



FIRST-QUARTER 2016 UPDATE

May 3, 2016



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.

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All references in this presentation to financial and volume guidance are based on news releases issued on Dec. 21, 2015, Feb. 22, 2016, and May 3, 2016, and are not being updated or affirmed by this presentation.



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ONEOK PARTNERS

UNIQUELY POSITIONED

- Natural Gas Liquids segment, the second-largest natural gas liquids gathering and fractionation system in the U.S., uniquely positioned:

~90%
Fee-based

- In the Mid-Continent, levered to Cana-Woodford, STACK and SCOOP, as the significant natural gas liquids takeaway provider
 - Connected to ~110 natural gas processing plants
- In the Williston Basin as the only significant natural gas liquids takeaway provider
 - Connected to ~10 natural gas processing plants
- In the Permian Basin as one of the low cost natural gas liquids takeaway providers
 - Connected to ~60 natural gas processing plants

- Natural Gas Pipelines segment uniquely positioned:

~100%
Fee-based

- By being connected to end-use markets – local natural gas distribution companies, electric-generation facilities and large industrial companies
- In the Permian Basin to serve growing markets in Mexico
- By providing Mexico access to upstream supply basins in West Texas and the Mid-Continent

- Gathering and Processing segment uniquely positioned:

>75%
Fee-based

- In the Williston Basin to capture growing volumes from flared natural gas inventory, new well connections and a substantial backlog of wells drilled but not completed
- In the Mid-Continent with acreage dedications in the Cana-Woodford, STACK and SCOOP plays

ONEOK PARTNERS

STRENGTHENING OUR POSITION IN CHALLENGING TIMES

- Increased expected 2016 fee-based earnings to approximately 85 percent, compared with 66 percent in 2014
 - ✓ Restructured gathering and processing segment's contracts and expect more than 75 percent fee-based earnings in 2016 compared with 33 percent in 2014
 - ✓ Increased natural gas liquids segment's fee-based earnings through organic growth projects and strategic acquisition of the West Texas LPG system
 - ✓ Increased natural gas pipelines segment's fee-based earnings through the Roadrunner Gas Transmission, WesTex Pipeline expansion and Midwestern Gas Transmission pipeline projects
- Enhanced our strong balance sheet, liquidity and financial flexibility through prudent and proactive financial decisions resulting in no public debt or equity offerings well into 2017
 - ✓ 1.0 times or greater distribution coverage expected
 - ✓ \$1 billion three-year unsecured term loan entered into in January 2016
 - ✓ \$750 million of equity issued in August 2015
 - ✓ \$280 million of equity issued through the at-the-market equity program in 2015
 - ✓ \$2.4 billion revolving credit facility, an increase from \$1.7 billion; and extended maturity to January 2020
 - ✓ \$800 million of short-term debt termed out in March 2015
- Reduced capital growth by more than \$2.2 billion in two years to align with customer needs while continuing to increase volumes and earnings
 - ✓ More than \$1.6 billion in capital-growth reduction from original 2015 capital guidance
 - ✓ More than \$600 million in capital-growth reduction in 2016 compared with 2015

ONEOK

STRENGTHENING OUR POSITION IN CHALLENGING TIMES

- Enhanced our liquidity and financial flexibility through increased investment in ONEOK Partners
 - ✓ Invested \$650 million in the partnership, which increased ownership to 41.2 percent in August 2015
 - ✓ Increased cash flow by more than \$100 million
 - ✓ Increased depreciation deductions; driving expected 2016 cash taxes to zero and reducing future cash taxes
- Positioned to provide support, if needed, to assist the partnership in maintaining its investment-grade credit rating
 - ✓ Maintained a 1.26 times dividend coverage or \$131 million of free cash flow in 2015 and expect to maintain approximately 1.3 times coverage or \$160 million of free cash flow in 2016
 - ✓ Expect \$250 million of available cash by year-end 2016

ONEOK AND ONEOK PARTNERS

KEY POINTS

ONEOK

- Proven track record of prudent and proactive financial decisions during uncertain times results in financial strength and flexibility
 - Reduced dividend growth
 - Retained additional cash
 - Continued financial support of ONEOK Partners
- Stable Cash Flow
 - General partner and limited partner distributions from partnership drive significant cash flow generation
 - Cash flow and cash on hand can support ONEOK Partners in taking the necessary steps to maintain its investment-grade credit rating

ONEOK Partners

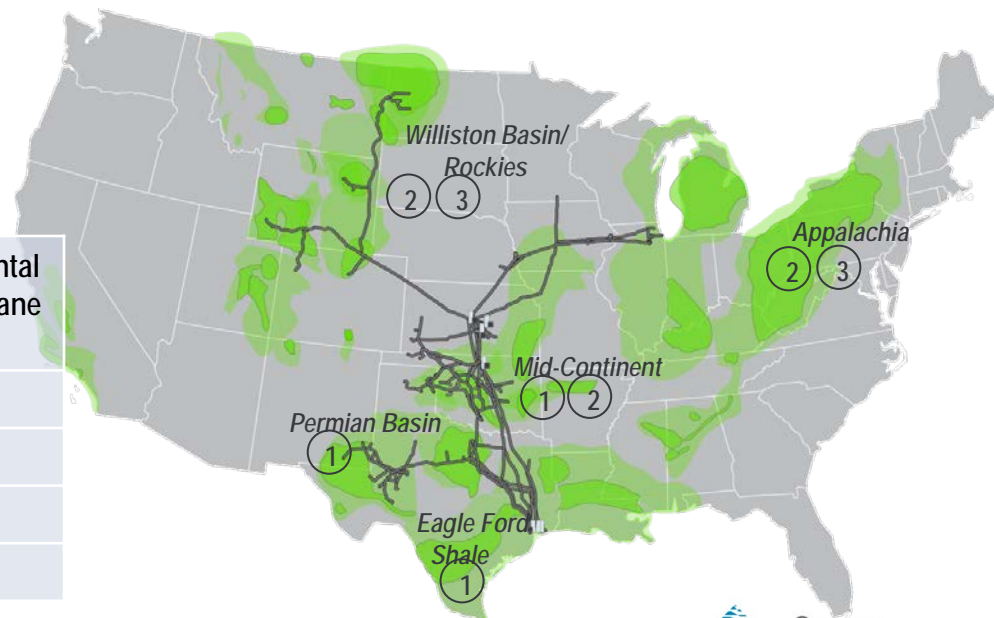
- Proven track record of prudent and proactive financial decisions during uncertain times results in financial strength and flexibility
 - Reduced distribution growth
 - Reduced growth capital
 - Satisfied public debt and equity financing needs well into 2017
 - Progress in de-leveraging – 4.2 times GAAP debt-to-EBITDA or less by late 2016
 - Reduced commodity exposure in the gathering and processing segment through recontracting
- Stable Cash Flow
 - Strong balance sheet and financial flexibility: maintain investment-grade ratings with increased liquidity to support capital-growth projects
 - Transformed the natural gas gathering and processing segment to a primarily fee-based business
 - Continue to build on large integrated fee-based earnings platform
- Strategic assets connecting prolific supply basins and key markets
 - Uniquely positioned in multiple high-growth liquids-rich areas resulting in significant supply diversification: the Williston Basin, Cana-Woodford, Springer Shale, STACK and SCOOP plays in Oklahoma, and the Permian Basin
 - Connecting major natural gas and NGL markets – Gulf Coast, Midwest and Southwest
 - Natural gas and natural gas liquids volume growth from supply and market-driven organic projects and strategic acquisitions
 - ONEOK Partners' NGL system positioned to serve growing ethane demand

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 175,000 – 200,000 bpd
 - Potential annual earnings uplift from full ethane recovery estimated to be approximately \$200 million
- Basins closer to market hubs will likely be the first to recover ethane
- Incremental ethane opportunity for the partnership by basin:
 - Mid-Continent: ~140,000 bpd
 - Williston Basin: ~35,000 bpd
 - Permian: ~10,000 bpd

Ethane Supply	Expected Timing	Expected Incremental Petrochemical Ethane Demand
1	2Q2016 – 1Q2017	93,000 bpd
2	2Q2017 – 3Q2017	308,000 bpd
3	4Q2017 – 1Q2020	192,000 bpd
	Total	593,000 bpd



— ONEOK Partners NGL assets

NATURAL GAS LIQUIDS

VOLUME UPDATE

- 2016 volume growth weighted toward the second half of the year
- First quarter volumes impacted by significantly lower spot volumes and higher ethane rejection compared with the fourth quarter 2015
- 2016 expected new processing plant connections
 - Four third-party plants
 - First quarter – Williston Basin (1), Mid-Continent (1), Permian (1)
 - Third Quarter – Mid-Continent (1)
 - Bear Creek in the third quarter 2016

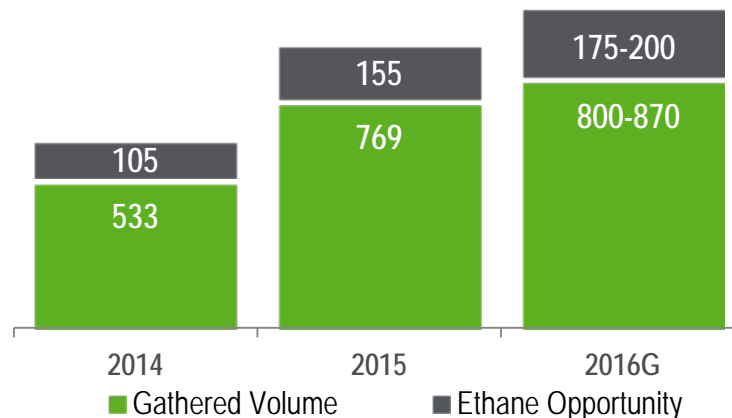
Region/ Asset	First Quarter 2016 – Average Gathered Volumes	Average Bundled Rate (per gallon)
Bakken NGL Pipeline	116,000 bpd	> 30 cents**
Mid-Continent	440,000* bpd	~ 9 cents**
West Texas LPG system	195,000 bpd	< 4 cents***

* Includes spot volumes

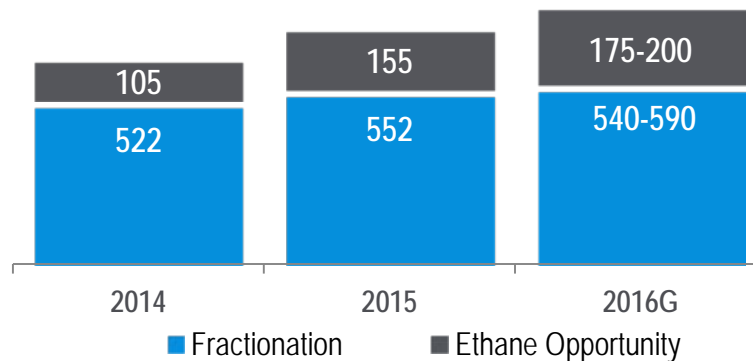
** Includes transportation and fractionation

*** Includes transportation

Gathered Volume (MBbl/d)



Fractionation Volume (MBbl/d)



NATURAL GAS GATHERING AND PROCESSING

VOLUME UPDATE

Rocky Mountain

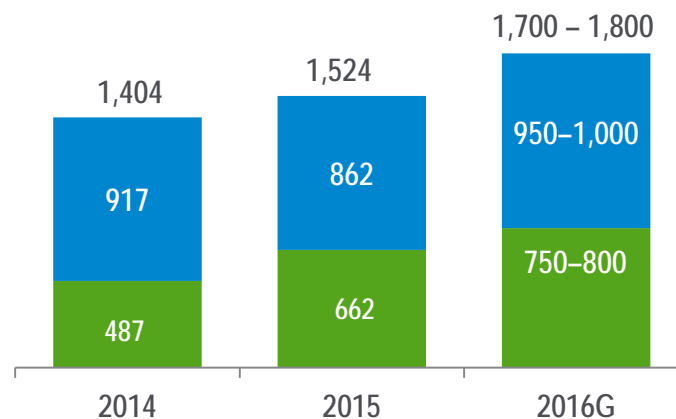
- First-quarter 2016 processed volumes increased 6%, compared with the fourth quarter 2015
 - Lonesome Creek completed in November 2015
 - Bear Creek to be completed in the third quarter 2016

Mid-Continent

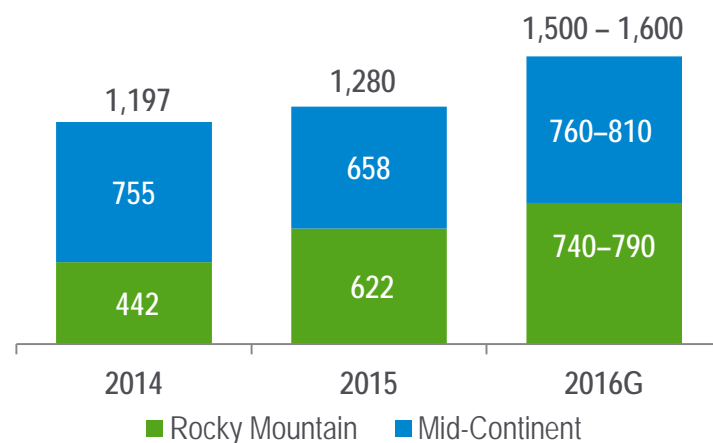
- First-quarter 2016 processed volumes increased 8%, compared with the fourth quarter 2015

Region	First Quarter 2016 – Average Gathered Volumes	First Quarter 2016 – Average Processed Volumes
Rocky Mountain	805 MMcf/d	775 MMcf/d
Mid-Continent	835 MMcf/d	680 MMcf/d

Gathered Volumes (MMcf/d)



Processed Volumes (MMcf/d)



BUSINESS SEGMENT PERFORMANCE

Q1 2016 vs. Q4 2015 VARIANCES

- **Natural gas gathering and processing earnings increased**
 - \$21.6 million increase due primarily to restructured contracts resulting in higher average fee rates
 - \$8.9 million increase due to decreased operating costs
 - \$2.0 million increase due primarily to natural gas volume growth in the Williston Basin
 - \$26.9 million decrease due primarily to lower net realized NGL, natural gas and condensate prices
- **Natural gas pipelines earnings increased**
 - \$2.3 million increase due primarily to higher transportation revenues from higher firm transportation
- **Natural gas liquids earnings decreased**
 - \$7.2 million increase due to decreased operating costs
 - \$3.9 million increase due to operational measurement gains in first quarter 2016 and operational measurement losses in fourth quarter 2015 related to exchange and storage services
 - \$2.5 million increase in optimization activities
 - \$10.1 million decrease in our fee-based exchange-services, due primarily to decreased spot volumes and seasonality of volumes and narrower NGL product price differentials, offset partially by an increase primarily related to higher rates
 - \$5.6 million decrease in marketing activities
 - \$3.3 million decrease due to increased ethane rejection in the Mid-Continent, which resulted in decreased volumes gathered and fractionated

