

See a Social Security Number? Say Something! Report Privacy Problems to https://public.resource.org/privacy Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form **990-PF**

Department of the Treasury

Internal Revenue Service

Return of Private Foundation

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

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

2009

OMB No 1545-0052

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 A Employer identification number Name of foundation Use the IRS WELBORN-PAYNE ENDOWMENT TRUST label. C/O AMERICAN STATE BANK, TRUSTEE 75-6435671 Otherwise. print Number and street (or P O box number if mail is not delivered to street address) Room/suite B Telephone number or type. O. BOX 1401 (806) 767-7000 See Specific City or town, state, and ZIP code C If exemption application is pending, check here Instructions. LUBBOCK. TX79408-1401 D 1. Foreign organizations, check here 2. Foreign organizations meeting the 85% test, check here and attach computation X Section 501(c)(3) exempt private foundation H Check type of organization: Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation E If private foundation status was terminated Fair market value of all assets at end of year | J | Accounting method: Accrual under section 507(b)(1)(A), check here (from Part II, col. (c), line 16) Other (specify) F. If the foundation is in a 60-month termination 23,975,683. (Part I, column (d) must be on cash basis.) **▶**\$ under section 507(b)(1)(B), check here Part | Analysis of Revenue and Expenses (d) Disbursements (a) Revenue and (b) Net investment (c) Adjusted net (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a)) for charitable purposes (cash basis only) expenses per books income ıncome 1,171. N/A Contributions, gifts, grants, etc., received Check X If the foundation is not required to attach Sch. B. Interest on savings and temporary cash investments 525,712. 356,081 STATEMENT Dividends and interest from securities 216,651. 216,651 STATEMENT 5a Gross rents 22,344 22,344 STATEMENT 19.087. STATEMENT b Net rental income or (loss) <969,860. 6a Net gain or (loss) from sale of assets not on line 10 b Gross sales price for all assets on line 8a 4,375,376. 0 7 Capital gain net income (from Part IV, line 2) 8 Net short-term capital gain 9 Income modifications 10a Gross sales less returns and allowances b Less Cost of goods sold PECFIVEL 6 c Gross profit of (loss) 527,671 11 Other income 270,082 STATEMENT 0 2 4 2010 323,689 865,158 Total. Add line 79,930 79,930. 0. Compensation of officers, directors, trustees 14 Other employed salaries ald wages N. 15 Pension plans, employee benefits 2,695 2,695. 16a Legal fees STMT 6 0 STMT 7 3,800. 2,850. 950. **b** Accounting fees c Other professional fees 17 Interest 321,721 13,178 STMT 8 0. 18 Taxes 93,242 38,808 19 Depreciation and depletion 3,257 3.257 0. 20 Occupancy 21 Travel, conferences, and meetings 22 Printing and publications 23 Other expenses STMT 9 39,349 28,837 0. 24 Total operating and administrative <u>543,994</u> 166,860 3,645. expenses. Add lines 13 through 23 282,261 282,261. 25 Contributions, gifts, grants paid 26 Total expenses and disbursements. 826,255 166,860 285,906. Add lines 24 and 25 27 Subtract line 26 from line 12: <502,566.b 2 Excess of revenue over expenses and disbursements 698,298 b Net investment income (if negative, enter -0-) c Adjusted net income (if negative, enter -0-) N/A

14

Form **990-PF** (2009)

For	m 99	0-PF (2009) C/O AMERICAN STATE BANK	TRUSTEE	<u>75-</u>	6435671	Page 2
Г	art	Balance Sheets Attached schedules and amounts in the description	Beginning of year	End o	f year	
	aπ	column should be for end-of-year amounts only	(a) Book Value	(b) Book Value	(c) Fair Market V	'alue
	1	Cash - non-interest-bearing	2.	20,699.	20,	699.
	2	Savings and temporary cash investments	1,227,007.	1,081,319.		
	3	Accounts receivable 6,577.				
	_	Less: allowance for doubtful accounts	6,316.	6,577.	6.	<u>577.</u>
	4	Pledges receivable ► 427, 292.				<u> </u>
	•	Less: allowance for doubtful accounts		427,292.	427,	292
	5	Grants receivable		101/1000		<u> </u>
	6	Receivables due from officers, directors, trustees, and other				
	_	disqualified persons			·	
	'	Other notes and loans receivable				
	_	Less; allowance for doubtful accounts				
Assets	l	Inventories for sale or use				
SS		Prepaid expenses and deferred charges				· · · - · · · · · · · · · · · · · · · ·
•		Investments - U.S. and state government obligations				
	b	Investments - corporate stock				
	C	Investments - corporate bonds				
	11	Investments - land, buildings, and equipment basis				
		Less accumulated depreciation	120,000.	120,000.	192,	<u>720.</u>
	12	Investments - mortgage loans				
	13	Investments - other STMT 10	24,259,489.	23,454,361.	21,869,	<u>774.</u>
	14	Land, buildings, and equipment basis ▶				
		Less accumulated depreciation		<u> </u>		
	15	Other assets (describe STATEMENT 11)	353,023.	353,023.	377,	<u>302.</u>
	16	Total assets (to be completed by all filers)	25,965,837.	25,463,271.	23,975,	<u>683.</u>
	17	Accounts payable and accrued expenses			·	
	18	Grants payable				
ý	19	Deferred revenue				
Liabilities	20	Loans from officers, directors, trustees, and other disqualified persons				
ā	21					
Ξ		Other liabilities (describe				
		·				
	23	Total liabilities (add lines 17 through 22)	0.	0.		
		Foundations that follow SFAS 117, check here	-			
		and complete lines 24 through 26 and lines 30 and 31.				
ë	24	Unrestricted				
an G	25	Temporarily restricted	İ			
Bal	1	Permanently restricted				
Net Assets or Fund Balances	-"	Foundations that do not follow SFAS 117, check here				
Ξ		and complete lines 27 through 31.				
þ	27	Capital stock, trust principal, or current funds	25,961,706.	25,459,140.		
ets	28	Paid-in or capital surplus, or land, bldg., and equipment fund	4,131.	4,131.		
\ss	29	Retained earnings, accumulated income, endowment, or other funds	0.	0.		
et/	1	Total net assets or fund balances	25,965,837.	25,463,271.		
Ž	30	Total net assets of fund parances	23,303,037.	23,403,2/1.		
		Total link little and not constalled belongs	25,965,837.	25,463,271.		
_	31	Total liabilities and net assets/fund balances		23,403,271.		
P	art	Analysis of Changes in Net Assets or Fund Ba	alances			
_	Tota	I net assets or fund balances at beginning of year - Part II, column (a), line 3				
ı		st agree with end-of-year figure reported on prior year's return)	. .	1	25,965,	837.
2	•	r amount from Part I, line 27a		2	<502	566. >
		r increases not included in line 2 (itemize)		3	<u> </u>	0.
-		lines 1, 2, and 3		4	25,463,	
		eases not included in line 2 (itemize)		5	40,400,	0.
-		I net assets or fund balances at end of year (line 4 minus line 5) - Part II, col	lumn (h) line 30	6	25,463,	
<u>. </u>	jula	r not access or raine parameter at entering year times 4 timins line 37 - Part 11, CO	Committee and Co		Form 990-Pf	

75-6435671 Page 3

Part IV Capital Gains	and Losses for Tax on In	vestment	Income			-				
(a) List and desc 2-story brick wa	ribe the kind(s) of property sold (e.g. arehouse; or common stock, 200 shs	, real estate, . MLC Co.)	-	(b) H	łow ac - Purch - Dona	quired nase tion	(c) Date (mo., c	acquired day, yr.)	(d) Date (mo., da	
1a PUBLICLY TRADE	D SECURITIES					P				
b PUBLICLY TRADE						P				
c CEP JR. LTD K-						P				
d CEP JR. LTD K-						P		 		
e CAPITAL GAINS	-			Ь					<u> </u>	
(e) Gross sales price	(f) Depreciation allowed (or allowable)	plus e	st or other basis expense of sale					Sain or (loss s (f) minus	(g)	
a 3,623,378.			<u>4,492,06</u>					 · · - · · -	<u> <868,</u>	
b 738,414.			852,05	2.	 .				<u><113,</u>	
<u>c</u>										338.
12 504										214.
e 13,584.		h - fd-4	10/01/00							<u>584.</u>
Complete only for assets snowin	ng gain in column (h) and owned by t							Col. (h) gaın not less tha		
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69		cess of col. (1) col. (j), if any					(from col. ((h))	
_a									<u> <868,</u>	
b									<u> <113 ,</u>	
С						-				338.
d										214.
е									13,	<u>584.</u>
2 Capital gain net income or (net ca	$ \begin{cases} \text{If gain, also enter} \\ \text{If (loss), enter -0} \end{cases} $			}	2				<969,	860.
3 Net short-term capital gain or (los If gain, also enter in Part I, line 8,		d (6):		}						
If (loss), enter -0- in Part I, line 8				لل	3			N/A	<u> </u>	
Part V Qualification U	nder Section 4940(e) for	Reduced	lax on Net	Inve	estm	ent in	come			
(For optional use by domestic private	e foundations subject to the section 4	1940(a) tax on	net investment in	come	:.)					
If section 4940(d)(2) applies, leave to	his part blank.									
. , , , ,										
Was the foundation liable for the sec		, ,	•	10Q3					Yes [X No
If "Yes," the foundation does not qual	iny under section 4940(e). Do not co each column for each year; see instri			96	_					
(a)		Totalona bolloro	making any char			-			(d)	
Base period years Calendar year (or tax year beginni	(b) Adjusted qualifying dist	tributions	Net value of no	(c) nchari	ıtable-ı	use assets	3	Distrit	(d) oution ratio vided by col. (c))
2008		9,716.	_	7	47	4,90	<u>a </u>	(001: (0) 011		0096
2007		0,806.				5,20				8657
2006		7,998.				6,10				2709
2005		2,302.				8,03				7607
2004		7,166.				9,32				5279
2 Total of line 1, column (d)							2		.17	4348
3 Average distribution ratio for the	5-year base period - divide the total c	on line 2 by 5,	or by the number	of yea	ars					
the foundation has been in existe			-				_3		.03	4870
	•									
4 Enter the net value of noncharitat	ole-use assets for 2009 from Part X, I	ine 5					4	2	2,344,	<u>662.</u>
5 Multiply line 4 by line 3							5		779.	158.
,										
6 Enter 1% of net investment incom	ne (1% of Part I, line 27b)						6		6,	<u>983.</u>
7 Add lines 5 and 6							7		786.	141.
8 Enter qualifying distributions from	•	1h and com-	lote that seet uses	a a 10	/ tau co	nto.	8	<u> </u>	<u>285,</u>	906.
See the Part VI instructions.	line 7, check the box in Part VI, line	io, and comp	iete tilat part usin	y a 17	ro LidX [a	ait.				

	990-PF (2009) C/O AMERICAN STATE BANK, TRUSTEE		<u>6435</u>			Page 4
Pa	rt VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4	1948	- see i	nstru	<u>ctio</u>	ns)
`1a	Exempt operating foundations described in section 4940(d)(2), check here 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 and enter 1%	1		1	3,9	66.
	of Part I, line 27b					
C	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)	İ				
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		1	3,9	66.
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		1	3,9	66.
6	Credits/Payments:			-		
a	2009 estimated tax payments and 2008 overpayment credited to 2009 6a 23,826.	,]				
b	Exempt foreign organizations - tax withheld at source 6b]				
C	Tax paid with application for extension of time to file (Form 8868)]				
d	Backup withholding erroneously withheld 6d 6d]				
7	Total credits and payments. Add lines 6a through 6d	7		2	3,8	26.
8	Enter any penalty for underpayment of estimated tax. Check here 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				
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10			9,8	60.
11	Enter the amount of line 10 to be: Credited to 2010 estimated tax 9,860. Refunded	11				0.
Pa	rt VII-A Statements Regarding Activities					
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene	e in			Yes	No
	any political campaign?			1a		Х
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?			1b		Х
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published	ed or				
	distributed by the foundation in connection with the activities.					
C	Did the foundation file Form 1120-POL for this year?			1c		Х
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year:					
	(1) On the foundation. \blacktriangleright \$ (2) On foundation managers. \blacktriangleright \$	<u>. </u>				
е	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation					
	managers. ► \$0 .					
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?			2		Х
	If "Yes," attach a detailed description of the activities					}
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			3		X
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?			4a	_X_	
b	If "Yes," has it filed a tax return on Form 990-T for this year?			4b	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?			5		X
	If "Yes," attach the statement required by General Instruction T.					
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	e law				
	remain in the governing instrument?			6	X	
7	Did the foundation have at least \$5,000 in assets at any time during the year?			7	X	
	If "Yes," complete Part II, col. (c), and Part XV					
8a	Enter the states to which the foundation reports or with which it is registered (see instructions)					
	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			8b	_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 calc	endar				
	year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? If "Yes," complete Part XIV			9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses			10		X

Form 990-PF (2009) 75-6435671 Page 5 C/O AMERICAN STATE BANK, 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 X section 512(b)(13)? If "Yes," attach schedule (see instructions) 11 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? 12 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 Website address ► N/A Telephone no. \triangleright (806) 767-7000 The books are in care of ▶ STEVE EXTER, AMERICAN STATE BANK Located at ▶ 1401 AVENUE O, LUBBOCK, TX ZIP+4 ▶79401 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 N/A Part VII-B | Statements Regarding Activities for Which Form 4720 May Be Required Yes No File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. 1a During the year did the foundation (either directly or indirectly): Yes X No (1) Engage in the sale or exchange, or leasing of property with a disqualified person? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) Yes X No a disqualified person? Yes X No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (5) Transfer any income or assets to a disqualified person (or make any of either available Yes X No for the benefit or use of a disqualified person)? (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 Yes X No termination of government service, if terminating within 90 days.) b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations N/A section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? 1b Organizations relying on a current notice regarding disaster assistance check here 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? X 10 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(1)(3) or 4942(1)(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 Yes X No before 2009? 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 N/A 2b statement - see instructions.) 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 Yes X No during the year? 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, N/A Form 4720, to determine if the foundation had excess business holdings in 2009) 4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a Х

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?

WELBORN-PAYNE ENDOWMENT					
orm 990-PF (2009) C/O AMERICAN STATE BANK,			<u>75-64356</u>	71	Page 6
Part VII-B Statements Regarding Activities for Which I	orm 4720 May Be F	Required (contin	ued)		
5a During the year did the foundation pay or incur any amount to:					
(1) Carry on propaganda, or otherwise attempt to influence legislation (section		_	s X No		
(2) Influence the outcome of any specific public election (see section 4955); o	r to carry on, directly or indire				
any voter registration drive?			s X No		
(3) Provide a grant to an individual for travel, study, or other similar purposes	?	Ye	s X No		
(4) Provide a grant to an organization other than a charitable, etc., organizatio	n described in section	_			
509(a)(1), (2), or (3), or section 4940(d)(2)?		Ye	s X No		
(5) Provide for any purpose other than religious, charitable, scientific, literary,	or educational purposes, or f	or	l		
the prevention of cruelty to children or animals?			s X No		
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify und	der the exceptions described i	n Regulations			
section 53.4945 or in a current notice regarding disaster assistance (see instru		-	N/A	5b	
Organizations relying on a current notice regarding disaster assistance check h	•				<u> </u>
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption fi		ined			
expenditure responsibility for the grant?		[/A □ Ye	s 🗀 No		
If "Yes," attach the statement required by Regulations section 53.4945		,,			
6a Did the foundation, during the year, receive any funds, directly or indirectly, to					
a personal benefit contract?	pay promisino on	□ Va	s X No		
b Did the foundation, during the year, pay premiums, directly or indirectly, on a p	ersonal henefit contract?			6ь	x
If "Yes" to 6b, file Form 8870.	GISONAI OCNONE CONTIACE				 ^^
7a At any time during the tax year, was the foundation a party to a prohibited tax s	s X No				
b If yes, did the foundation receive any proceeds or have any net income attribute		T6		7b	
Information About Officers Directors Truck		nagers Highly		, ,	<u> </u>
Part VIII Paid Employees, and Contractors	ees, roundation wa	magers, mgm	'		
List all officers, directors, trustees, foundation managers and their	compensation.				
	·	(c) Compensation	(d) Contributions to	(e) Exp	ense
(a) Name and address	(b) Title, and average hours per week devoted to position	(If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Exp account allowa	, other
MERICAN STATE BANK	TRUSTEE	enter -0-7	compensation	anowa	
P. O. BOX 1401	IROSIEE				
JUBBOCK, TX 79408	10.00	79,930.	0.		0.
OBBOCK, IN 19400	10.00	75,550.	0.		<u> </u>
	•				
Compensation of five highest-paid employees (other than those inc	luded on line 1) If none	enter "NONE "		<u> </u>	
Compensation of the highest ball employees (early than those me	(b) Title, and average	The state of the s	(d) Contributions to	(e) Exp	ense
(a) Name and address of each employee paid more than \$50,000	hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred	(e) Exp account allowa	, other
MONE	devoted to position		compensation	alluwa	HUCS
NONE					
		 	-		
	1	ı			

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

Form 990-PF (2009) C/O AMERICAN STATE BANK, TRUSTEE	75-6	5 435671 Page 7
Part VIII Information About Officers, Directors, Trustees, Foundatio Paid Employees, and Contractors (continued)	n Managers, Highly	
3 Five highest-paid independent contractors for professional services. If none, enter "N	ONE."	
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE	(-)	
	* *==	
Total number of others receiving over \$50,000 for professional services	· · · · · · · · · · · · · · · · · · ·	>
Part IX-A Summary of Direct Charitable Activities		
List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical number of organizations and other beneficiaries served, conferences convened, research papers produce:	information such as the	Expenses
	o, etc.	<u> </u>
1 <u>N/A</u>		
		
2		
3	-	
4		
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	s 1 and 2.	Amount
1 <u>N/A</u>		
2		
All other program-related investments. See instructions.		
3		
Total. Add lines 1 through 3	>	0

Form **990-PF** (2009)

75-6435671

Page 8

P	Art X Minimum Investment Return (All domestic foundations must complete this part. Foreign four	ndations	s, see instructions.)
1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
а	Average monthly fair market value of securities	1a	20,748,472.
b	Average of monthly cash balances	1b	1,164,514.
C	Fair market value of all other assets	1c	771,950.
d	Total (add lines 1a, b, and c)	1d	22,684,936.
	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	22,684,936.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	340,274.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	22,344,662.
6	Minimum investment return. Enter 5% of line 5	6	1,117,233.
P	Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations are foreign organizations check here and do not complete this part.)	nd certair	1
1	Minimum investment return from Part X, line 6	1	1,117,233.
2a			
b	Tax on investment income for 2009 from Part VI, line 5 Income tax for 2009. (This does not include the tax from Part VI.) 2a 13,966. 2b 69,731.		
C	Add lines 2a and 2b	2c	83,697.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,033,536.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,033,536.
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	1,033,536.
P	art XII Qualifying Distributions (see instructions)	1 1	
1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		205 006
a	Expenses, contributions, gifts, etc total from Part I, column (d), line 26	1a	<u>285,906.</u>
	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	205 006
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	285,906.
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	0. 285,906.
6	Adjusted qualifying distributions. Subtract line 5 from line 4 Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation of	6	

Form **990-PF** (2009)

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				1,033,536.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			165,261.	
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: ► \$ 285,906.				
a Applied to 2008, but not more than line 2a			165,261.	
b Applied to undistributed income of prior				
years (Election required - see instructions)		0.		
c Treated as distributions out of corpus	<u> </u>			
(Election required - see instructions)	0.			
d Applied to 2009 distributable amount				120,645.
e Remaining amount distributed out of corpus	0.			220,0131
5 Excess distributions carryover applied to 2009	0.			0.
(If an amount appears in column (d), the same amount must be shown in column (a))				<u></u>
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				912,891.
7 Amounts treated as distributions out of				
corpus to satisfy requirements imposed by				
section 170(b)(1)(F) or 4942(g)(3)	0.j			
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				
				Form 990-PE (2000)

Form 990-PF (2009) C/O AMERICAN STATE BANK, <u>75-</u>6435671 Page 10 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(i)(3) or 4942(1)(5) 2 a Enter the lesser of the adjusted net Tax year Prior 3 years (a) 2009 (b) 2008 (c) 2007 (d) 2006 (e) Total 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 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 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.) 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. Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs: Check here $\triangleright X$ 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: b The form in which applications should be submitted and information and materials they should include: c Any submission deadlines: d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Form 990-PF (2009)

C/O AMERICAN STATE BANK, TRUSTEE

75-6435671 Page 11

Part XV Supplementary Information (continued) Grants and Contributions Paid During the Year or Approved for Future Payment If recipient is an individual, Recipient Foundation show any relationship to Purpose of grant or Amount any foundation manager status of contribution Name and address (home or business) or substantial contributor recipient a Paid during the year N/A NONE CHARITABLE FIRST UNITED METHODIST 1,529. CHURCH-EVERLIVING CHURCH TRUST - 1411 BROADWAY LUBBOCK, TX 79401 LUBBOCK WOMENS CLUB N/A NONE CHARITABLE 30,000. 2020 BROADWAY LUBBOCK, TX 79401 TEXAS BOYS RANCH N/A NONE CHARITABLE 732. **FOUNDATION** P.O. BOX 5665 LUBBOCK, TX 79408 FAMILY SERVICE N/A NONE 100,000. CHARITABLE ASSOCIATION OF LUBBOCK DBA FAMILY COUNSELING SERVICES - 22 BRIERCROFT LUBBOCK CHRISTIAN SCHOOL N/A NONE EDUCATIONAL 100,000. FOUNDATION, INC. 2604 DOVER AVE LUBBOCK, TX 79407 AMERICAN CANCER SOCIETY, N/A NONE CANCER RESEARCH 50,000. INC. **3411 73RD STREET** LUBBOCK, TX 79423-1101 282,261. **▶** 3a Total b Approved for future payment NONE Total

Part XVI-A **Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.	Unrelated	business income		ded by section 512, 513, or 514	(e)
	(a) Business	(b) Amount	(C) Exclu- sion	(d) Amount	Related or exempt function income
1 Program service revenue:	code		code	Alliquit	Tution modifie
a	<u> </u>		ļ .		
b	1		ļ	 	
C			ļ		
d		 	<u> </u>		
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash					
investments			14	525,712.	
4 Dividends and interest from securities	1		14		
			1.3	210,031.	
5 Net rental income or (loss) from real estate:	+		 		
a Debt-financed property			1.0	10 007	
b Not debt-financed property			16	19,087.	
6 Net rental income or (loss) from personal					
property					
7 Other investment income			15	270,082.	
8 Gain or (loss) from sales of assets other					
than inventory			18	<969,860.	>
9 Net income or (loss) from special events				_	
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a CEP, JR LTD ORDINARY	1				
BUSINESS INCOME	211110	6,873.	 		
c J.M. WELBORN TRUST - OIL	ZIIII	0,073.			
	211110	250 716	├		
d & GAS WORKING INTEREST	211110	250,716.			
e		257 500	-	61 650	
12 Subtotal. Add columns (b), (d), and (e)		257,589.	نـــا	61,672.	
13 Total. Add line 12, columns (b), (d), and (e)				13	319,261.
(See worksheet in line 13 instructions to verify calculations.)					
Part XVI-B Relationship of Activities to	the Accor	nplishment of Ex	emp	t Purposes	
Line No. Explain below how each activity for which incor			contrib	uted importantly to the accor	nplishment of
▼ the foundation's exempt purposes (other than t	by providing fund	s for such purposes).			
				·	
	_				
					•
923821					Form 990-PF (2009)

WELBORN-PAYNE ENDOWMENT TRUST Form 990-PF (2009) C/O AMERICAN STATE BANK, TRUSTEE 75-6435671 Page 13 Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable **Exempt Organizations** Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of Yes No the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash 1a(1) (2) Other assets 1a(2) X **b** Other transactions: (1) Sales of assets to a noncharitable exempt organization 1b(1) (2) Purchases of assets from a noncharitable exempt organization 1b(2) X (3) Rental of facilities, equipment, or other assets 1b(3) X (4) Reimbursement arrangements 1b(4) (5) Loans or loan guarantees X 1b(5) X (6) Performance of services or membership or fundraising solicitations 1b(6) c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. (b) Amount involved (c) Name of noncharitable exempt organization (a) Line no (d) Description of transfers, transactions, and sharing arrangements N/A

		L	1									
2a	is the	foundation directly	or indirectly	affiliated with,	or related to,	one or more tax-ex	cempt orga	anizations	described			
	ın sec	ction 501(c) of the C	ode (other	than section 50	1(c)(3)) or in	section 527?					Yes	X No
b	If "Ye:	s," complete the foll	owing sche	iule.								
		(a) Na	ame of orga	nızatıon		(b) Type of o	rganizatio	n	(c) Description	of relationship	
			N/A									
											<u>-</u>	
			_									
										my knowledge ar	nd belief, it is true, corre	et,
-	and con	nplete declaration of p	Appendir (Owner	man taxpayer or m	EXTER.		wnich prepa	erer nas any	Knowleage			
- 1		be I	<u>حک</u>			President 5	12/12		<u> TRUSTE</u>	E		
밝	Sı	gnature of officer or	trustee			Date			Title		-	
֓֡֡֡֡֡֞֞֡֓֡֡֡֓֞֩֡֡֡֓֞֓֡֓֡֞֡֓֡֡֡֡֡֡֡֡֡֡֡		Preparer's	1,1	110 1/2	1 - 01			Date		eck if	Preparer's identify	ing number
E G	id onty	signature	Ma	MUNK) CKIV			05/1	4/10 sel	ployed >		
~	Paid pare te On	Firm's name (or yours	BOLIN	IGER, SI	EGARS,	GILBERT	AND	MOSS	LLP	EIN ▶		
ľ	Pai Prepai Use (if self-employed),	8215	NASHVII	LLE AV	ENUE						
		address, and ZIP code	LUBBO	CK, TX	79423					Phone no.	(806)747	-3806_

Form **990-PF** (2009)

FORM 990-PF INTEREST ON SAVINGS A	AND TEMPORARY CA	ASH INVESTMENTS	STATEMENT	1
SOURCE			AMOUNT	
C.E.P. JR., LTD.			83,88	
CLIFFORD E PAYNE, FAMILY TRUST				42.
·				
CLIFFORD E PAYNE, JR TRUST			1,7	
DEPARTMENT OF THE TREASURY	_			71.
GENERAL ELECTRIC CAPITAL CORP BON	ט		12,5	
J.M. WELBORN TRUST				32.
MUNICIPAL BOND INTEREST			169,63	
U.S. GOVERNMENT INTEREST			256,70	52.
TOTAL TO FORM 990-PF, PART I, LIN	E 3, COLUMN A		525,7	12.
FORM 990-PF DIVIDENDS AND	D INTEREST FROM	SECURITIES	STATEMENT	2
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A	
C.E.P., JR., LTD.	13,449.	0.	13,44	<u> </u>
CAPITAL GAIN DIVIDENDS	13,584.	13,584.	•	0.
CLIFFORD E PAYNE, FAMILY TRUST	2,349.	0.	2,34	
CLIFFORD E PAYNE, JR TRUST	5,006.	0.	5,00	
J.M. WELBORN TRUST	287.	0.		37.
PATRONAGE DIVIDENDS	405.	0.		05.
VARIOUS MUTUAL FUND DIVIDENDS	195,155.	0.	195,1	
VARIOUS MUIUAL FUND DIVIDENDS				
TOTAL TO FM 990-PF, PART I, LN 4	230,235.	13,584.	216,6	51.
FORM 990-PF REI	NTAL INCOME		STATEMENT	3
KIND AND LOCATION OF PROPERTY		ACTIVITY NUMBER		OME
OTHER RENTAL INCOME		3	14	44.
PASSTHROUGH RENTAL INCOME FROM CE		4	<25,5	
PASSTHROUGH RENTAL INCOME FROM J.I K-1	M. WELBORN TRUS	r 5	47,7	75.
TOTAL TO FORM 990-PF, PART I, LIN	E 5A		22,34	14.
				

FORM 990-PF	RENTAL EXI	PENSES		STATEMENT	4
DESCRIPTION	7	ACTIVITY NUMBER	AMOUNT	TOTAL	
INSURANCE	-		1,428.	· · · · · · · · · · · · · · · · · · ·	
SUPPLIES -	SUBTOTAL -	3	1,829.	3,2	57.
TOTAL RENTAL EXPENSES			_	3,2	57.
NET RENTAL INCOME TO FORM 99	0-PF, PART	I, LINE 5B	=	19,0	87.
FORM 990-PF	OTHER 1	INCOME		STATEMENT	5
DESCRIPTION		(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTE NET INCO	
CEP, JR LTD NET ROYALTIES PEROYALTY INCOME J.M. WELBORN TRUST - ROYALTI CLIFFORD E PAYNE, JR TRUST -		5,256. 50,021. 213,124.	50,021.	•	
ROYALTIES CLIFFORD E PAYNE, FAMILY TRU ROYALTIES	ST -	1,118. 563.	1,118. 563.		
CEP, JR LTD ORDINARY BUSINES INCOME		6,873.	0.		
J.M. WELBORN TRUST - OIL & G. WORKING INTEREST	AS	250,716.	0.		
TOTAL TO FORM 990-PF, PART I	, LINE 11	527,671.	270,082.		
FORM 990-PF	LEGAI	. FEES		STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITA PURPOS	
	2,695.	0	•	2,6	95.
TO FM 990-PF, PG 1, LN 16A	2,695.	0		2,6	

FORM 990-PF	ACCOUNTI	NG FEES	S'	STATEMENT 7		
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITAE PURPOSE		
ACCOUNTING	3,800.	2,850.		95	50.	
TO FORM 990-PF, PG 1, LN 16B	3,800.	2,850.		95	50.	
FORM 990-PF	TAX	ES	S	PATEMENT	8	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITAE PURPOSE		
FOREIGN TAXES TAXES ON ROYALTIES EXCISE TAX - FORM 990PF UBI TAX REPORTED ON FORM 990T	87. 13,091. 16,369. 292,174.	13,091.			0.	
TO FORM 990-PF, PG 1, LN 18	321,721.	- ————————————————————————————————————			0.	
FORM 990-PF	OTHER E	XPENSES	S	PATEMENT	9	
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITAE PURPOSE		
PASSTHROUGH PORTFOLIO DEDUCTIONS FROM K-1 INVESTMENT EXPENSES NON-DEDUCTIBLE EXPENSES PER	26,271. 2,566.				0.	
K-1	10,512.	0.			0.	
TO FORM 990-PF, PG 1, LN 23	39,349.	28,837.			0.	

FORM 990-PF OT	THER INVESTMENTS		STATEMENT 10
DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
LTD. PARTNERSHIP INTEREST/CLOSELY	Y COST		
HELD STOCK		3,183,922.	1,052,397.
STOCK MUTUAL FUNDS	COST	9,090,036.	9,386,804.
BOND/INCOME MUTUAL FUNDS	COST	10,445,147.	10,691,196.
MINERAL INTERESTS	COST	735,256.	739,377.
TOTAL TO FORM 990-PF, PART II, LINE 13		23,454,361.	21,869,774.
FORM 990-PF	OTHER ASSETS		STATEMENT 11
		END OF VEND	
DECORTRETON	BEGINNING OF	END OF YEAR	FAIR MARKET
DESCRIPTION	YR BOOK VALUE	BOOK VALUE	FAIR MARKET VALUE
DESCRIPTION			