



# INVESTOR UPDATE

New York City | March 1-2, 2016

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# FORWARD-LOOKING STATEMENTS

- Statements contained in this presentation that include company expectations or predictions should be considered forward-looking statements that are covered by the safe harbor protections provided under federal securities legislation and other applicable laws.
- It is important to note that the actual results could differ materially from those projected in such forward-looking statements. For additional information that could cause actual results to differ materially from such forward-looking statements, refer to ONEOK's and ONEOK Partners' Securities and Exchange Commission filings.
- This presentation contains factual business information or forward-looking information and is neither an offer to sell nor a solicitation of an offer to buy any securities of ONEOK or ONEOK Partners.
- All future cash dividends and distributions (declared or paid) discussed in this presentation are subject to the approval of each entity's (ONEOK and ONEOK Partners) board of directors.
- All references in this presentation to financial guidance are based on news releases issued on Dec. 21, 2015 and Feb. 22, 2016 and are not being updated or affirmed by this presentation.



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# ONEOK PARTNERS OVERVIEW

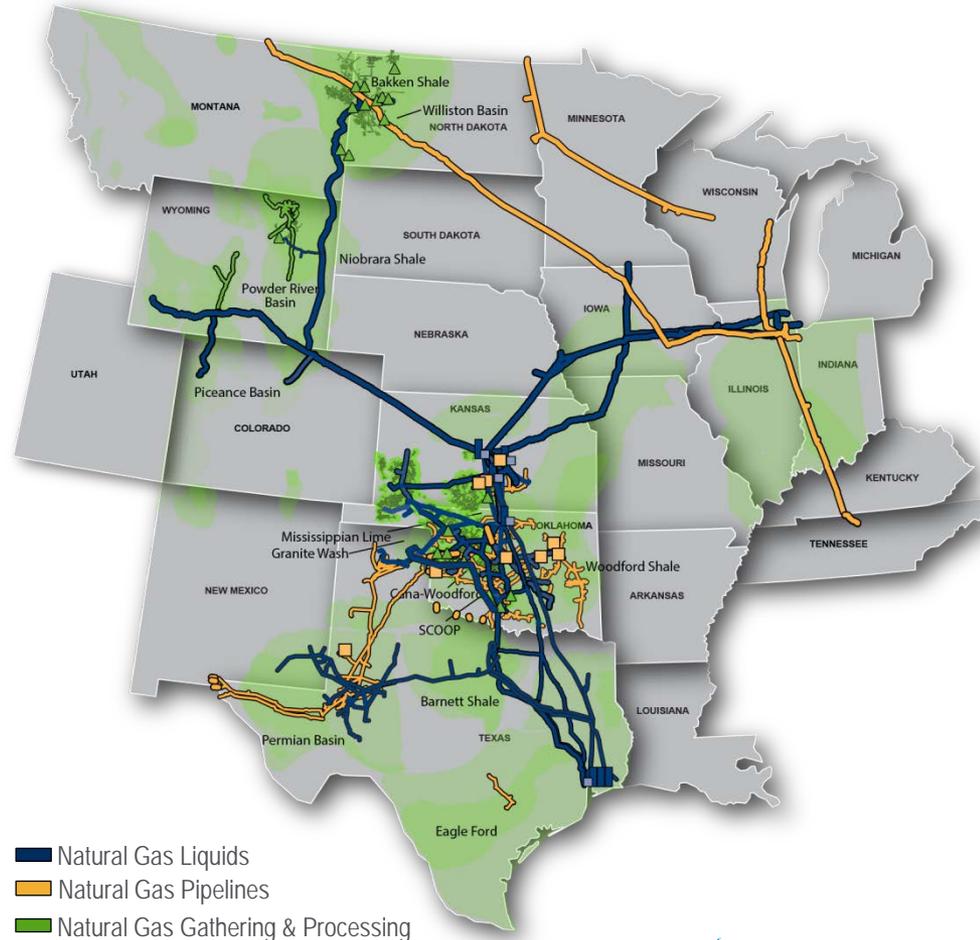


# ONEOK PARTNERS

## ASSET OVERVIEW



- Owns and operates strategically located assets in midstream natural gas liquids and natural gas businesses
- Provides nondiscretionary services to producers, processors and customers
- Extensive 37,000-mile integrated network of natural gas liquids and natural gas pipelines
- Supply and market diversity create opportunities



# BUSINESS SEGMENTS

## INTEGRATION – OUR COMPETITIVE ADVANTAGE

### Supply Diversification



Connected to >50 transmission pipelines and >40 processing plants

- Canada
- Williston Basin
- Mid-Continent
- Permian Basin

### Predominantly Fee-Based Value Chain

#### Natural Gas Pipelines

- Nearly 100% fee-based earnings
- 6,610 miles of pipeline
- 55.4 Bcf working capacity of storage
- Connected to end-use markets

Growing exports to Mexico

Converting coal fired electric facilities

#### Natural Gas Gathering and Processing

- More than 75% fee based fee-based earnings in 2016
- 20 active processing plants
- 1,750 MMcf/d total processing capacity
- 18,800 miles of gathering pipeline
- Largest natural gas gatherer and processor in the Williston Basin

#### Natural Gas Liquids

- Predominantly fee-based earnings
- 7,090 miles of gathering pipeline
- 4,380 miles of distribution pipeline
- 840,000 bpd fractionation capacity
- Connected to major NGL markets

Significant incremental ethane demand beginning in 2017 from petrochemical facilities and growing NGL exports

Natural Gas Pipelines

Gathering and Processing

Natural Gas Liquids



More than 2,000 contracts in three core areas

- Williston Basin
- Powder River Basin
- Mid-Continent



Connected to >180 processing plants

- Permian Basin
- Williston Basin
- Powder River Basin
- Mid-Continent

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# ONEOK PARTNERS

## *WELL-POSITIONED TO CREATE LONG-TERM VALUE*

- Increasing fee-based earnings through gathering, processing, fractionation, storage and transport services
  - ONEOK Partners' fee-based Earnings is expected to increase to approximately 85% in 2016 from approximately 66% in 2014
- Supply and market diversification – strategic, integrated assets in growing NGL-rich plays and well-positioned in major market areas
  - NGL-rich plays: Williston, Powder River, Mid-Continent and Permian
  - Major markets: Gulf Coast, Midwest and Southwest
- Supply backlog in core areas of the Williston Basin
  - Large backlog of drilled but uncompleted wells
  - Recently completed compression infrastructure and Lonesome Creek plant capturing flared gas inventory
  - Continued drilling in most productive areas
- Market driven projects continue to emerge – NGL and natural gas
  - Natural gas exports to Mexico driven by growing demand
  - Ethane demand projected to significantly increase due to petrochemical facilities
  - Lower natural gas prices could stimulate more ethane recovery
- Strong, investment-grade balance sheet, liquidity and financial flexibility as a result of disciplined growth

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# OUR KEY STRATEGIES

## *A PREMIER ENERGY COMPANY*

### GROWTH

- Increase distributable cash flow through investments in organic growth projects and strategic acquisitions
  - Continue to increase NGL and natural gas volume
  - Continue to grow/expand our integrated natural gas liquids and natural gas infrastructure by utilizing our strategic supply and market positions
  - Continue to increase fee-based earnings in all three business segments

### FINANCIAL

- Manage balance sheet and maintain investment-grade credit ratings at ONEOK Partners
  - Manage capital spending and distribution growth rates over the long term, resulting in financial strength

### ENVIRONMENT, SAFETY AND HEALTH

- Continue sustainable improvement in ESH performance
  - Continue to maintain the mechanical reliability of our assets

### PEOPLE

- Attract, select, develop and retain a diverse and inclusive group of employees to support strategy execution
  - Management continuity is the result of effective succession planning

# ONEOK PARTNERS 2016 GUIDANCE

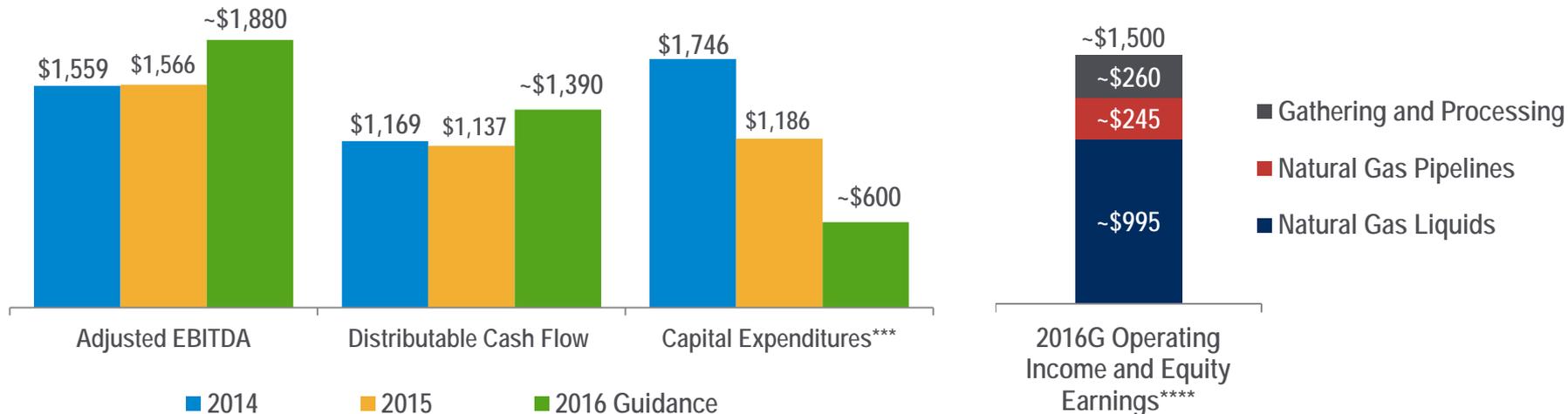


# ONEOK PARTNERS

## 2016 GUIDANCE SUMMARY

ONEOK Partners expects:

- No public debt or equity needs until well into 2017
- Distribution coverage of 1.0x or better\* for 2016, and distributions to remain flat compared with 2015
- Capital-growth expenditures of \$460 million and maintenance capital of \$140 million\*\*
  - Natural Gas Liquids: \$70 million capital growth, \$55 maintenance
  - Natural Gas Pipelines: \$70 million capital growth, \$30 maintenance
  - Natural Gas Gathering and Processing: \$320 million capital growth, \$35 maintenance
- GAAP debt-to-EBITDA ratio of 4.2 times or less by late 2016



\* Assumes average NYMEX 2016 future strip pricing of \$40-\$45 per barrel of crude – 12 month price range \$38-\$46 per barrel

\*\* Includes Other maintenance capital of \$20 million

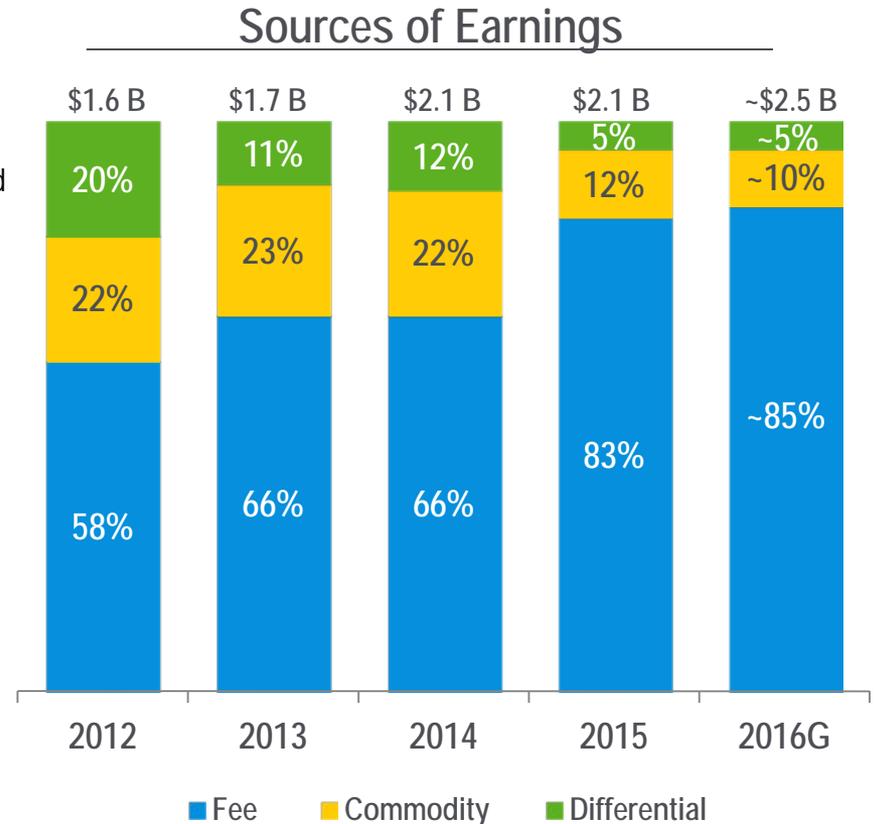
\*\*\* Excludes acquisitions

\*\*\*\* Includes equity earnings of Gathering and Processing: \$20 million, Natural Gas Pipelines: \$65 million and Natural Gas Liquids: \$50 million

# ONEOK PARTNERS SOURCES OF EARNINGS

## PERCENT OF EARNINGS

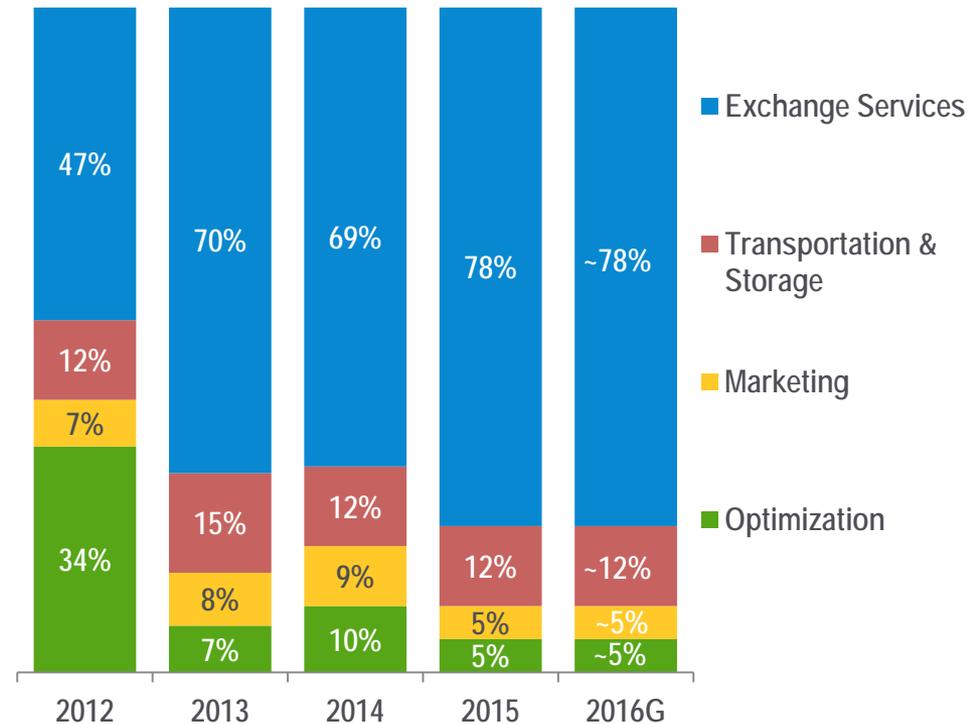
- Fee-based earnings expected to increase to approximately 85% in 2016
- Volume risk
  - Exists primarily in natural gas gathering and processing and natural gas liquids segments
    - Ethane rejection impacts the natural gas liquids segment
  - Mitigated by supply and market diversity, firm-based, frac-or-pay and ship-or-pay contracts
  - Mitigated by significant acreage dedications in the core areas of the basins we operate in
- Commodity price risk reduced
  - Exists primarily in natural gas gathering and processing segment
  - Mitigated by hedging
  - Recontracting with producer customers to increase fee-based components
- Price differential risk
  - NGL location price differentials between Mid-Continent and Gulf Coast and product price differentials
  - Optimization expected to be less of a contributor



# NATURAL GAS LIQUIDS

## EARNINGS PROFILE MIX

- Exchange Services
  - Gather, fractionate, and transport raw NGL feed to storage and market hubs; *primarily fee based*
- Transportation & Storage Services
  - Transport NGL products to market centers and provide storage services for NGL products; *fee based*
- Marketing
  - Purchase for resale approximately 70% of fractionator supply on an index-related basis and truck and rail services; *differential based*
- Optimization
  - Obtain highest product price by directing product movement between market hubs and convert normal butane to iso-butane; *differential based*



Focused on increasing fee-based exchange-services earnings

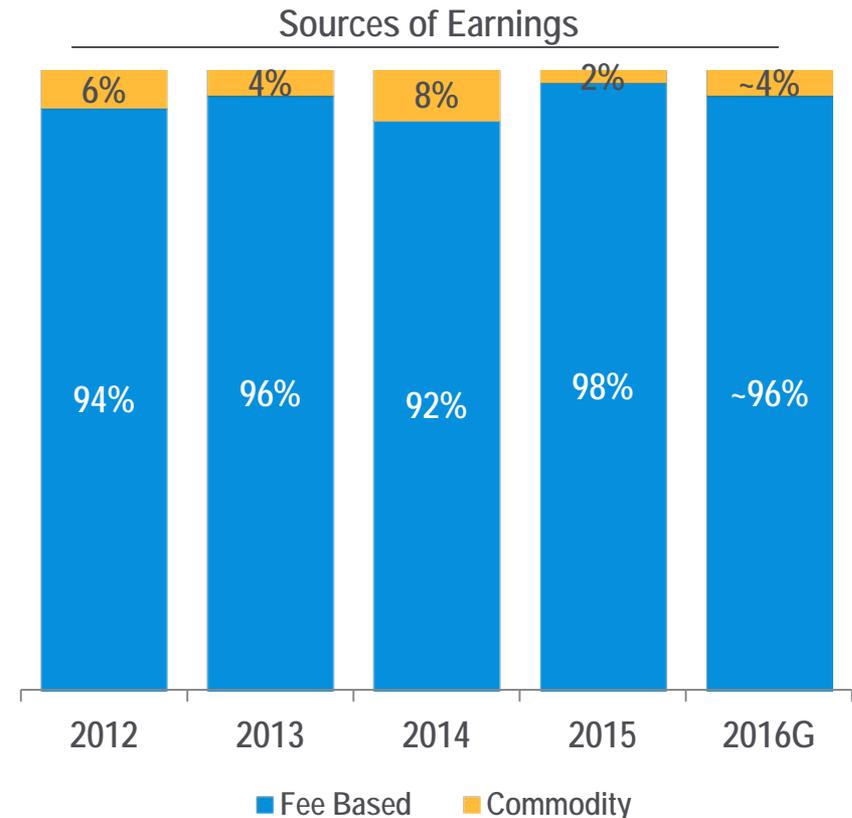


# NATURAL GAS PIPELINES

## PERCENT OF EARNINGS

- Nearly 100% of earnings is fee-based
- Minimal volume risk
  - Backed by firm demand contracts
- Roadrunner Gas Transmission pipeline project and WesTex pipeline expansion to enhance export capability to Mexico
  - Phase I to be complete in first quarter 2016
  - Phase II to be complete in first quarter 2017
  - Contract terms of 25 years\*

\*Subject to satisfaction of certain precedent conditions



# NATURAL GAS GATHERING AND PROCESSING

## CONTRACT PORTFOLIO

- Achieving increased fee-based contract mix by restructuring percent-of-proceeds (POP) contracts with a fee component to include a higher fee rate
  - Increasing fee-based earnings while providing enhanced services to customers
- Restructuring efforts continue to be successful and are ongoing
  - Fourth-quarter 2015 average fee rate increased to 55 cents, more than a 50% increase compared with the same period in 2014
  - Impact of contract restructuring is included in ONEOK Partners' 2016 guidance



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# NATURAL GAS LIQUIDS

## *2016 VOLUME GUIDANCE*

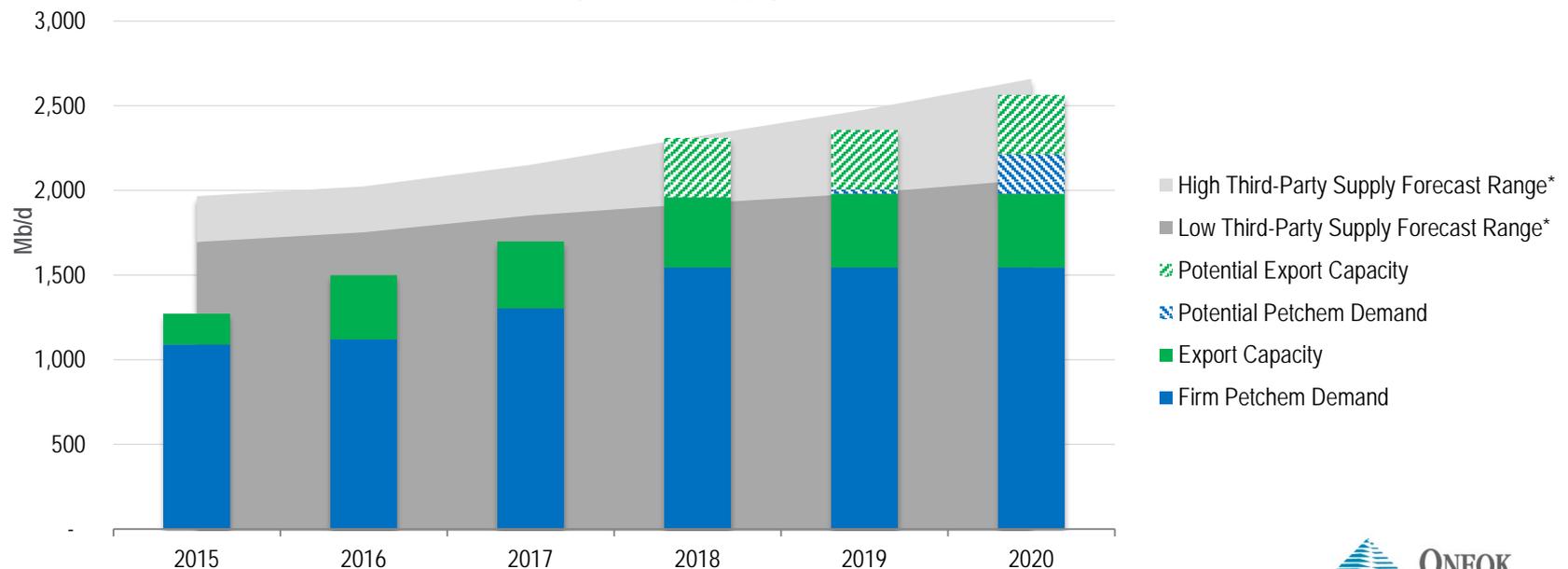
- Gathered volumes expected to average approximately 800,000 – 870,000 bpd; fractionation volumes expected to average approximately 540,000 – 590,000 bpd
  - Lonesome Creek natural gas processing plant – expected to be half full by first quarter 2016
  - Bear Creek natural gas processing plant – expected to be complete in third quarter 2016
  - Four new third-party natural gas processing plant connections expected in 2016
    - Williston Basin (1)
    - Mid-Continent (2)
    - Permian Basin (1)
  - Full year benefit from eight natural gas processing plant connections in 2015

# NATURAL GAS LIQUIDS

## ETHANE UPSIDE

- New world-scale petrochemical facilities expected to significantly increase ethane demand in 2017 and beyond
- Announced petrochemical facilities will create an incremental 565,000 bpd of ethane demand by first quarter 2019
  - 430,000 bpd of potential ethane demand has been announced by potential petrochemical facilities
- Current and announced ethane export facilities are expected to total 428,000 bpd of ethane demand by 2018
  - 350,000 bpd of potential export demand has been announced

Third-Party Ethane Supply and Demand Forecasts

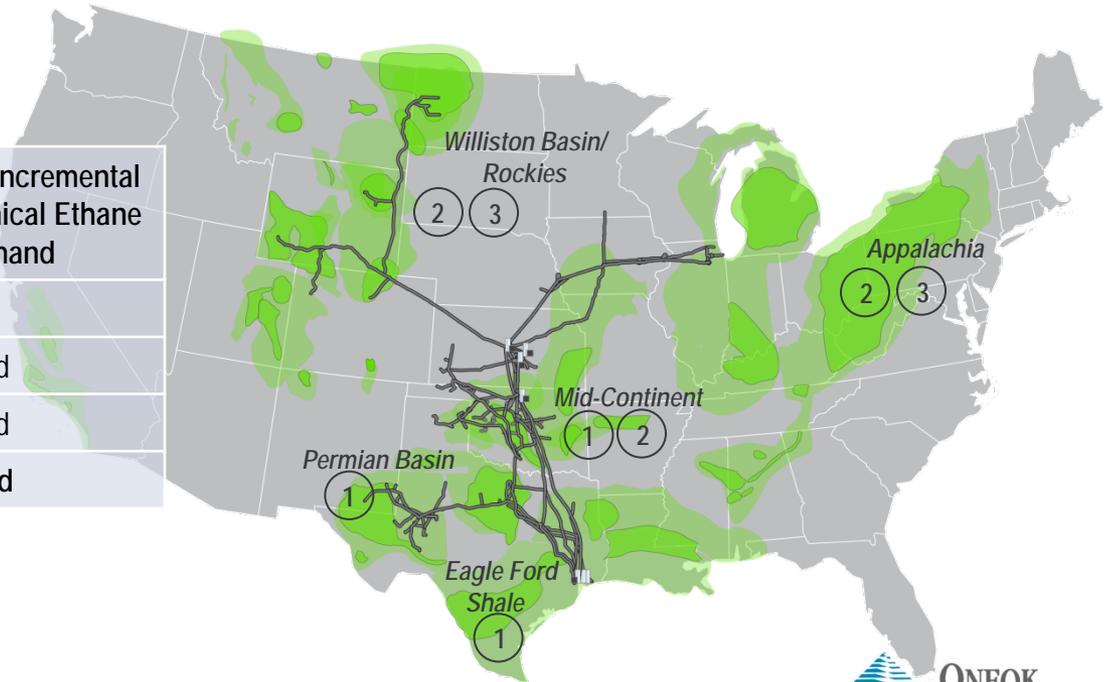


# ETHANE RECOVERY BY BASIN

## INCREMENTAL ETHANE DEMAND

- Approximately one-third of all U.S. ethane being rejected is on ONEOK Partners' NGL system
- ONEOK Partners' NGL infrastructure already connects supply to Gulf Coast region
  - Incremental ethane transported and fractionated volume potential of 150,000 – 180,000 bpd
  - Potential annual earnings uplift from full ethane recovery is expected to be approximately \$200 million
- Basins closer to market hubs will likely be the first to recover ethane

Ethane Supply	Expected Timing	Expected Incremental Petrochemical Ethane Demand
1	2Q2016 – 1Q2017	93,000 bpd
2	2Q2017 – 3Q2017	308,000 bpd
3	4Q2017 – 1Q2019	163,000 bpd
	<b>Total</b>	<b>564,000 bpd</b>



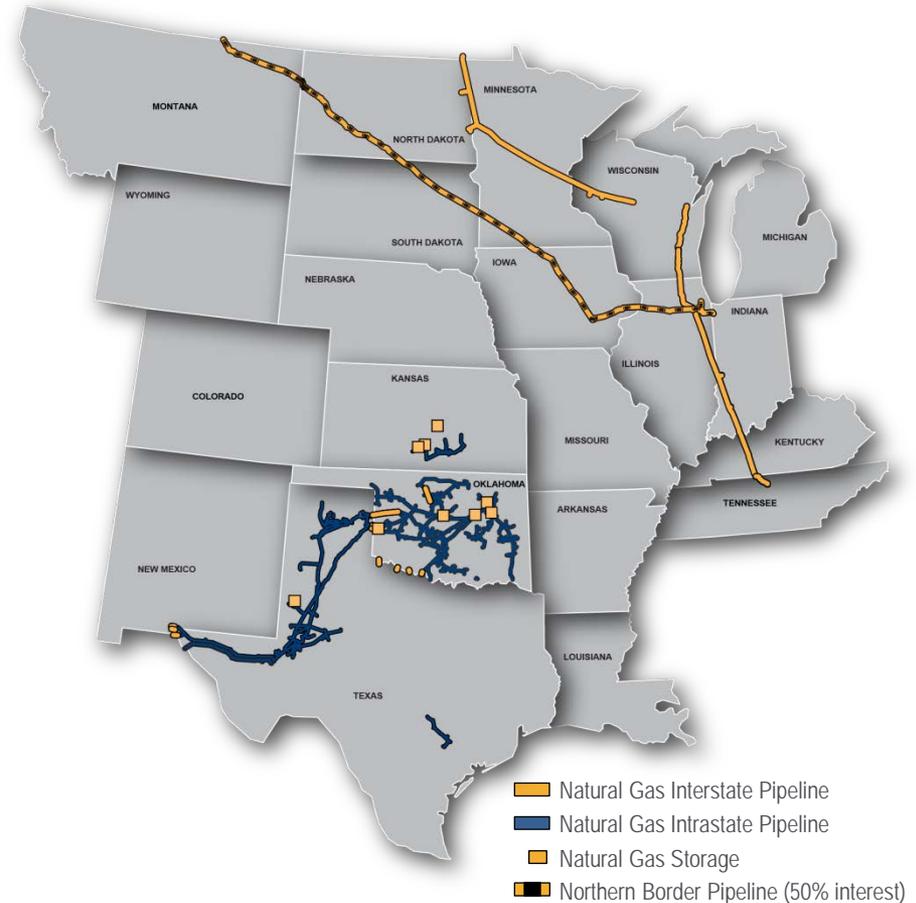
— ONEOK Partners NGL assets



# NATURAL GAS PIPELINES

## 2016 GUIDANCE

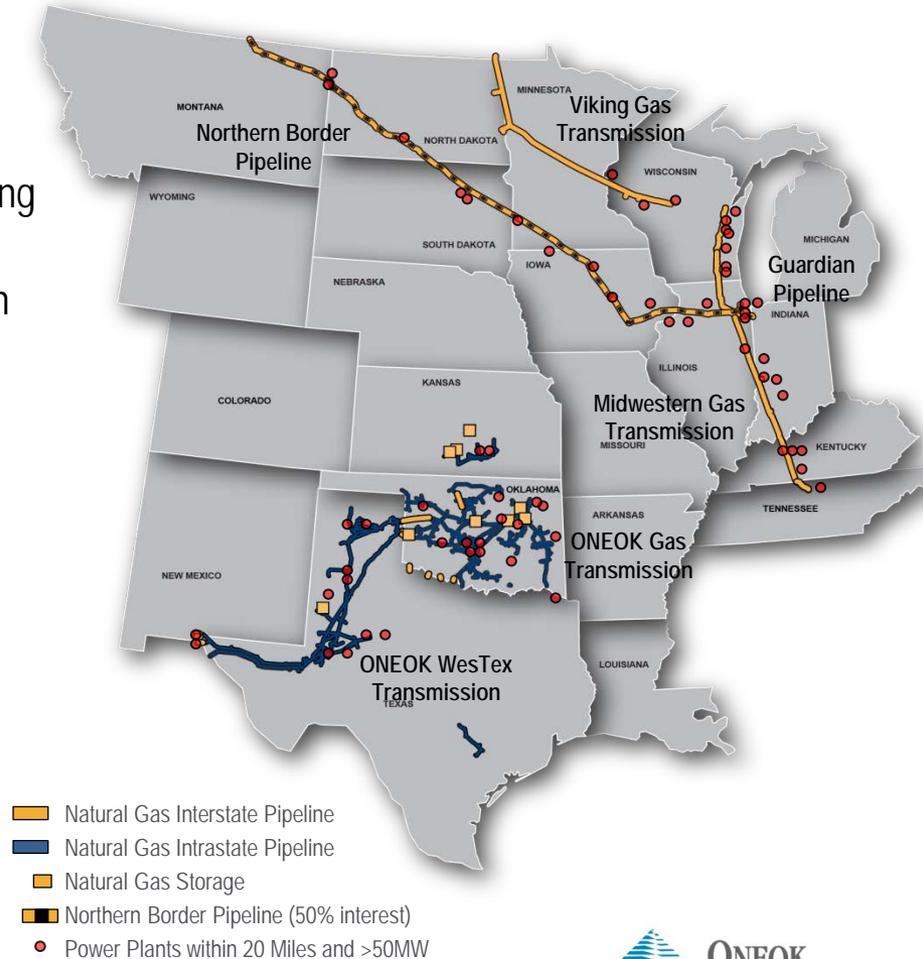
- Earnings to remain more than 95% fee-based
- 92% of transportation capacity contracted under demand-based rates
- 76% of natural gas storage capacity contracted under firm, fee-based arrangements
- Roadrunner Gas Transmission Pipeline – Phase I expected to be complete in first quarter 2016



# NATURAL GAS PIPELINES

## INCREMENTAL FEE-BASED EARNINGS

- Converting coal-fired electric generators to cleaner natural gas
  - Low natural gas pricing environment providing many opportunities
  - EPA air emissions standards is a conversion driver
- More than 110 power plants within 20 miles of our pipeline facilities
  - More than 80 natural gas-fired generation
  - More than 30 coal-fired generation
- Storage services add flexibility
  - 55.4 Bcf of owned storage capacity
  - Enhanced service and reliability
- Growing exports to Mexico driven by increasing natural gas demand



# NATURAL GAS GATHERING AND PROCESSING

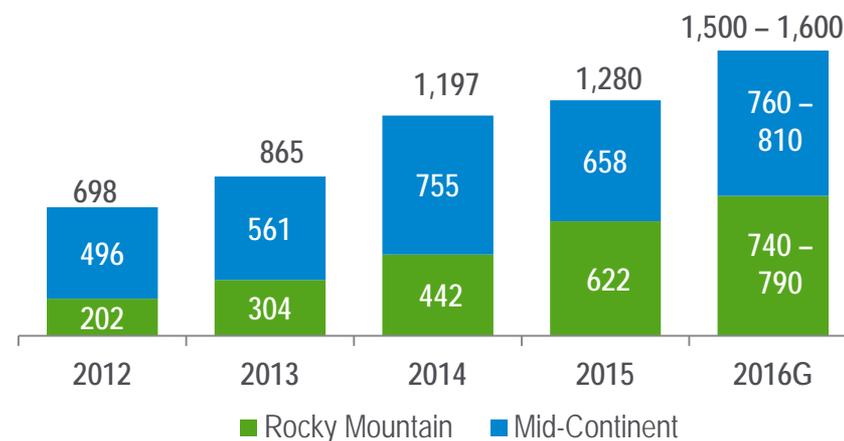
## 2016 VOLUME GUIDANCE

- Gathered volumes expected to average approximately 1,700-1,800 MMcf/d or 2,200-2,300 BBTu/d; processed volumes expected to average approximately 1,500-1,600 MMcf/d or 1,900-2,000 BBTu/d
- Rocky Mountain
  - 2016 gathered volumes expected to increase approximately 13% - 21% compared with 2015
    - Lonesome Creek plant completed in November 2015
    - Additional capacity at Garden Creek and Stateline facilities completed in 2015
    - Stateline De-ethanizer – expected to be complete in third quarter 2016
    - Bear Creek plant – expected to be complete in third quarter 2016
    - Expect to connect 250-350 wells in 2016 from current rig activity and DUCs
- Mid-Continent
  - Continued production in core areas, including SCOOP and STACK
  - Largest customer drilled wells in the first half of 2015 and completed in late 2015

Natural Gas Gathered Volumes (MMcf/d)



Natural Gas Processed Volumes (MMcf/d)



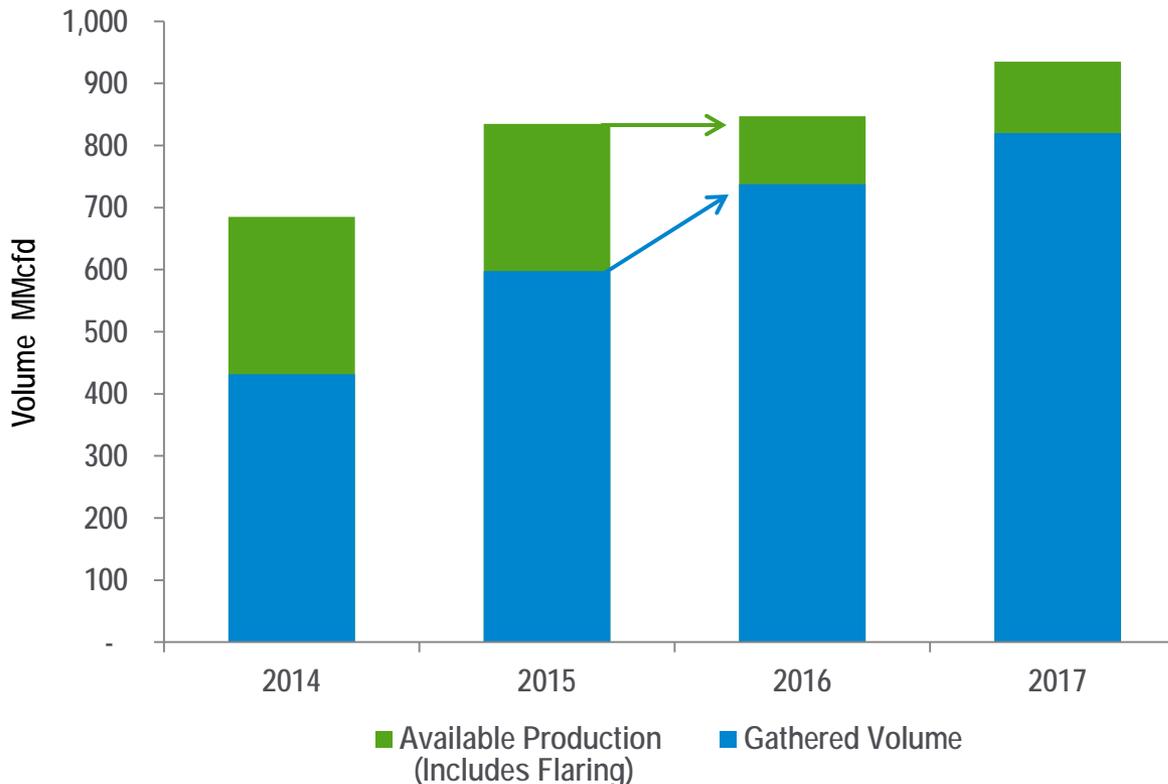
Rocky Mountain Mid-Continent



# WILLISTON BASIN

## VOLUME UPDATE\*

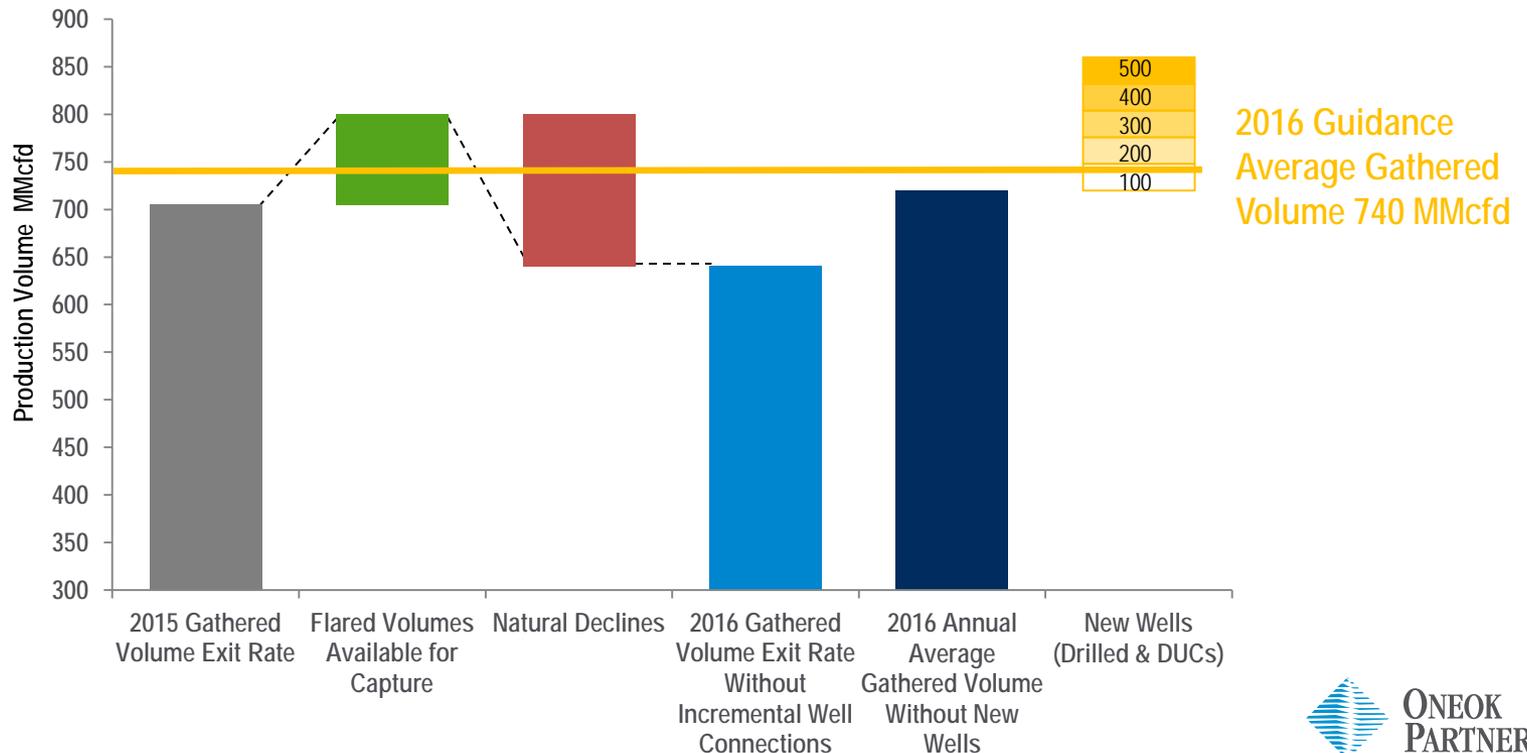
- Natural gas gathered volume increases in 2016 even as natural gas production remains relatively flat
  - Full-year benefit of the Lonesome Creek processing plant and additional compression which was placed in service late in 2015 and Bear Creek processing plant to be completed in Q3 2016
  - Gas capture behind the OKS system is expected to increase to more than 85%, up from approximately 75% in 2015



# WILLISTON BASIN

## VOLUME UPDATE\*

- Natural gas gathered volume expected to increase in 2016
  - Higher natural gas capture percentage (reduced flaring) as a result of pipelines, compression, processing plant placed in-service in late 2015 and Bear Creek processing plant to be completed in Q3 2016
  - New well connects supported by sizable backlog of more than 550 drilled but uncompleted wells (DUCs) on OKS acreage
  - Declines to existing production more than offset by new volume



\* Theoretical slide showing flaring, decline and gathered volume assumptions

# FINANCIAL STRENGTH

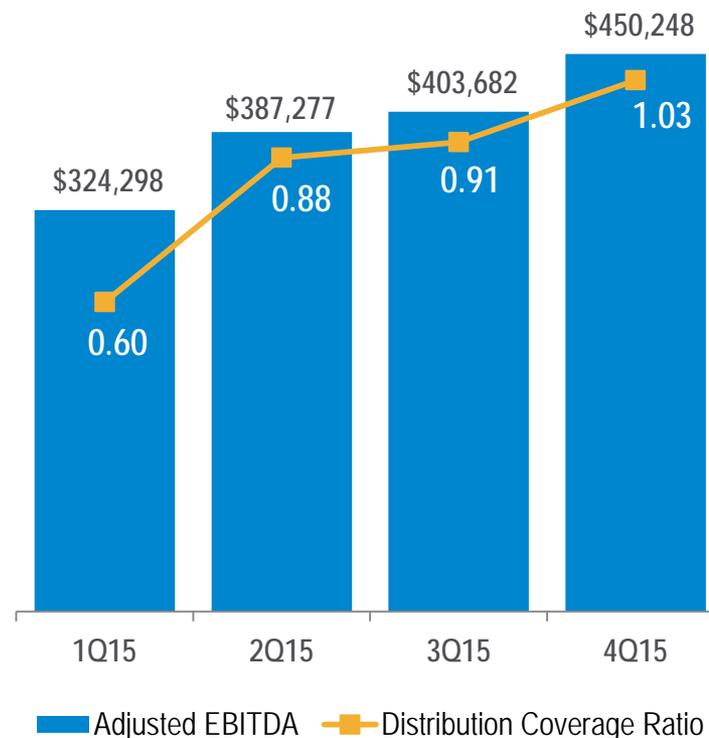


# OKS ADJUSTED EBITDA GROWTH

DELIVERING RESULTS – IN A CHALLENGING MARKET

- Q1 – Q4 adjusted EBITDA increased 39% in 2015
  - Higher margin natural gas liquids and natural gas volume growth in the second half of the year
  - Benefit from successful contract restructuring in the natural gas gathering and processing segment
- 2015 natural gas liquids and natural gas volume exit rates benefit 2016

Adjusted EBITDA and Distribution Coverage Ratio  
(\$ in thousands, except coverage ratio)



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# CUSTOMER CREDIT

## INVESTMENT-GRADE PROFILE – REDUCED RISK

### ONEOK Partners

- No single customer represents more than 10% of 2015 revenues, only 15 customers individually represented 1% or more of 2015 revenues
- The ten largest customers represent approximately 38% of 2015 revenues with nine being investment grade or providing full credit support

### Business Segments

- The Natural Gas Pipelines segment received more than 85% of its revenue from investment-grade customers\* in 2015
  - The majority of the segment's pipeline tariffs provide the ability to require security from shippers
- The Natural Gas Liquids segment's credit risk is limited primarily in its exchange and services fee earnings as in most contracts NGLs are purchased from the gathering and processing customers and proceeds are remitted back to the customers less a fee
  - The majority of the segment's pipeline tariffs provide the ability to require security from shippers
  - More than 80% of 2015 commodity sales were made to investment-grade customers\*
- The Gathering and Processing segment's credit risk is limited with producer customers as a portion of the proceeds received from the sale of residue gas, NGLs and condensate are remitted back to the producer customer
  - Approximately 99% of the 2015 downstream commodity sales were made to investment-grade customers\*

# OKS STRONG BALANCE SHEET

## INVESTMENT GRADE

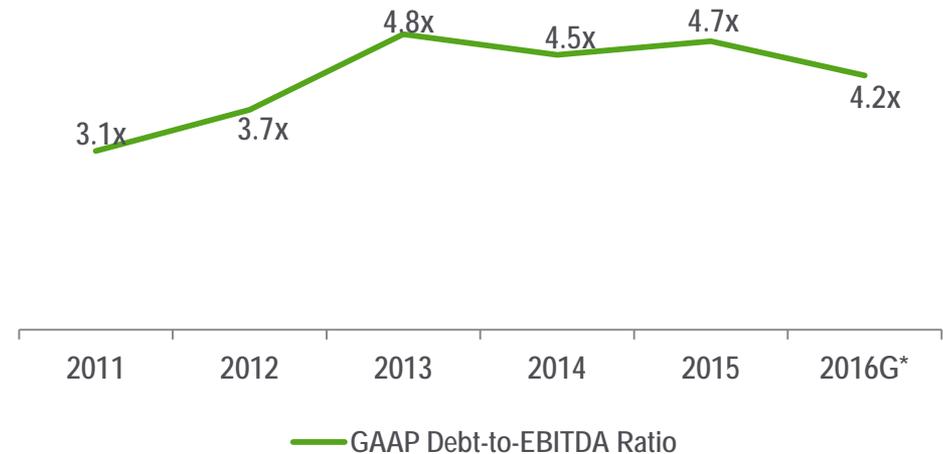
### ONEOK Partners

- Capital structure targets
  - 50/50 capitalization
  - Debt-to-Adjusted EBITDA ratio < 4.0x
  - 4.1x GAAP debt-to-adjusted EBITDA ratio in the fourth-quarter 2015 on an annualized basis
- Committed to investment-grade credit ratings
  - S&P: BBB (negative)
  - Moody's: Baa2 (negative)
- \$2.4 billion revolving credit facility
  - Matures 2020
- \$1.0 billion three year term loan
  - Pre-payable in whole or in part
  - Two one year extensions

### ONEOK

- \$300 million revolving credit facility
- No debt maturities until 2022

### GAAP Debt-to-EBITDA Ratio



\* Expected ratio by late 2016

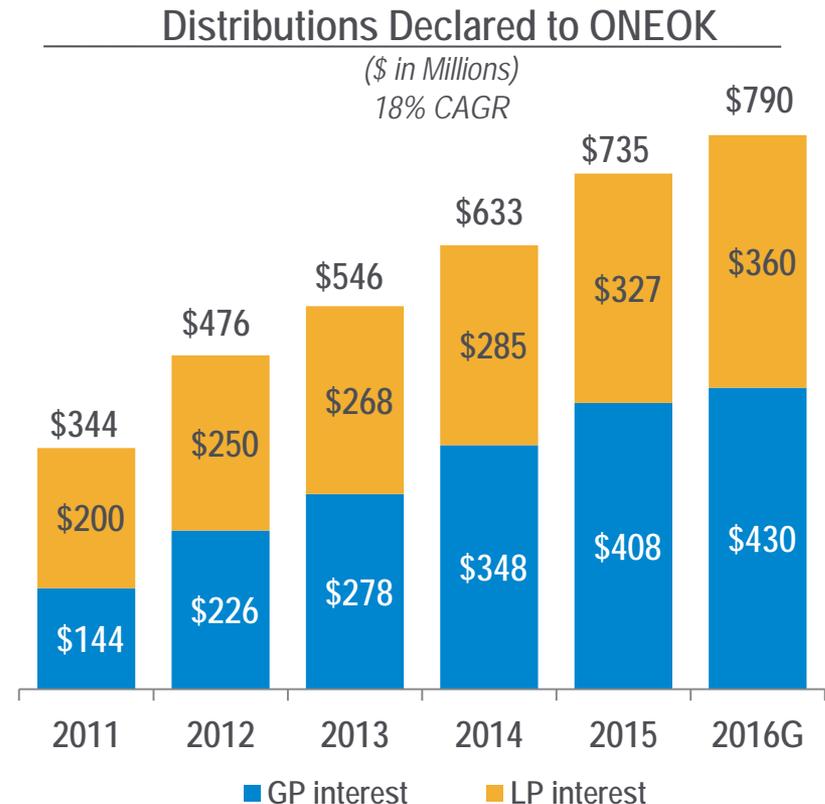
# ONEOK OVERVIEW AND 2016 GUIDANCE



# OKS GROWTH BENEFITS OKE

## VALUE OF GP INTEREST TO ONEOK

- ONEOK Partners capital-growth projects and strategic acquisitions expected to drive continued distribution growth
- Nearly 70% of every incremental ONEOK Partners adjusted EBITDA dollar, at current ownership level, flows to ONEOK as ONEOK Partners distributions





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# ONEOK

## *2016 GUIDANCE SUMMARY*

ONEOK expects:

- Dividend to remain flat
- Cash flow available for dividends of approximately \$675 million
- Dividend coverage ratio of approximately 1.3x
- Free cash flow after dividends and cash on hand totaling approximately \$250 million available to support ONEOK Partners
- No cash income taxes in 2016

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# KEY INVESTMENT CONSIDERATIONS

## *PREMIER ENERGY COMPANIES*

### ONEOK

- Stable cash flow
  - Cash flow underpinned by investment-grade MLP with fee-based business model
  - GP and LP distributions from ONEOK Partners drive significant cash flow generation and growth
  - Prudent financial practices results in financial strength and flexibility

### ONEOK Partners

- Stable cash flow
  - Primarily fee based, non-discretionary services
  - Prudent financial practices: proactively manage commodity risk
  - Strong balance sheet and financial flexibility: maintain investment grade credit ratings with ample liquidity to support capital growth projects
- Strategic, integrated assets connecting prolific supply basins and key markets create opportunities
  - Non-discretionary services to producers, processors and customers
  - NGL infrastructure to support expected increased ethane demand beginning in 2017
  - Natural gas infrastructure to supply growing natural gas exports to Mexico
- Focused on creating value for both customers and investors
  - Demonstrated financial discipline
  - Commitment to investment-grade credit ratings at ONEOK Partners
- Disciplined growth
  - Aligning capital growth projects with producer customer needs as a result of lower commodity prices
- Safe, reliable and environmentally responsible operator
  - Proven track record and commitment



# APPENDIX

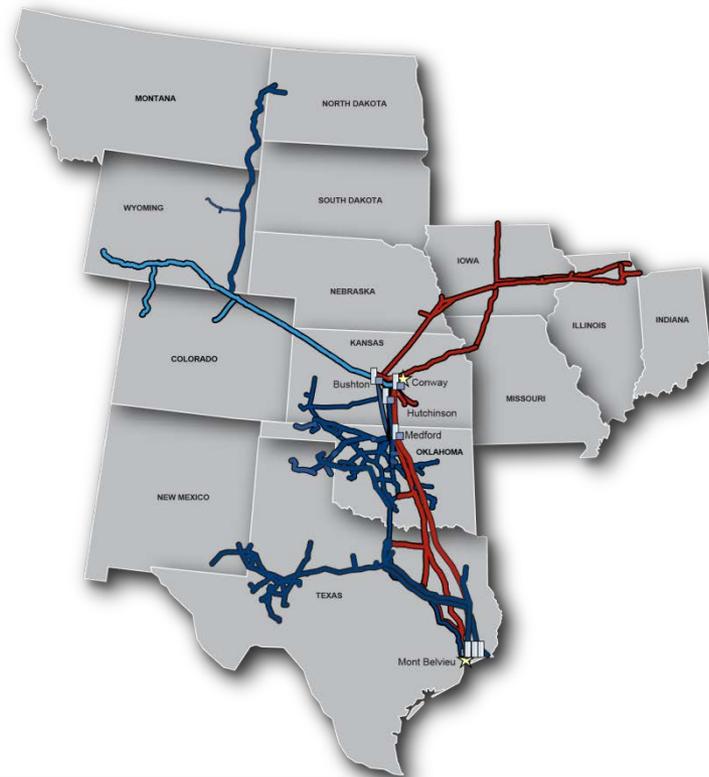
# APPENDIX – ONEOK PARTNERS BUSINESS SEGMENTS



# NATURAL GAS LIQUIDS

## ASSET OVERVIEW

- Provides *nondiscretionary*, fee-based services to natural gas processors and customers
  - Gathering, fractionation, transportation, marketing and storage
- Extensive NGL gathering system
  - Connected to more than 180 natural gas processing plants in the Mid-Continent, Barnett Shale, Rocky Mountain regions and Permian Basin
    - Represents 90% of pipeline-connected natural gas processing plants located in Mid-Continent
      - Well positioned to capture growth in SCOOP/STACK and Cana-Woodford
    - Contracted NGL volumes exceed physical volumes – minimum volume commitments
- Bakken NGL Pipeline offers exclusive takeaway from the Williston Basin
- Links key NGL market centers at Conway, Kansas, and Mont Belvieu, Texas
- North System supplies Midwest refineries and propane markets



Fractionation	840,000 bpd net capacity
Isomerization	9,000 bpd capacity
E/P Splitter	40,000 bpd
Storage	26.7 MMBbl capacity
Distribution	4,380 miles of pipe with 1,060 mbpd capacity
Gathering – Raw Feed	7,090 miles of pipe with 1,480 MBpd capacity
	As of Dec. 31, 2015

- NGL Gathering Pipelines
- NGL Distribution Pipelines
- ★ NGL Market Hub
- NGL Fractionator
- Overland Pass Pipeline (50% interest)
- NGL Storage



# NATURAL GAS PIPELINES

## ASSET OVERVIEW

- Primarily fee-based income
- 92% of transportation capacity contracted under **demand-based rates** in 2015
- 83% of contracted system transportation capacity serves **end-use markets** in 2015
  - Connected directly to end-use markets
    - Local natural gas distribution companies
    - Electric-generation facilities
    - Large industrial companies
- 71% of storage capacity contracted under firm, **fee-based arrangements** in 2015
- Average contract life is seven years



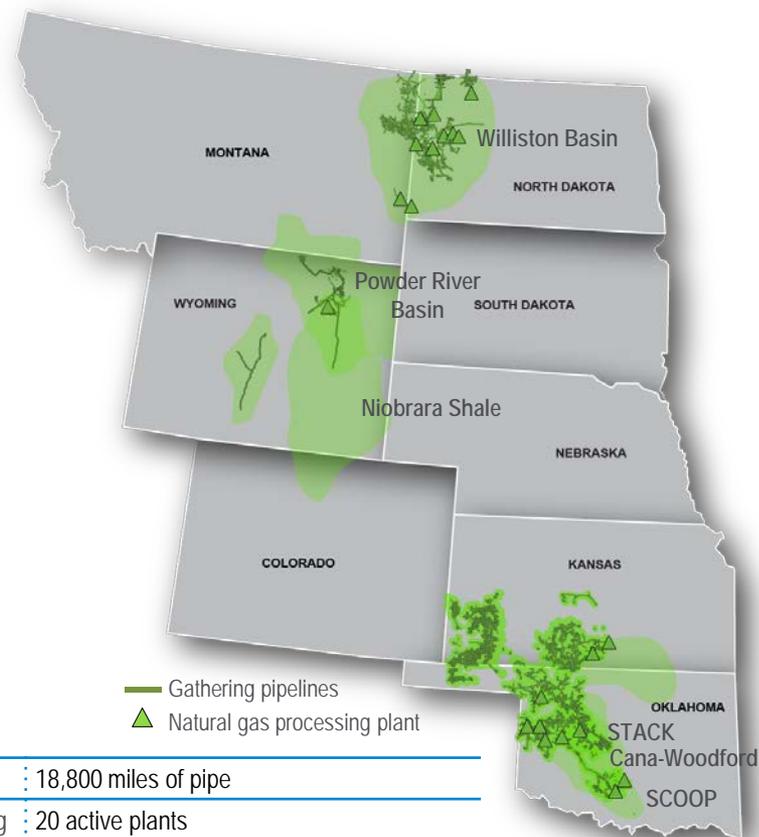
- Natural Gas Interstate Pipeline
- Natural Gas Intrastate Pipeline
- Natural Gas Storage
- Northern Border Pipeline (50% interest)

Pipelines	: 6,610 miles, 6.4 Bcf/d peak capacity
Storage	: 55.4 Bcf active working capacity
	: As of Dec. 31, 2015

# NATURAL GAS GATHERING AND PROCESSING

## ASSET OVERVIEW

- **Nondiscretionary** services to producers
  - Gathering, compression, treating and processing
- Diverse contract portfolio
  - More than 2,000 contracts
  - Percent of proceeds (POP) with fees
    - Converting existing POP with fee contracts to include a larger fee component
- Natural gas supplies from three core areas:
  - Williston Basin
    - Includes oil, natural gas and natural gas liquids in the Bakken and Three Forks formations
  - Mid-Continent
    - South Central Oklahoma Oil Province (SCOOP)
    - Cana-Woodford Shale, STACK
    - Mississippian Lime
    - Granite Wash, Hugoton, Central Kansas Uplift
  - Powder River Basin
    - Emerging crude oil and NGL-rich development in the Niobrara, Sussex and Turner formations



Gathering	18,800 miles of pipe
Processing	20 active plants 1,750 MMcf/d capacity
Production	1,930 BBTu/d or 1,524 MMcf/d gathered 1,690 BBTu/d or 1,280 MMcf/d processed; 850 BBTu/d residue gas sold 130 MBbl/d NGLs sold
	YTD as of Dec. 31, 2015

# APPENDIX – 2015 VOLUME UPDATE

Volume Growth Continues in Challenging Environment

# NATURAL GAS LIQUIDS

## VOLUME UPDATE

- Gathered volumes increased 44% in 2015, compared with 2014, impacted by:
  - Volume growth in the Williston Basin, Powder River Basin and Mid-Continent
  - Offset by ice storms in the Mid-Continent and West Texas, ~10 MBbl/d in Q4 2015 and operational outages in the Williston Basin in Q3 2015
- Fractionated volumes increased 6% in 2015, compared with 2014, and exceeded 2015 guidance
- 2016 volume growth weighted toward the second half of the year
- 2016 expected processing plant connections
  - Four third-party plants
    - First quarter – Williston Basin (1), Mid-Continent (1), Permian (1)
    - Third Quarter – Mid-Continent (1)
  - Bear Creek by third quarter 2016

### Gathering Volume (MBbl/d)

11% - 14% CAGR



Region/ Asset	Fourth Quarter 2015 – Average Gathered Volumes	Full Year 2015 – Average Gathered Volumes	Average Bundled Rate (per gallon)
Bakken NGL Pipeline	104,000 bpd	83,000 bpd	> 30 cents**
Mid-Continent	510,000* bpd	466,000* bpd	~ 9 cents**
West Texas LPG system	211,000 bpd	220,000 bpd	< 4 cents***

\* Includes spot volumes

\*\* Includes transportation and fractionation

\*\*\* Includes transportation



# NATURAL GAS GATHERING AND PROCESSING

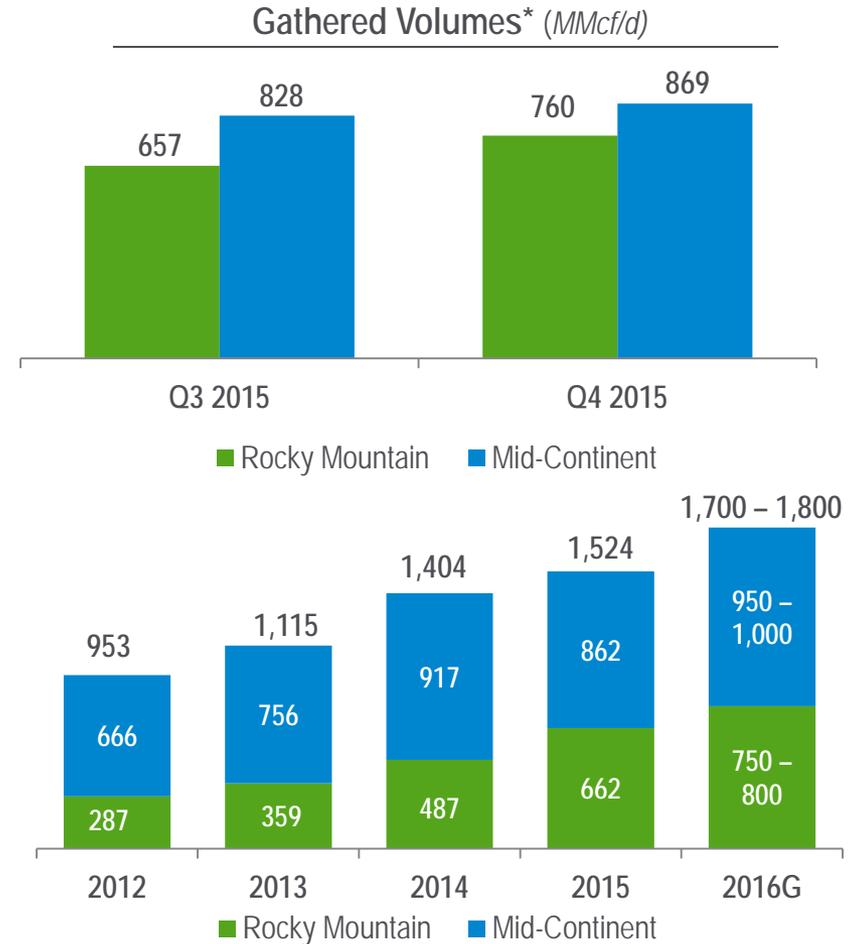
## VOLUME UPDATE

### Rocky Mountain

- Q4 2015 gathered volumes increased 16%, compared with Q3 2015, and 36% compared with Q4 2014
  - Lonesome Creek completed in November
  - Completed 95 well connects in Q4 2015, and more than 820 well connects during the year, exceeding the original 2015 target of 700
- Six additional compressor stations completed in 2015 adding 300 MMcf/d of gathering capacity
- Met 2015 gathered volume guidance
- 2016 gathered volumes expected to increase 13% - 21% from 2015

### Mid-Continent

- Q4 2015 gathered volumes increased 5%, compared with Q3 2015
- Exceeded 2015 gathered volume guidance



\*Average natural gas gathered volumes



# APPENDIX – NATURAL GAS LIQUIDS



# PETROCHEMICAL ANNOUNCEMENTS

APPROXIMATELY 565,000 BPD OF NEW ETHANE DEMAND

Company	Project	Ethane Capacity (bpd)	Location	Start-up	*Potential Ethane Recovery Basin
LyondellBasell	Expansion	21,000	Corpus Christi	Q2 2016	Texas & Louisiana Gulf Coasts, Eagle Ford, Permian
Dow	Debottleneck	17,000	Plaquemine, La.	Q2 2016	
Westlake	Expansion	7,000	Lake Charles, La.	Q2 2016	
Westlake	Expansion	2,000	Calvert City, KY	Q1 2017	Permian, Mid-Continent
Formosa Plastics	New Build	46,000	Point Comfort, Texas	Q1 2017	
Oxychem	New Build	36,000	Ingleside, Texas	Q2 2017	Mid-Continent, Rockies
LyondellBasell	Expansion	14,000	Channelview, Texas	Q3 2017	Mid-Continent, Rockies, Appalachia
ExxonMobil Chemical	New Build	86,000	Baytown, Texas	Q3 2017	
Chevron Phillips Chemical	New Build	86,000	Cedar Bayou, Texas	Q3 2017	
Dow Chemical	New Build	86,000	Freeport, Texas	Q3 2017	
Indorama	Restart	20,000	Lake Charles, La.	Q4 2017	Appalachia, Williston Basin
Sasol	New Build	86,000	Lake Charles, La.	Q4 2018	
Axiall & Lotte	New Build	57,000	Lake Charles, La.	Q1 2019	
<b>Total</b>		<b>564,000 estimate</b>			

# POTENTIAL PETROCHEMICAL ANNOUNCEMENTS

APPROXIMATELY 430,000 BPD OF POTENTIAL ETHANE DEMAND

Company	Project	Ethane Capacity (bpd)	Location	Start-up
Aither Chemicals	New Build	16,000	West Virginia	2017+
Shell Appalachia	New Build	78,000	Pennsylvania	2019
Appalachia Resins	New Build	13,000	Ohio	2019
Odebrecht Ascent (Appalachia)	New Build	57,000	West Virginia	delayed
Badlands NGL	New Build	75,000	North Dakota	2020+
Shintech Plaquemine	New Build	29,000	Louisiana	2020
PTT & Marubeni	New Build	57,000	Ohio	2020+
Williams	New Build	51,000	Louisiana	2020+
Total	New Build	57,000	Texas	2020+
<b>Total</b>		<b>433,000 estimate</b>		

Source: Various industry and company research



# ETHANE EXPORTS

## ANNOUNCED AND POTENTIAL ETHANE EXPORTS

Ethane Export Capacity				
Company	Export	Ethane Capacity (bpd)	Location	Start-up
Cochin (EP)	Pipeline	8,000	Conway, KS to Sarnia	current
Vantage	Pipeline	60,000	Tioga, ND to Alberta	current
Mariner West	Pipeline	50,000	Houston, PA to Sarnia	current
Mariner East 1	Marine	40,000	Marcus Hook, PA	Q1 2016
Enterprise	Marine	200,000	Houston Ship Channel	Q3 2016
Mariner East 2	Marine	30,000	Marcus Hook, PA	First half 2017
KM Utopia (EP)	Pipeline	40,000	OH to Ontario	2018
Total		428,000 estimate		

Potential Ethane Export Capacity				
Company	Export	Ethane Capacity (bpd)	Location	Start-up
Targa Ethane Terminal	Marine	100,000	Galena Park, TX	2018
American Ethane Terminal	Marine	250,000	Louisiana	2018

Source: Various industry and company research



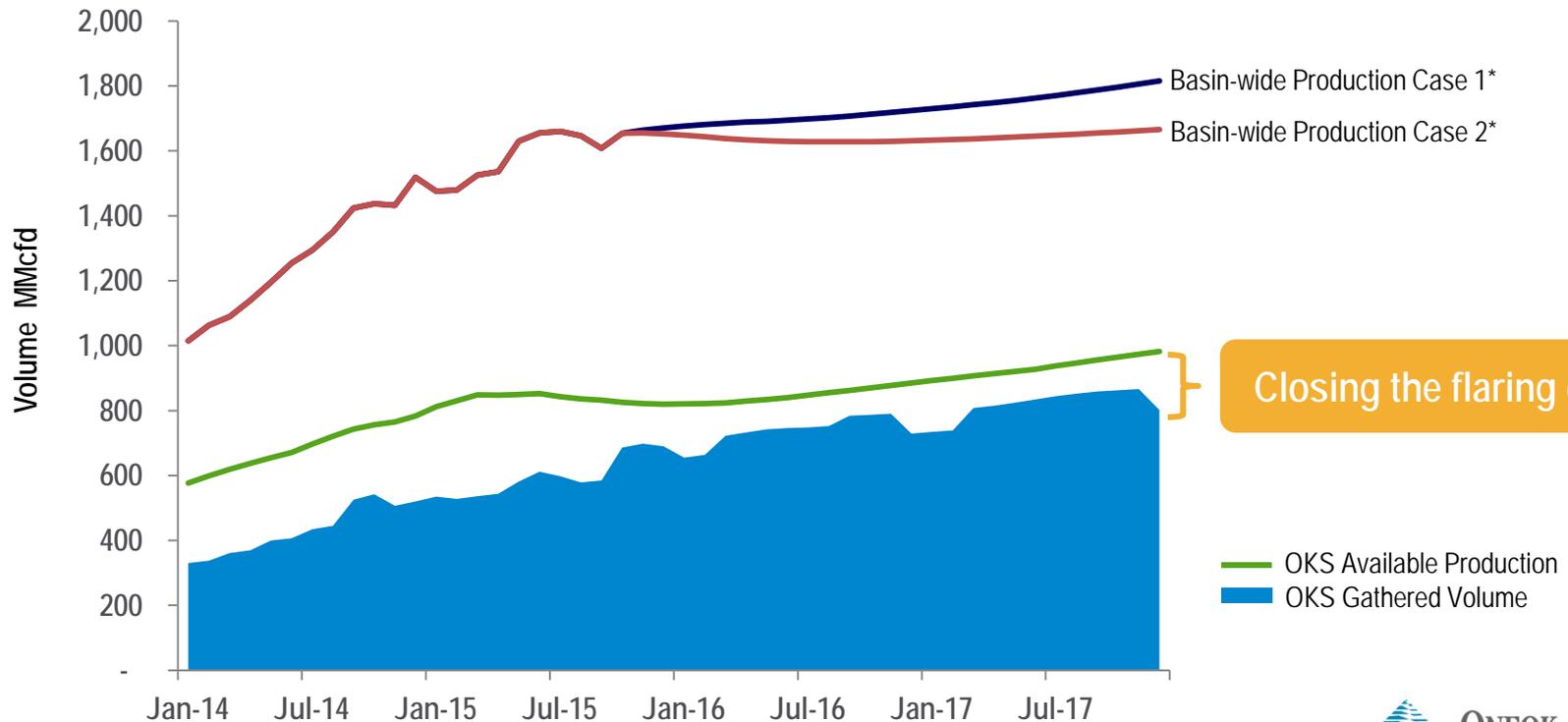
# APPENDIX – NATURAL GAS GATHERING AND PROCESSING



# WILLISTON BASIN

## VOLUME UPDATE

- Natural gas gathered volume increases in 2016 even as natural gas production remains relatively flat
  - Higher natural gas capture percentage (reduced flaring) as a result of pipelines, compression, processing plant placed in-service in late 2015 and Bear Creek processing plant to be completed in Q3 2016

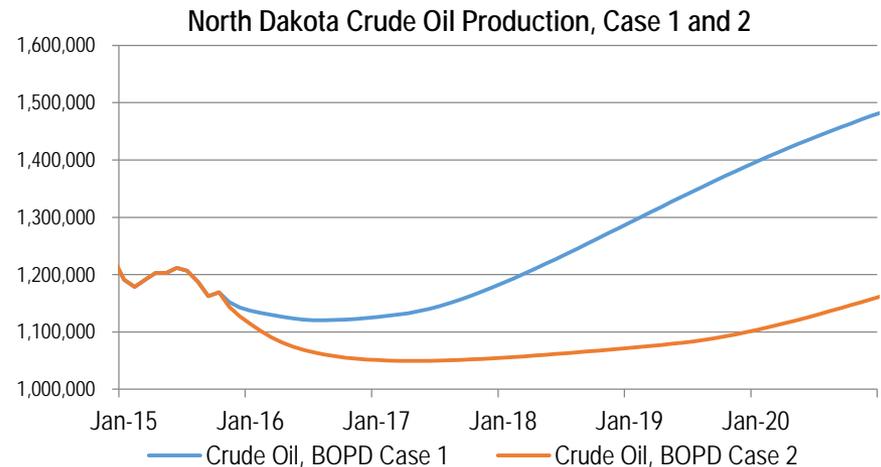
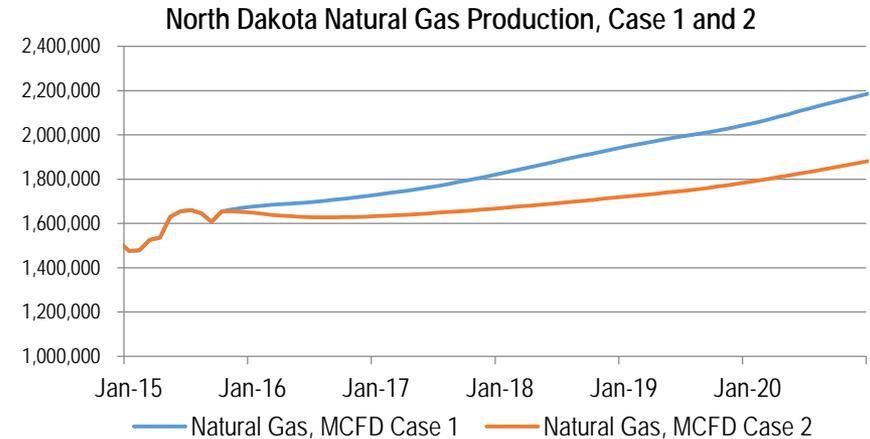
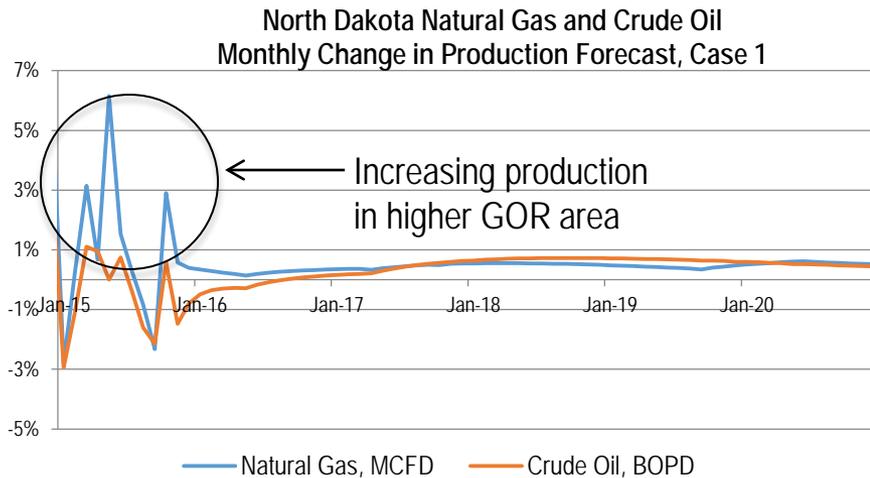


\* Basin-wide natural gas production forecast source : North Dakota Pipeline Authority December 2015

# WILLISTON BASIN

## VOLUME UPDATE – BASIN WIDE

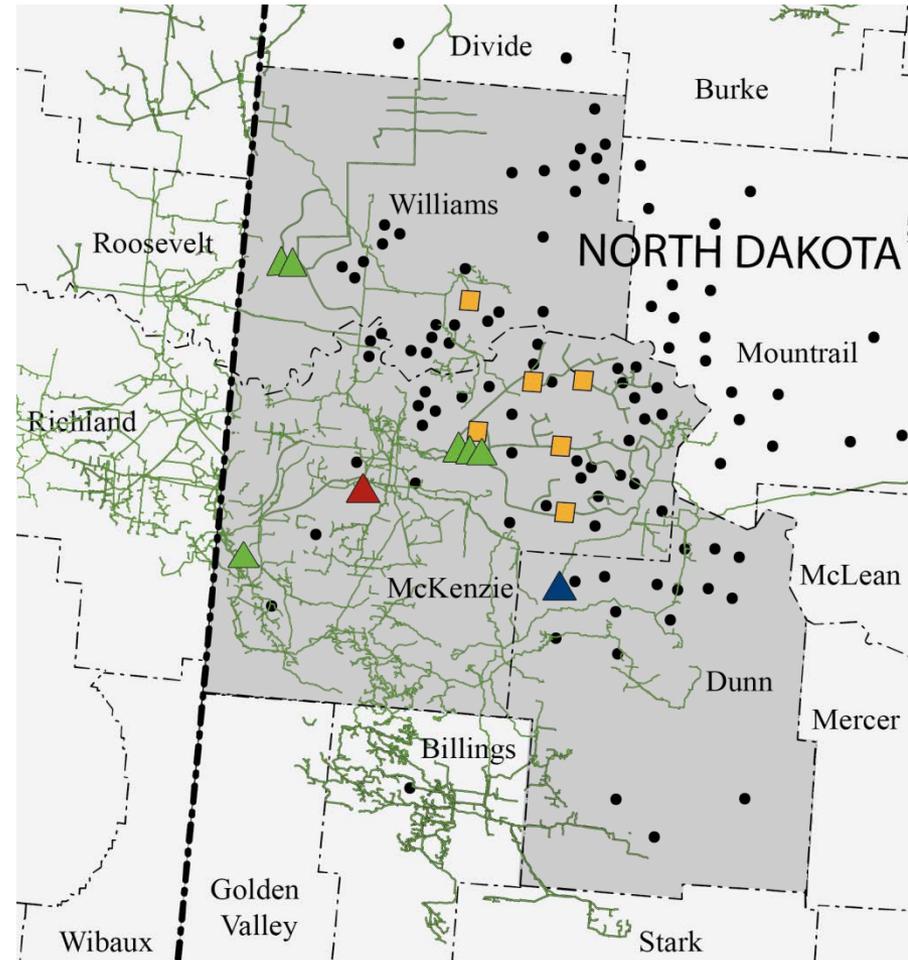
- Due to high-grading of rigs to most prolific areas, the natural gas volume does not decline in step with crude oil due to higher gas-to-oil ratio (GOR)



# WILLISTON BASIN

Significant number of drilled but not completed wells are located in our asset footprint and acreage dedications

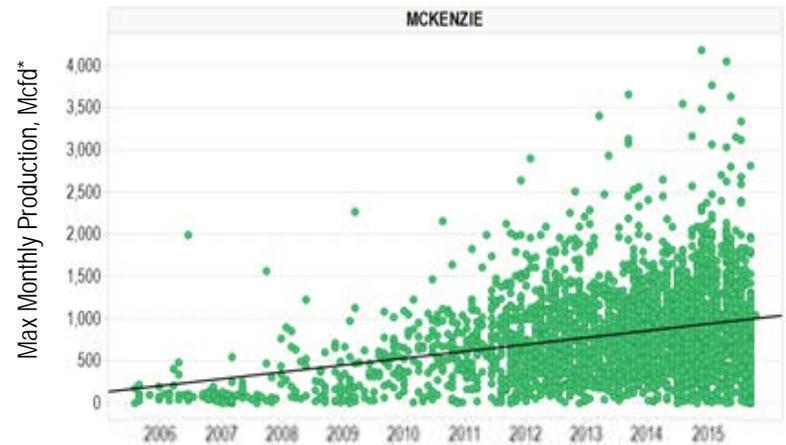
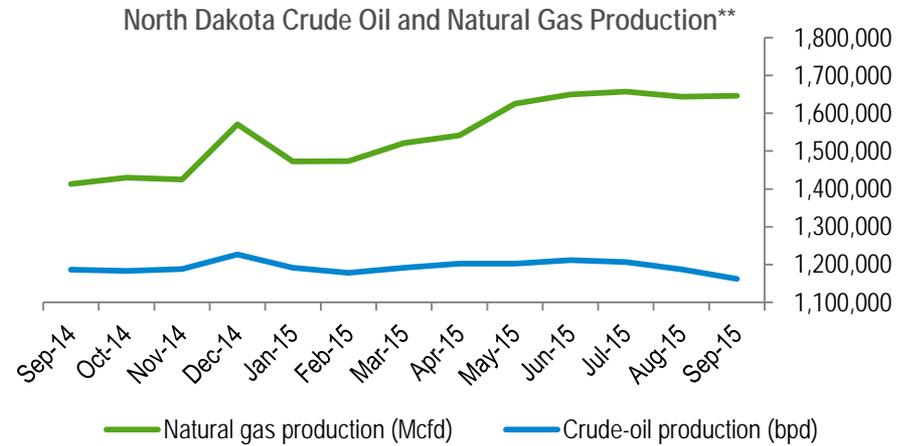
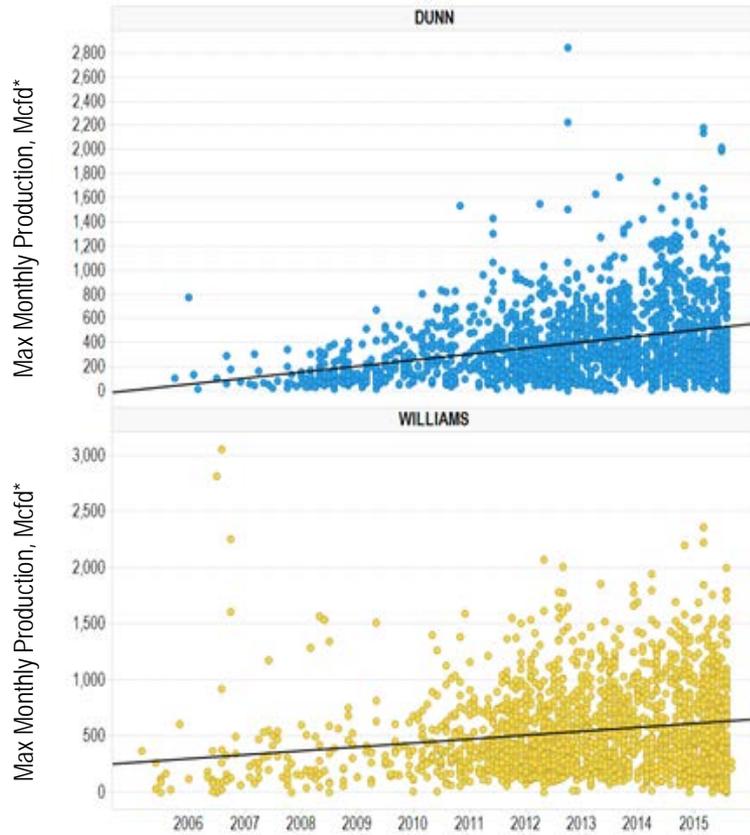
- Represents 5 wells waiting on completion\*
- ▲ Existing OKS plants
- Compressor stations completed in 2015
- ▲ Lonesome Creek plant completed in November 2015
- ▲ Bear Creek plant to be complete in third quarter 2016
- OKS gathering pipelines\*



\*Visual representation of the approximate number of public wells per county and OKS gathering footprint, exact locations are varied  
Source: NDIC

# WILLISTON BASIN

## INITIAL PRODUCTION RATES AND STATE-WIDE PRODUCTION



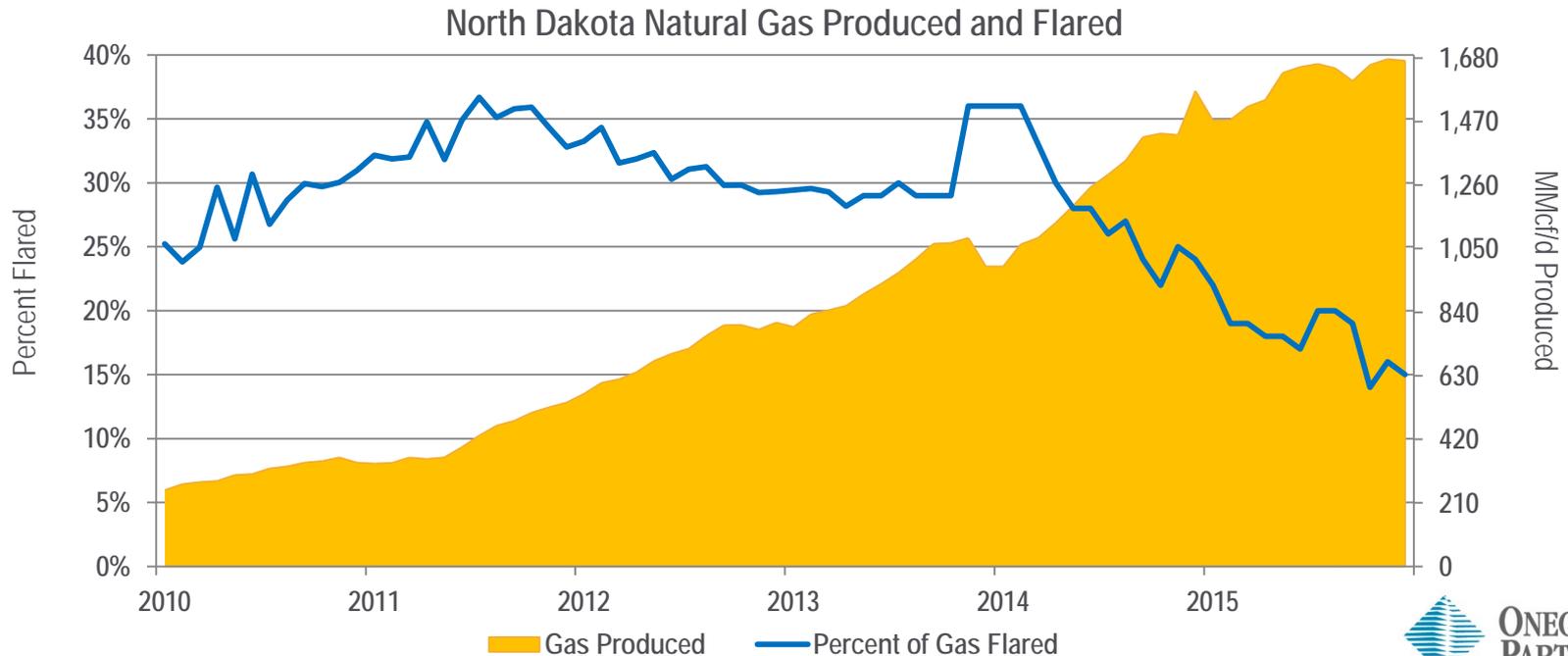
\* Each dot represents one well. Multiple dots could be plotted in the same area. Source: IHS, November 2015

\*\* Source: North Dakota Pipeline Authority

# WILLISTON BASIN

## INCREASED GAS CAPTURE AND VOLUME BACKLOG BENEFITS OKS

- Increased natural gas capture results in increased NGL and natural gas value uplift
- 85% of North Dakota's natural gas production was captured in December 2015
- North Dakota Industrial Commission (NDIC) policy targets:
  - Increase natural gas capture to: 80% by April 2016; 85% by Nov. 2016; 88% by Nov. 2018 and 91% by Nov. 2020
- December statewide flaring was approximately 250 MMcf/d
- Producer customers are more incentivized to increase natural gas capture rates to maximize the value of wells drilled



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# NATURAL GAS GATHERING AND PROCESSING

## COMMODITY PRICE RISK MITIGATION

2016 natural gas equity volumes are expected to be lower than in 2015 due to contract restructuring efforts. As contracts continue to become more fee-based, the partnership's exposure to commodity prices will continue to be reduced.

- 
- 2016 hedged positions\*
    - Natural gas: 83% at \$2.96/MMBtu
      - 89,100 MMBtu/d of estimated equity volumes
    - Condensate: 57% at \$59.24/barrel
      - 3,000 bpd of estimated equity volumes
    - NGLs<sup>\*\*</sup>: 80% at \$0.48/gallon
      - 9,900 bpd of estimated equity volumes
  - 2017 hedged positions\*
    - Natural gas: 48% at \$2.62/MMBtu
      - 106,000 MMBtu/d of estimated equity volumes
    - Condensate: 49% at \$43.65/barrel
      - 3,000 bps of estimated equity volumes
    - NGLs<sup>\*\*</sup>: 9% at \$0.40/gallon
      - 10,800 bpd of estimated equity volumes

\*As of Feb. 18, 2015

\*\*NGLs hedged reflect propane, normal butane, iso-butane and natural gasoline only. The ethane component of the equity NGL volume

Page 49 is not hedged and not expected to be material to ONEOK Partners' results of operations.



# ONEOK PARTNERS

## COMMODITY PRICE ASSUMPTIONS AND SENSITIVITIES

2016	NYMEX Crude Oil (\$/Bbl)	NYMEX Natural Gas (\$/MMBtu)	NGL composite (\$/gallon)	Conway/Belview Ethane Spread (\$/gallon)
	\$43.50	\$2.35	\$0.39	\$0.02

2016	Unhedged Volume	Annual Contribution (\$ in millions)	Net Margin Impact of 10% Price Movement (\$ in millions)
Natural gas	15,000 MMBtu/d	\$12.90	\$1.3
Natural gas liquids*	2,000 bpd	\$12.20	\$1.2
Condensate	1,320 bpd	\$21.00	\$2.1
Total			\$4.6

### Commodity Price Sensitivity After Hedging

Commodity	Sensitivity	Full-year 2016 Net Margin Impact (\$ in millions)
Natural gas	\$0.10 / MMBtu	\$0.5
Natural gas liquids	\$0.01 / gallon	\$0.6
Crude oil	\$1.00 / barrel	\$0.7

\* NGLs hedged reflect propane, normal butane, iso-butane and natural gasoline only. The ethane component of the equity NGL volume is not hedged and not expected to be material to ONEOK Partners' results of operations.



# APPENDIX – ONEOK PARTNERS GROWTH PROJECTS



# WILLISTON BASIN-RELATED GROWTH PROJECTS

~\$1.5 BILLION COMPLETED

Major Project	Scope	CapEx (\$ Millions)	Contract Type	Completed
Bakken NGL Pipeline expansion – Phase I	<ul style="list-style-type: none"> <li>Bakken NGL Pipeline: 600-mile, 12-inch NGL pipeline with initial capacity of 60,000 bpd</li> <li>Phase I expansion increased capacity to 135,000 bpd</li> <li>Dedicated supply from OKS plants and third party plants</li> </ul>	\$90	Fee based	September 2014
Niobrara NGL Lateral	<ul style="list-style-type: none"> <li>NGL pipeline lateral connecting to Bakken NGL pipeline</li> </ul>	\$65	Fee based	September 2014
Garden Creek II plant and related infrastructure	<ul style="list-style-type: none"> <li>120 MMcf/d* capacity</li> </ul>	\$310	POP with fee components	August 2014
Garden Creek III plant and related infrastructure	<ul style="list-style-type: none"> <li>120 MMcf/d* capacity</li> </ul>	\$310	POP with fee components	October 2014
Lonesome Creek plant and related infrastructure	<ul style="list-style-type: none"> <li>200 MMcf/d* capacity</li> </ul>	\$580–\$620	POP with fee components	November 2015
Natural gas compression	<ul style="list-style-type: none"> <li>100 MMcf/d* total additional processing capacity at existing Garden Creek and Stateline plants (20 MMcf/d each)</li> </ul>	\$70 - \$80	POP with fee components	December 2015
Sage Creek infrastructure	<ul style="list-style-type: none"> <li>Compression and gathering pipelines to support Sage Creek plant upgrades</li> </ul>	\$35	POP with fee components	December 2015

\*Backed by acreage dedications

# WILLISTON BASIN-RELATED GROWTH PROJECTS

~\$1.3 BILLION ANNOUNCED

Major Project	Scope	CapEx (\$ Millions)	Contract Type	Timing
Stateline de-ethanization facilities	<ul style="list-style-type: none"> <li>26,000 barrels per day (bpd) of ethane produced at Stateline I and II through de-ethanization facilities</li> </ul>	\$60-\$80	Fee Based	Third quarter 2016
Bear Creek plant and related infrastructure	<ul style="list-style-type: none"> <li>80 MMcf/d* capacity</li> <li>40-mile NGL gathering pipeline connecting plant to Bakken NGL Pipeline</li> </ul>	\$230-\$330	POP with fee components	Third quarter 2016
Bakken NGL Pipeline expansion – Phase II	<ul style="list-style-type: none"> <li>Increase capacity by 25,000 bpd (160,000 bpd total capacity)</li> </ul>	\$100	Fee based	Third quarter 2018
Bronco plant and related infrastructure	<ul style="list-style-type: none"> <li>50 MMcf/d* capacity</li> <li>65-mile NGL gathering pipeline connecting plant to Bakken NGL Pipeline</li> </ul>	\$130-\$200	POP with fee components	Suspended**
Demicks Lake plant and related infrastructure	<ul style="list-style-type: none"> <li>200 MMcf/d* capacity</li> <li>12-mile NGL gathering pipeline connecting plant to Bakken NGL Pipeline</li> </ul>	\$475-\$670	POP with fee components	Suspended**

\*Backed by acreage dedications

\*\*Suspended until market conditions improve



# MID-CONTINENT AND GULF COAST-RELATED GROWTH PROJECTS

~\$1.8 BILLION COMPLETED

Major Project	Scope	CapEx (\$ Millions)	Contract Type	Completed
Sterling III pipeline and reconfiguration of Sterling I and II	<ul style="list-style-type: none"> <li>550-mile, 16-inch NGL pipeline</li> <li>Initial capacity of 193,000 bpd</li> </ul>	\$808	Fee based	March 2014
Canadian Valley Plant	<ul style="list-style-type: none"> <li>200 MMcf/d* capacity</li> <li>Cana-Woodford Shale</li> </ul>	\$255	POP with fee components	March 2014
MB E/P Splitter	<ul style="list-style-type: none"> <li>40,000 bpd</li> <li>Splits E/P mix into purity ethane</li> </ul>	\$46	Differential based	March 2014
MB-3 fractionator	<ul style="list-style-type: none"> <li>75,000 bpd</li> </ul>	\$530	Fee based	December 2014
Hutchinson to Medford NGL pipeline	<ul style="list-style-type: none"> <li>95-mile NGL pipeline between existing NGL fractionation at Hutchinson, Kansas, and Medford, Oklahoma</li> </ul>	\$120	Fee based	April 2015

~\$360 MILLION ANNOUNCED

Major Project	Scope	CapEx (\$ Millions)	Contract Type	Timing
Knox plant and related infrastructure	<ul style="list-style-type: none"> <li>200 MMcf/d* capacity</li> <li>SCOOP play</li> </ul>	\$240-\$470	POP with fee components	Suspended**

\*Backed by acreage dedications

\*\*Suspended until market conditions improve

# PERMIAN GROWTH PROJECTS

~\$540 MILLION ANNOUNCED

Major Project	Scope	Approximate Costs (\$ Millions)	Contract Type	Timing
WesTex Transmission Pipeline Expansion	<ul style="list-style-type: none"> <li>Constructing two new and upgrading three existing compressor stations</li> <li>Increasing capacity by 260 MMcf/d</li> </ul>	\$70-\$100	Fee based	First quarter 2017
Roadrunner Gas Transmission Pipeline – Equity-Method Investment Phases I, II, III *	<ul style="list-style-type: none"> <li>50-50 joint venture equity method investment project with Fermaca</li> <li>200-mile natural gas pipeline</li> <li>640 MMcf/d total capacity</li> <li>Permian Basin to the Mexican border near El Paso, Texas</li> </ul>	\$430-\$480	Fee based	Various
- Phase I	<ul style="list-style-type: none"> <li>170 MMcf/d</li> </ul>	\$190-\$210	Fee based	First quarter 2016
- Phase II	<ul style="list-style-type: none"> <li>400 MMcf/d</li> </ul>	\$210-\$230	Fee based	First quarter 2017
- Phase III	<ul style="list-style-type: none"> <li>70 MMcf/d</li> </ul>	\$30-\$40	Fee based	2019

*\*Approximate costs represent total project costs, which are expected to be financed with approximately 50 percent equity contributions and 50 percent debt issued by Roadrunner. We expect to make equity contributions for approximately 25 percent of the total project costs.*

# ACQUISITIONS

~\$1.2 BILLION COMPLETED

Major Project	Scope	CapEx (\$ Millions)	Contract Type	Timing
Sage Creek natural gas processing plant	<ul style="list-style-type: none"><li>50 MMcf/d* natural gas processing capacity</li><li>Powder River Basin</li></ul>	\$305	POP with fee components	September 2013
Remaining 30 percent interest in Maysville plant	<ul style="list-style-type: none"><li>40 MMcf/d in additional natural gas processing capacity</li><li>Cana-Woodford Shale</li></ul>	\$90	Fee based	December 2013
West Texas LPG pipeline system	<ul style="list-style-type: none"><li>2,600 total mile NGL gathering pipeline acquisition</li><li>Permian Basin</li></ul>	\$800	Fee based	November 2014

*\*Backed by acreage dedications*

# NON-GAAP RECONCILIATIONS – ONEOK



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# NON-GAAP RECONCILIATIONS

## *ONEOK, INC.*

ONEOK has disclosed in this presentation anticipated cash flow available for dividends, free cash flow and dividend coverage ratio, all amounts that are non-GAAP financial measures.

Management believes these measures provide useful information to investors as a measure of financial performance for comparison with peer companies; however, these calculations may vary from company to company, so the company's computations may not be comparable with those of other companies.

Cash flow available for dividends is defined as net income less the portion attributable to noncontrolling interests, adjusted for equity in earnings and distributions declared from ONEOK Partners, and ONEOK's stand-alone depreciation and amortization, deferred income taxes and certain other items, less ONEOK's stand-alone capital expenditures.

Free cash flow is defined as cash flow available for dividends, computed as described, less ONEOK's dividends declared.

Dividend coverage ratio is defined as cash flow available for dividends divided by the dividends declared for the period.

These non-GAAP measures should not be considered in isolation or as a substitute for net income, income from operations or other measures of financial performance determined in accordance with GAAP.

These non-GAAP financial measures exclude some, but not all, items that affect net income. Additionally, these calculations may not be comparable with similarly titled measures of other companies. Reconciliations of cash flow available for dividends and free cash flow to net income are included in the tables.

# OKE FINANCIAL MEASURES

## CASH FLOW AVAILABLE FOR DIVIDENDS

(\$ in Millions)	2014	2015	2016G
Recurring cash flows:			
Distributions from ONEOK Partners – declared	\$633	\$735	~ \$790
Interest expense, excluding non cash items	(69)	(78)	~(105)
Cash income taxes	-	-	-
Released contracts from the former energy services business	48	(34)	~(20)
Corporate expenses	(7)	(7)	~(10)
Equity compensation reimbursed by ONEOK Partners	31	27	~25
Cash flows from recurring activities	636	643	~680
Separation-related costs/OGS cash flow/debt reduction	(6)	-	-
Total cash flows	630	643	~680
Capital expenditures	(9)	(2)	~(5)
Cash flow available for dividends	621	641	~675
Dividends declared	(485)	(510)	~(515)
Free cash flow	\$136	\$131	~\$160
Dividend coverage ratio	1.3x	1.3x	~1.3x

# OKE NON-GAAP RECONCILIATION

## CASH FLOW AVAILABLE FOR DIVIDENDS AND FREE CASH FLOW

<i>(\$ in Millions)</i>	2014	2015	2016G
Net income attributable to ONEOK	\$314	\$245	~\$360
Depreciation and amortization	15	2	~5
Deferred income taxes	141	133	~200
Equity in earnings of ONEOK Partners	(563)	(464)	~(700)
Distributions from ONEOK Partners – declared	633	735	~790
Equity compensation reimbursed by ONEOK Partners	31	27	~25
Energy Services realized working capital	63	(39)	~(20)
Other	(4)	4	~20
Total cash flows	630	643	~680
Capital expenditures	(9)	(2)	~(5)
Cash flow available for dividends	621	641	~675
Dividends	(485)	(510)	~(515)
Free cash flow	\$136	\$131	~\$160

# NON-GAAP RECONCILIATIONS – ONEOK PARTNERS



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# NON-GAAP RECONCILIATIONS

## ONEOK PARTNERS

ONEOK Partners has disclosed in this presentation its historical and anticipated adjusted EBITDA, distributable cash flow (DCF) and cash distribution coverage ratio, which are non-GAAP financial metrics, used to measure the partnership's financial performance and are defined as follows:

Adjusted EBITDA is defined as net income adjusted for interest expense, depreciation and amortization, impairment charges, income taxes and allowance for equity funds used during construction and certain other noncash items;

DCF is defined as adjusted EBITDA, computed as described above, less interest expense, maintenance capital expenditures and equity earnings from investments, excluding noncash impairment charges, adjusted for cash distributions received and certain other items; and

Cash distribution coverage ratio is defined as distributable cash flow to limited partners per limited partner unit divided by the distribution declared per limited partner unit for the period.

The partnership believes the non-GAAP financial measures described above are useful to investors because they are used by many companies in its industry to measure financial performance and are commonly employed by financial analysts and others to evaluate the financial performance of the partnership and to compare the financial performance of the partnership with the performance of other publicly traded partnerships within its industry.

Adjusted EBITDA, DCF and cash distribution coverage ratio should not be considered alternatives to net income, earnings per unit or any other measure of financial performance presented in accordance with GAAP.

These non-GAAP financial measures exclude some, but not all, items that affect net income. Additionally, these calculations may not be comparable with similarly titled measures of other companies. Furthermore, these non-GAAP measures should not be viewed as indicative of the actual amount of cash that is available for distributions or that is planned to be distributed for a given period nor do they equate to available cash as defined in the partnership agreement.

Reconciliations of adjusted EBITDA and DCF are included in the tables.

This presentation references forward-looking estimates of annual adjusted EBITDA and adjusted EBITDA investment multiples projected to be generated by capital-growth projects. A reconciliation of estimated adjusted EBITDA to GAAP net income is not provided because the GAAP net income generated by the individual capital-growth projects is not available without unreasonable efforts.



# OKS NON-GAAP RECONCILIATIONS

## ADJUSTED EBITDA AND DISTRIBUTABLE CASH FLOW

(\$ in Millions)	2011	2012	2013	2014	2015	2016G
<b>Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow</b>						
Net Income	\$831	\$888	\$804	\$911	\$598	~\$1,120
Interest expense	223	206	237	282	339	~370
Depreciation and amortization	178	203	237	291	352	~380
Impairment charges	-	-	-	76	264	-
Income tax (benefit) expense	13	10	11	13	4	~11
Allowance for equity funds used during construction and other non-cash items	(3)	(13)	(31)	(15)	8	~(1)
<b>Adjusted EBITDA</b>	<b>\$1,242</b>	<b>\$1,294</b>	<b>\$ 1,258</b>	<b>\$1,558</b>	<b>\$1,565</b>	<b>~\$1,880</b>
Interest expense	(223)	(206)	(237)	(282)	(339)	~(370)
Maintenance capital	(94)	(102)	(92)	(127)	(116)	~(140)
Equity in net earnings from investments, net noncash impairment charges	(127)	(123)	(111)	(117)	(125)	~(135)
Distributions received from unconsolidated affiliates	156	156	137	139	156	~160
Distributions to noncontrolling interest and other	(8)	(11)	(6)	(2)	(5)	~(5)
<b>Distributable cash flow</b>	<b>\$946</b>	<b>\$1,008</b>	<b>\$ 949</b>	<b>\$1,169</b>	<b>\$1,136</b>	<b>~\$1,390</b>

