total operating and administrative expenses. Add lines 13 through 23	5,784.	1,416.		0.
25 Contributions, gifts, grants paid	1,322,466.			1,322,466.
26 Total expenses and disbursements. Add lines 24 and 25	1,328,250.	1,416.		1,322,466.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-267,230.			
b Net investment income (if negative, enter -0-)		1,269,337.		
c Adjusted net income (if negative, enter -0-)			N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		
		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	4,973.	77,013.	77,013.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	18,975.	80.	80.
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 7	8,639,492.	8,369,117.	15,034,500.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶ ART-SCOTT GENTLING)	0.	80,000.	80,000.
	16 Total assets (to be completed by all filers)	8,663,440.	8,526,210.	15,191,593.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons	990,000.	1,120,000.	STATEMENT 8	
21 Mortgages and other notes payable				
22 Other liabilities (describe ▶ _____)				
23 Total liabilities (add lines 17 through 22)	990,000.	1,120,000.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>			
	and complete lines 27 through 31.			
27 Capital stock, trust principal, or current funds	0.	0.		
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	7,673,440.	7,406,210.	STATEMENT 6	
30 Total net assets or fund balances	7,673,440.	7,406,210.		
31 Total liabilities and net assets/fund balances	8,663,440.	8,526,210.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	7,673,440.
2 Enter amount from Part I, line 27a	2	-267,230.
3 Other increases not included in line 2 (itemize) ▶ _____	3	0.
4 Add lines 1, 2, and 3	4	7,406,210.
5 Decreases not included in line 2 (itemize) ▶ _____	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	7,406,210.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a 25K SH QUICKSILVER RESOURCES	D	12/12/01	12/14/09
b 25K SH QUICKSILVER RESOURCES	D	12/12/01	12/15/09
c 25K SH QUICKSILVER RESOURCES	D	12/12/01	12/17/09
d 15K SH QUICKSILVER RESOURCES	D	12/12/01	12/23/09
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 356,301.		16,845.	339,456.
b 362,585.		16,845.	345,740.
c 375,985.		16,845.	359,140.
d 236,089.		10,107.	225,982.
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			339,456.
b			345,740.
c			359,140.
d			225,982.
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	1,270,318.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	1,248,534.	28,922,403.	.043168
2007	701,000.	24,645,839.	.028443
2006	1,002,500.	21,892,290.	.045792
2005	148,915.	18,881,103.	.007887
2004	241,000.	6,805,616.	.035412

2 Total of line 1, column (d)	2	.160702
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.032140
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	10,742,494.
5 Multiply line 4 by line 3	5	345,264.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	12,693.
7 Add lines 5 and 6	7	357,957.
8 Enter qualifying distributions from Part XII, line 4	8	1,322,466.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	12,693.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	12,693.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	12,693.
6 Credits/Payments:			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	80.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	80.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	12,613.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> TX		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)			X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?			X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	X		
14	The books are in care of ▶ <u>LUCY DARDEN</u> Telephone no. ▶ <u>(817) 332-9133</u> Located at ▶ <u>777 ROSEDALE, SUITE 300, FORT WORTH, TX</u> ZIP+4 ▶ <u>76104</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u> <u>N/A</u>			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____, _____, _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____, _____, _____, _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009.) <u>N/A</u>	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A**

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **N/A** Yes No

If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** Yes No **X**

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** **N/A**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
LUCY DARDEN 777 ROSEDALE, SUITE 300 FORT WORTH, TX 76104	CHAIRMAN OF THE BOARD/PRES 5.00	0.	0.	0.
PAUL COULTER 777 ROSEDALE, SUITE 300 FORT WORTH, TX 76104	VICE PRES/SECRETARY/TREAS 5.00	0.	0.	0.
PETER PHILPOTT 777 ROSEDALE, SUITE 300 FORT WORTH, TX 76104	DIRECTOR 5.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 **0**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

Table with 3 columns: (a) Name and address of each person paid more than \$50,000, (b) Type of service, (c) Compensation. Row 1 contains 'NONE'.

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Table with 2 columns: Description of activities, Expenses. Row 1 contains 'N/A'.

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Table with 2 columns: Description of investments, Amount. Row 1 contains 'NONE' and '0.'.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	10,812,397.
b Average of monthly cash balances	1b	13,608.
c Fair market value of all other assets	1c	80,080.
d Total (add lines 1a, b, and c)	1d	10,906,085.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	10,906,085.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	163,591.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,742,494.
6 Minimum investment return. Enter 5% of line 5	6	537,125.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	537,125.
2a Tax on investment income for 2009 from Part VI, line 5	2a	12,693.
b Income tax for 2009. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	12,693.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	524,432.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	524,432.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	524,432.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,322,466.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,322,466.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	12,693.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,309,773.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				524,432.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			1,322,357.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004				
b From 2005				
c From 2006				
d From 2007				
e From 2008				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ \$ 1,322,466.				
a Applied to 2008, but not more than line 2a			1,322,357.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				109.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2009 (if an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				524,323.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2005				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008				
e Excess from 2009				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

LUCY DARDEN, 817 332-4301
777 ROSEDALE, SUITE 300, FORT WORTH, TX 76104

b The form in which applications should be submitted and information and materials they should include:

WRITTEN REQUEST

c Any submission deadlines:

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

NONE

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED	(F) DATE ACQUIRED	(G) DATE SOLD
25K SH QUICKSILVER RESOURCES	356,301.	75,104.	0.	DONATED	12/12/01	12/14/09

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED	(F) DATE ACQUIRED	(G) DATE SOLD
25K SH QUICKSILVER RESOURCES	362,585.	75,104.	0.	DONATED	12/12/01	12/15/09

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) MANNER ACQUIRED	(F) DATE ACQUIRED	(G) DATE SOLD
25K SH QUICKSILVER RESOURCES	375,985.	75,104.	0.	DONATED	12/12/01	12/17/09

(A) DESCRIPTION OF PROPERTY	(B) GROSS SALES PRICE	(C) VALUE AT TIME OF ACQ.	(D) EXPENSE OF SALE	(E) DEPREC.	(F) GAIN OR LOSS	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
15K SH QUICKSILVER RESOURCES	236,089.	45,063.	0.	0.	191,026.	DONATED	12/12/01	12/23/09
CAPITAL GAINS DIVIDENDS FROM PART IV								0.
TOTAL TO FORM 990-PF, PART I, LINE 6A					1,060,585.			

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
UBS - BJ SERVICES	80.	0.	80.
UBS - EXXONMOBIL	332.	0.	332.
UBS - RMA GOVERNMENT PORTFOLIO	23.	0.	23.
TOTAL TO FM 990-PF, PART I, LN 4	435.	0.	435.

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	3,484.	348.		0.
TO FM 990-PF, PG 1, LN 16A	3,484.	348.		0.

FORM 990-PF	ACCOUNTING FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAX PREPARATION FEES	1,836.	918.		0.
TO FORM 990-PF, PG 1, LN 16B	1,836.	918.		0.

FORM 990-PF	OTHER EXPENSES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ACCT FEE	150.	150.		0.
LUNCHEON EXP	314.	0.		0.
TO FORM 990-PF, PG 1, LN 23	464.	150.		0.

FORM 990-PF	OTHER FUNDS		STATEMENT 6
DESCRIPTION	(A) BEGINNING OF YEAR	(B) END OF YEAR	
ENDOWMENT FUND	7,673,440.	7,406,210.	
TOTAL TO FORM 990-PF, PART II, LINE 29	7,673,440.	7,406,210.	

FORM 990-PF	CORPORATE STOCK		STATEMENT 7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
400 SHS B.J. SERVICES	3,313.	7,440.	
200 SHS EXXON MOBIL	8,281.	13,638.	
1,000,228 SH QUICKSILVER RESOURCES	8,357,523.	15,013,422.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	8,369,117.	15,034,500.	

FORM 990-PF LOANS PAYABLE TO OFFICER'S, DIRECTOR'S, ETC. STATEMENT 8

LENDER'S NAME AND TITLE

LUCY DARDEN, CHAIRMN/PRES

DATE OF NOTE	MATURITY DATE	INTEREST RATE	TERMS OF REPAYMENT
12/18/08	12/30/10	.00%	PAYABLE AT MATURITY DATE

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
NONE	TO FUND 2008 DISTRIBUTIONS

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	ORIGINAL LOAN AMOUNT	BALANCE DUE
CASH	0.	475,000.	475,000.

LENDER'S NAME AND TITLE

MERCURY EXPLORATION CO, SUBSTANTIAL CONTRIBUTOR

DATE OF NOTE	MATURITY DATE	INTEREST RATE	TERMS OF REPAYMENT
12/17/08	12/19/10	.00%	PAYABLE AT MATURITY DATE

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
NONE	TO FUND 2008 DISTRIBUTIONS

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	ORIGINAL LOAN AMOUNT	BALANCE DUE
CASH	0.	475,000.	475,000.

LENDER'S NAME AND TITLE

LUCY DARDEN, CHAIRMN/PRES

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>
12/30/08	12/30/10	.00%

TERMS OF REPAYMENT

PAYABLE AT MATURITY DATE

SECURITY PROVIDED BY BORROWER

NONE

PURPOSE OF LOAN

TO FUND 2008 DISTRIBUTIONS

DESCRIPTION OF CONSIDERATION

CASH

FMV OF CONSIDERATION

0.

ORIGINAL LOAN AMOUNT

40,000.

BALANCE DUE

40,000.

LENDER'S NAME AND TITLE

MERCURY EXPLORATION CO, SUBSTANTIAL CONTRIBUTOR

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>
03/26/09	12/19/10	.00%

TERMS OF REPAYMENT

PAYABLE AT MATURITY DATE

SECURITY PROVIDED BY BORROWER

NONE

PURPOSE OF LOAN

TO FUND 2009 DISTRIBUTIONS

DESCRIPTION OF CONSIDERATION

CASH

FMV OF CONSIDERATION

0.

ORIGINAL LOAN AMOUNT

80,000.

BALANCE DUE

80,000.

LENDER'S NAME AND TITLE

LUCY DARDEN, CHAIRMN/PRES

DATE OF NOTE MATURITY DATE INTEREST RATE

04/08/09 12/30/10 .00%

TERMS OF REPAYMENT

PAYABLE ON MATURITY DATE

SECURITY PROVIDED BY BORROWER

NONE

PURPOSE OF LOAN

TO FUND 2009 DISTRIBUTIONS

DESCRIPTION OF CONSIDERATION

CASH

FMV OF CONSIDERATION

0.

ORIGINAL LOAN AMOUNT

50,000.

BALANCE DUE

50,000.

TOTAL TO FORM 990-PF, PART II, LINE 20, COLUMN B

1,120,000.

FORM 990-PF

GRANTS AND CONTRIBUTIONS
PAID DURING THE YEAR

STATEMENT 9

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
ALL CHURCH HOME FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	7,500.
ARTS COUNCIL OF FORT WORTH & TARRANT COUNTY FORT WORTH, TX	NONE NEIGHBORHOOD ARTS PROGRAM	PUBLIC CHARITY	5,000.
BALLET CONCERTO FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	4,000.
BIG BROTHERS & BIG SISTERS FORT WORTH, TX	NONE MENTORING PROGRAM	PUBLIC CHARITY	10,000.
BRIT (BOTANICAL RESEARCH INSTITUTE) FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	7,500.
CASA MANANA FORT WORTH, TX	NONE PERFORMING ARTS/GEN OP (1ST OF 4/\$100K)	PUBLIC CHARITY	25,000.
CHILD STUDY CENTER FORT WORTH, TX	NONE ENDOWMENT CAMPAIGN (4TH OF 5 PMTS)	PUBLIC CHARITY	40,000.
FORT WORTH COUNTRY DAY SCHOOL FORT WORTH, TX	NONE BREAKTHROUGH FTW (FKA SUMMERBRIDGE)	PUBLIC CHARITY	12,500.

THE DISCOVERY FUND

75-1989523

FORT WORTH MUSEUM OF SCIENCE & HISTORY FORT WORTH, TX	NONE CAPITAL CAMPAIGN \$1M PLEDGE/5TH OF 5 PYMTS	PUBLIC CHARITY	35,466.
AMON CARTER MUSEUM FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	20,000.
FORT WORTH OPERA ASSOCIATION FORT WORTH, TX	NONE CHILDREN'S OPERA THEATRE (FULFILL REMN'G \$200K OF \$250K PLEDGE)	PUBLIC CHARITY	200,000.
ARTES DE LA ROSA FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	2,500.
FORT WORTH ZOO FORT WORTH, TX	NONE GREAT BARRIER REEF EXHIBIT & MUSEUM OF LIVING ART	PUBLIC CHARITY	100,000.
HISTORIC FORT WORTH, INC. FORT WORTH, TX	NONE HERITAGE PARK PLAZA	PUBLIC CHARITY	5,000.
KINDERFROGS SCHOOL FORT WORTH, TX	NONE SUPPORT CONTRIBUTION	PRIVATE EDUCATION INSTITUTIO	2,000.
BOYS & GIRLS CLUB OF SAN FRANCISCO SAN FRANCISCO, CA	NONE GENERAL OPERATIONS	PUBLIC CHARITY	2,500.
BOYS & GIRLS CLUB OF GREATER FT WORTH FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	6,250.
COMMUNITIES IN SCHOOLS FORT WORTH, TX	NONE FAMILY CRISIS FUND	PUBLIC CHARITY	10,000.

THE DISCOVERY FUND

75-1989523

CONSCIOUS ALLIANCE BOULDER, CO	NONE GENERAL OPERATIONS	PUBLIC CHARITY	3,500.
DISABLED AMERICAN VETS FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	5,000.
THE WARM PLACE FORT WORTH, TX	NONE GRIEF SUPPORT SERVICES	PUBLIC CHARITY	20,000.
TULANE UNIVERSITY NEW ORLEANS, LA	NONE TULANE FACULTY RETENTION FUND (\$500K PLEDGE/5TH OF 5)	PRIVATE EDUCATION INSTITUTIO	100,000.
US SAILING PORTSMOUTH, RI	NONE YOUTH SAILING PROGRAMS (3RD OF 3 PMTS)	PUBLIC CHARITY	50,000.
BRIT (BOTANICAL RESEARCH INSTITUTE) FORT WORTH, TX	NONE CAPITAL CAMPAIGN 2009 (1ST PMT OF \$500K PLEDGE)	PUBLIC CHARITY	300,000.
FIELDS TO FAMILIES MOUNT PLEASANT, SC	NONE GENERAL OPERATIONS	PUBLIC CHARITY	4,000.
FIRST TEXAS COUNCIL OF CAMP FIRE FORT WORTH, TX	NONE CAMP EL TESORO CAPITAL CAMPAIGN	PUBLIC CHARITY	5,000.
FORT WORTH SISTER CITIES INTERNATIONAL FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	10,000.
FORT WORTH SYMPHONY ORCHESTRA FORT WORTH, TX	NONE FWCDS YOUNG PERSON'S CONCERT	PUBLIC CHARITY	10,000.

THE DISCOVERY FUND

75-1989523

GILL CHILDREN'S SERVICES FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	20,000.
GOODFELLOW'S FUND FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	5,000.
HABITAT FOR HUMANITY FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	20,000.
HILL SCHOOL FORT WORTH, TX	NONE TUITION SCHOLARSHIPS	PRIVATE EDUCATION INSTITUTIO	6,000.
I HAVE A DREAM FOUNDATION FORT WORTH, TX	NONE READING ROCKS 2009	PUBLIC CHARITY	20,000.
JONATHAN'S PLACE GARLAND, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	16,250.
KERA, PUBLIC RADIO/TV DALLAS, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	10,000.
LENA POPE HOME FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	3,125.
LENA POPE HOME FORT WORTH, TX	NONE CHAPEL HILL ACADEMY	PRIVATE EDUCATION INSTITUTIO	45,000.
NATIONAL COWGIRL MUSEUM & HALL OF FAME FORT WORTH, TX	NONE GEORGIA O'KEEFE EXHIBIT	PUBLIC CHARITY	10,000.

THE DISCOVERY FUND

75-1989523

PERFORMING ARTS FORT WORTH CHILDREN'S EDUCATION PROGRAM FORT WORTH, TX	NONE CHILDREN'S EDUCATION PROGRAM	PUBLIC CHARITY	10,000.
PRESBYTERIAN NIGHT SHELTER OF TARRANT COUNTY FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	10,000.
SEAMAN'S CHURCH INSTITUTE PHILADELPHIA, PA	NONE GENERAL OPERATIONS	PUBLIC CHARITY	30,000.
SHARED COMMUNITY BENEFIT FOUNDATION FORT WORTH, TX	NONE GREATEST GIFT CATALOG EVER	PUBLIC CHARITY	25,000.
SOARING EAGLE CENTER DESOTO, TX	NONE CAPITAL CAMPAIGN	PUBLIC CHARITY	20,000.
SOUTHWESTERN DIABETIC FOUNDATION FORT WORTH, TX	NONE CAMP SWEENEY	PUBLIC CHARITY	10,000.
SWEETBRIAR COLLEGE SWEET BRIAR, VA	NONE GENERAL OPERATIONS	PRIVATE EDUCATION INSTITUTIO	20,000.
TARRANT AREA FOOD BANK FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	3,125.
TEXAS BALLET THEATRE FORT WORTH, TX	NONE SPONSOR A TRAINEE DANCER	PUBLIC CHARITY	5,000.
TEXAS MARITIME MUSEUM ROCKPORT, TX	NONE COLLECTIONS & EDUC CTR CAPITAL CAMPAIGN	PUBLIC CHARITY	5,000.

THE DISCOVERY FUND

75-1989523

UNION GOSPEL MISSION OF TARRANT COUNTY FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	11,250.
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UNITED COMMUNITY CENTERS FORT WORTH, TX	NONE GENERAL OPERATIONS	PUBLIC CHARITY	15,000.
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TOTAL TO FORM 990-PF, PART XV, LINE 3A			<u>1,322,466.</u>
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