

Department of the Treasury Internal Revenue Service

For calendar year 2011 or other tax year beginning ending , 2011, and ending , 20 . See separate instructions.

Open to Public Inspection for 501(c)(3) Organizations Only

A Check box if address changed

Name of organization ( Check box if name changed and see instructions.)

D Employer identification number (Employees' trust, see instructions.)

B Exempt under section 501(C)(3) 408(e) 220(e) 408A 530(a) 529(a)

Print or Type

LIATIS FOUNDATION

Number, street, and room or suite no. If a P.O. box, see instructions.

76-0420275

2707 KIPLING ST.

City or town, state, and ZIP code

HOUSTON, TX 77098

E Unrelated business activity codes (See instructions.) 211110

C Book value of all assets at end of year

9,956,880.

F Group exemption number (See instructions.)

G Check organization type X 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity. ATTACHMENT 1

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of STEVEN J. BORICK Telephone number 713-520-7600

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include 1a Gross receipts or sales, 2 Cost of goods sold, 5 Income (loss) from partnerships and S corporations, 13 Total.

Table with 4 columns: (A) Income, (B) Expenses, (C) Net. Rows include 14 Compensation of officers, directors, and trustees, 21 Depreciation, 29 Total deductions, 34 Unrelated business taxable income.

Part III Tax Computation

Table with 3 columns: Description, Amount, and Reference. Rows include Organizations Taxable as Corporations, Trusts Taxable at Trust Rates, Proxy tax, Alternative minimum tax, and Total.

Part IV Tax and Payments

Table with 3 columns: Description, Amount, and Reference. Rows include Foreign tax credit, Other credits, General business credit, Total credits, Subtract line 40e from line 39, Other taxes, Total tax, Payments (44a-44g), Total payments, Estimated tax penalty, Tax due, Overpayment, and Enter the amount of line 48.

Part V Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question, Yes, No. Rows include interest in foreign country, distribution from foreign trust, and tax-exempt interest received.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

Table with 3 columns: Description, Amount, and Reference. Rows include Inventory at beginning/end of year, Purchases, Cost of labor, Additional section 263A costs, Total, and Do the rules of section 263A apply?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer, Date, Title, and a box for 'May the IRS discuss this return with the preparer shown below'.

Paid Preparer Use Only section including Print/Type preparer's name, Preparer's signature, Date, Firm's name, Firm's address, Firm's EIN, and Phone no.

HOUSTON, TX 77002-4180

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1. Description of property

Table with 1 column for description of property, rows (1) through (4).

2. Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, 3(a) Deductions directly connected with the income. Rows (1) through (4) and Total.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A).

(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B).

Schedule E - Unrelated Debt-Financed Income (see instructions)

Table with 5 columns: 1. Description of debt-financed property, 2. Gross income from or allocable to debt-financed property, 3. Deductions directly connected with or allocable to debt-financed property, 4. Amount of average acquisition debt, 5. Average adjusted basis, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions. Includes a Totals row and instructions for entering values on page 1.

Total dividends-received deductions included in column 8

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

Table for Exempt Controlled Organizations with 6 columns: 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 4. Total of specified payments made, 5. Part of column 4 that is included in the controlling organization's gross income, 6. Deductions directly connected with income in column 5. Rows (1) through (4).

Nonexempt Controlled Organizations

Table for Nonexempt Controlled Organizations with 5 columns: 7. Taxable Income, 8. Net unrelated income (loss), 9. Total of specified payments made, 10. Part of column 9 that is included in the controlling organization's gross income, 11. Deductions directly connected with income in column 10. Includes instructions for adding columns 5 and 10, and 6 and 11.

Totals

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

Table with 5 columns: 1. Description of income, 2. Amount of income, 3. Deductions directly connected, 4. Set-asides, 5. Total deductions and set-asides. Includes a Totals row.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

Table with 7 columns: 1. Description of exploited activity, 2. Gross unrelated business income, 3. Expenses directly connected, 4. Net income (loss), 5. Gross income from activity, 6. Expenses attributable, 7. Excess exempt expenses. Includes a Totals row.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes a Totals row.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes a Totals row.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

Table with 4 columns: 1. Name, 2. Title, 3. Percent of time devoted to business, 4. Compensation attributable to unrelated business. Includes a Total row.

# Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

**Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

**Electronic filing (e-file)** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>  File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.  LIATIS FOUNDATION	Employer identification number (EIN) or  <input checked="" type="checkbox"/> 76-0420275
	Number, street, and room or suite no. If a P.O. box, see instructions.  2707 KIPLING ST.	Social security number (SSN)  <input type="checkbox"/>
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.  HOUSTON, TX 77098	

Enter the Return code for the return that this application is for (file a separate application for each return)  0  7

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ▶ STEVEN J. BORICK

Telephone No. ▶ 713 520-7600 FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 11/15, 20 12, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year 20 11 or

▶  tax year beginning \_\_\_\_\_, 20 \_\_\_\_\_, and ending \_\_\_\_\_, 20 \_\_\_\_\_.

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

<b>3a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$ 2,837.
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$ 2,837.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$ 0

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

**LIATIS FOUNDATION**  
**76-0420275**  
December 31, 2011

**Form 990-T - Line 5 - Income (Loss) from Partnerships**

	Total Income (Loss)	Total Available for Carryforward
Legacy Reserves LP (UBTI)	(595)	
Less: UBTI - Passive Loss C/O deduction	n/a	
Adjustment for - Nondeductible UBTI PAL	n/a	n/a
Genesis Energy, L.P. (UBTI)	(29,200)	
Less: UBTI - Passive Loss C/O deduction	(5,529)	
Adjustment for - Nondeductible UBTI PAL	34,729	34,729
Natural Resource Partners L.P. (UBTI)	(12,310)	-
Natural Resource Partners L.P. (UBTI)	(5,264)	-
Less: UBTI - Passive Loss C/O deduction	(10,171)	
Adjustment for - Nondeductible UBTI PAL	27,745	27,745
<b>Total Income / (Loss) for Current Year --</b> 990-T, Ln 5	<b>(595)</b>	<b>62,474</b>
<b>Total UBTI Passive Loss available for carryforward</b>		
Natural Resource Partners LP		27,745
Genesis Energy, L.P. (UBTI)		34,729

**LIATIS FOUNDATION**  
**76-0420275**  
December 31, 2011

**PARTNERSHIPS & PTP's:**  
**UBTI LOSS CARRYOVER AND RECONCILIATION SCHEDULE**

	Legacy Reserves, L.P. PTP 16-1751069	Genesis Energy L.P. PTP 76-0513049	Natural Resource Partners L.P. PTP 35-2164875 2247000042
Net UBTI loss available- Carryover from prior years	-	(5,529)	(10,171)
UBTI Income (Loss) - From current year	(595)	(29,200)	(17,574)
Total Income / (Loss) for Current Year	(595)	(34,729)	(27,745)
Total UBTI Loss available for carryforward	-	(34,729)	(27,745)
Total UBTI Income to report on 990-T	(595)	None	None
	Final		
Net UBTI Income to report on 990-T			(595)

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

INVESTMENT IN PUBLICLY TRADED LIMITED PARTNERSHIPS WHICH GENERATED UNRELATED BUSINESS TAXABLE INCOME.



ATTACHMENT 2

FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS

LEGACY RESERVES LP - COMPLETE DISPOSITION

-595.

INCOME (LOSS) FROM PARTNERSHIPS

-595.