



**ONEOK**

**J.P. MORGAN  
ENERGY  
CONFERENCE**

JUNE 18-19, 2019



# 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 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 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.

All references in this presentation to financial guidance are based on news releases issued on Feb. 25, 2019, and April 30, 2019, and are not being updated or affirmed by this presentation.



Elk Creek Pipeline – Kansas

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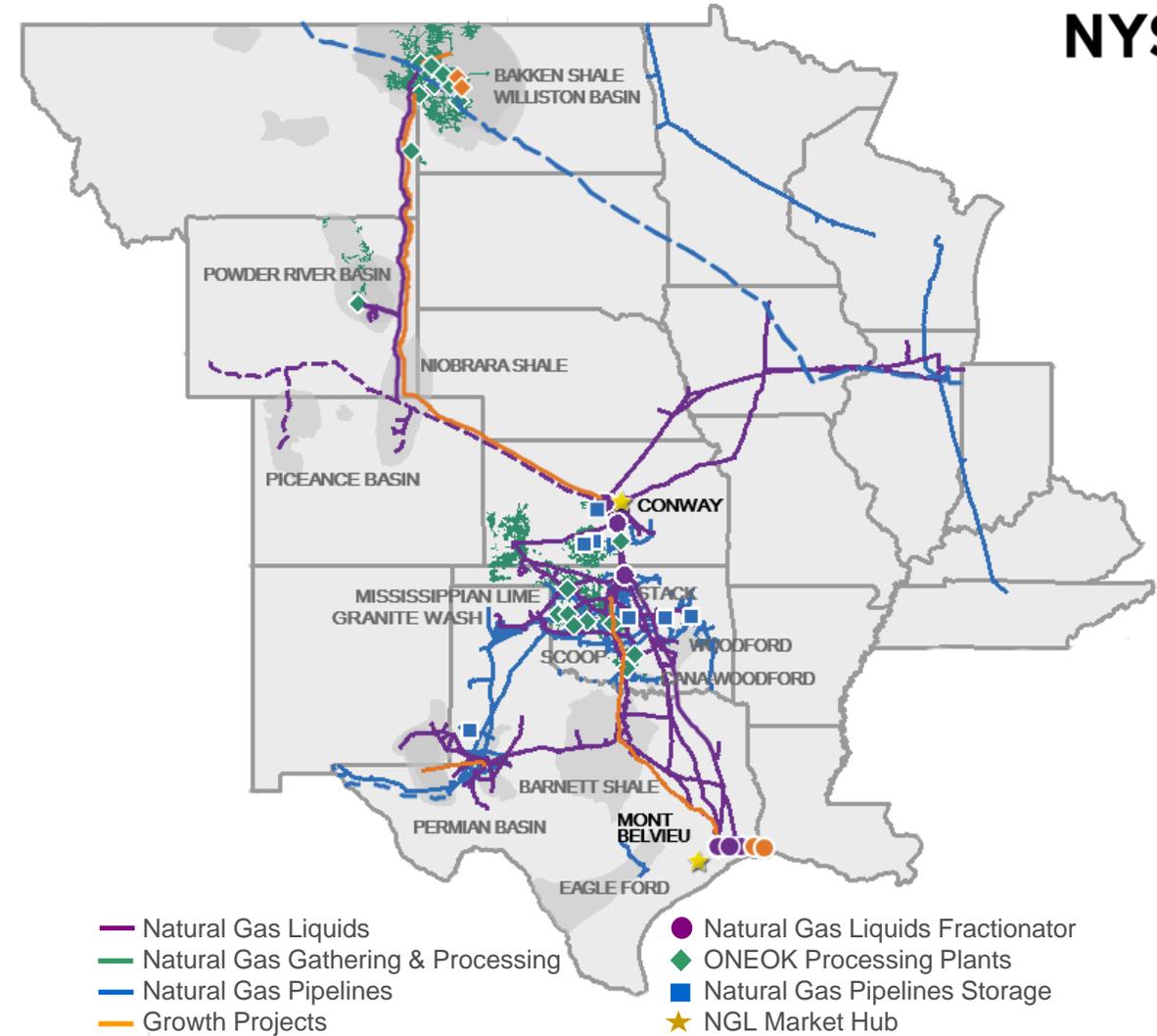


# OVERVIEW

# INTEGRATED. RELIABLE. DIVERSIFIED.

**OKE**  
**LISTED**  
**NYSE**

- ◆ Approximately 38,000-mile network of natural gas liquids and natural gas pipelines
- ◆ Provides midstream services to producers, processors and customers
- ◆ Significant basin diversification
- ◆ Growth expected to be driven by:
  - Industry fundamentals from increased producer activity
  - Highly productive basins
  - Increased ethane demand from the petrochemical industry and NGL exports



# KEY INVESTMENT CONSIDERATIONS

## A PREMIER ENERGY INFRASTRUCTURE COMPANY

### MAJOR ENERGY INFRASTRUCTURE COMPANY

- Extensive systems connect North American energy supply with worldwide demand
- Premier assets in most prolific U.S. commodity-producing basins - Permian and Williston basins; STACK and SCOOP areas<sup>(a)</sup>
- "Fee-for-service" business model benefits from growing U.S. commodity production; mitigates direct commodity price exposure

### HIGHLY ATTRACTIVE MARKET GROWTH

- Benefits from globally competitive North American resource economics
- Connects growing natural gas liquids (NGL) and natural gas supply with expanding global demand markets
- Broad range of NGL end uses driving global demand

### RARE BLEND OF CASH YIELD PLUS GROWTH

- Premier infrastructure network generates significant operating cash flow to fund both capital expenditure opportunities and attractive capital returns
- ~5% dividend yield
- Expected annual dividend coverage target greater than 1.2 times
- High-return capital-growth projects expanding core infrastructure base

### LARGE, WELL-CAPITALIZED ENTERPRISE

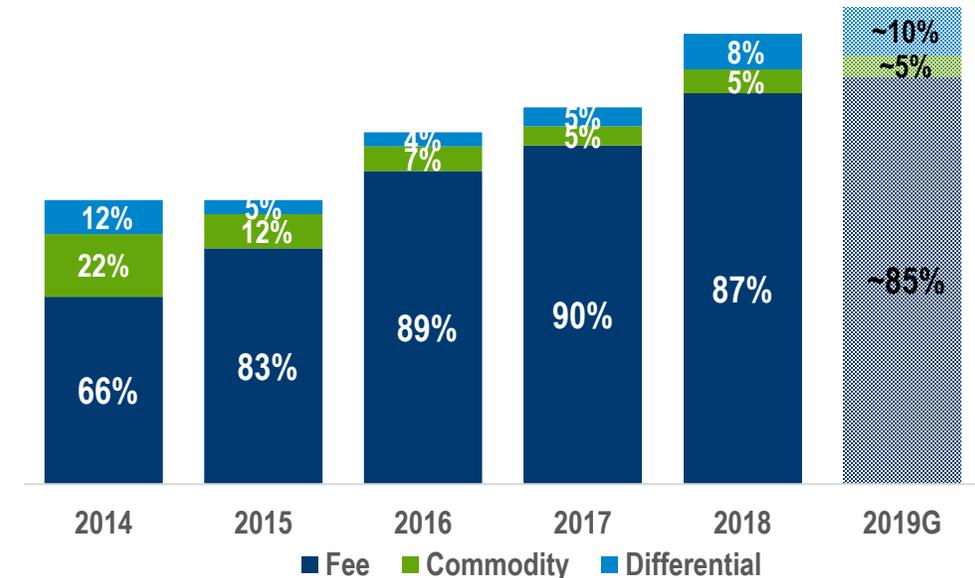
- ~\$27 billion market capitalization; S&P 500 company
- Solid investment-grade balance sheet
- Extensive asset base allows ONEOK to invest capital at attractive returns, providing clear visibility to earnings growth

### Adjusted EBITDA Growth

(\$ in billions)



### Sources of Earnings



(a) STACK: Sooner Trend (oil field), Anadarko (basin), Canadian and Kingfisher (counties); SCOOP: South Central Oklahoma Oil Province.

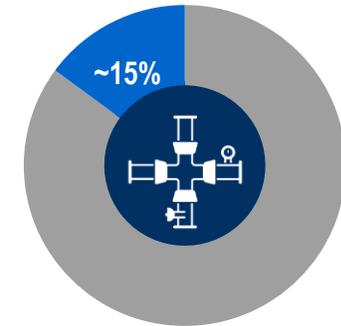
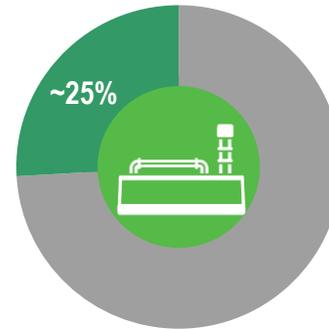
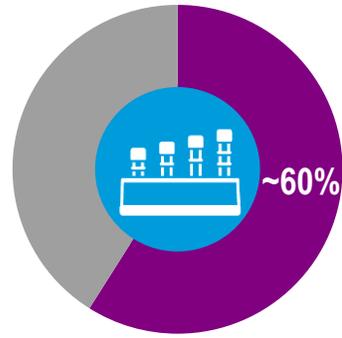
# ONEOK BUSINESS SEGMENTS

## Natural Gas Liquids

## Natural Gas Gathering and Processing

## Natural Gas Pipelines

### 2019 EARNINGS GUIDANCE



### EARNINGS MIX

>80% fee based

~85% fee based

>95% fee based

### CONTRACT STRUCTURE

Fee-based, bundled service volume commitments and plant dedications

Fee contracts with a POP component<sup>(a)</sup>

Fee-based, demand charge contracts

### CAPITAL-GROWTH PROJECTS

~\$5 billion announced and in progress

~\$1 billion announced and in progress

Routine growth in progress

### COMPETITIVE ADVANTAGE

~200 plant connections  
(>90% of Mid-Continent connections)

**Acres dedicated:** Williston Basin >3 million;  
STACK and SCOOP ~300,000

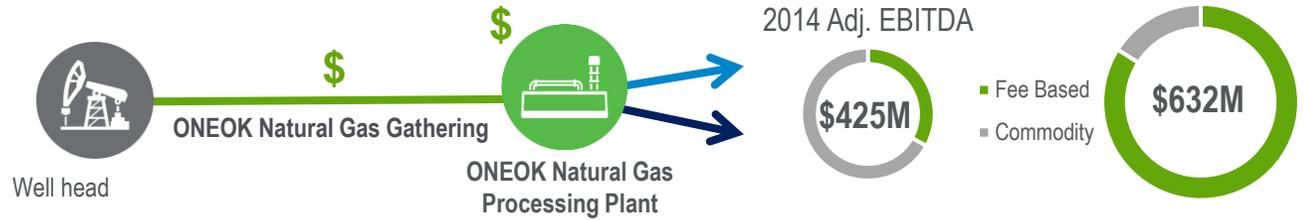
**Connected directly** to end-use markets  
(utility and industrial markets)

*(a) Percent of proceeds (POP) contracts result in retaining a portion of the commodity sales proceeds associated with the agreement. The majority of ONEOK's gathering and processing contracts are primarily fee-based with a small POP portion. Hedging activities mitigate commodity price risk that could be associated with the POP percentage.*

# ONEOK'S FEE-FOR-SERVICE BUSINESS MODEL

## FEE-BASED EARNINGS COLLECTED FROM WELLHEAD TO MARKET CENTERS

### Natural Gas Gathering and Processing

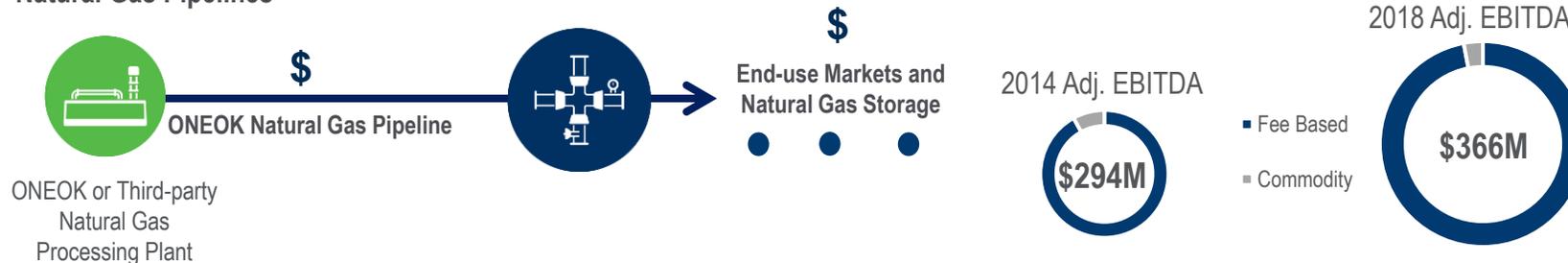


- \$ Natural Gas Gathering and Processing Fees/Sales
- \$ Natural Gas Liquids Fees/Sales
- \$ Natural Gas Pipelines Fees

### Natural Gas Liquids

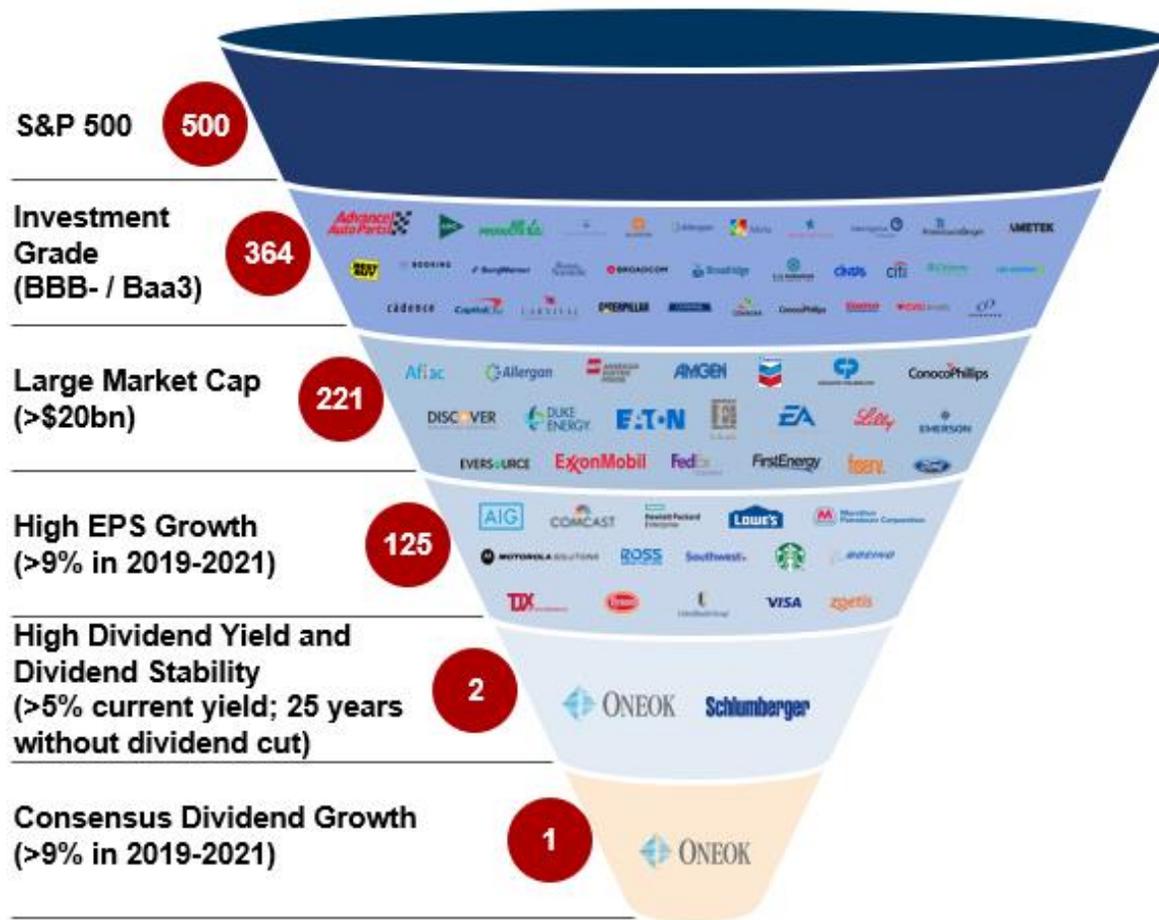


### Natural Gas Pipelines



# ONEOK VS. S&P 500

A UNIQUE INVESTMENT OPPORTUNITY



(shown as percentages)

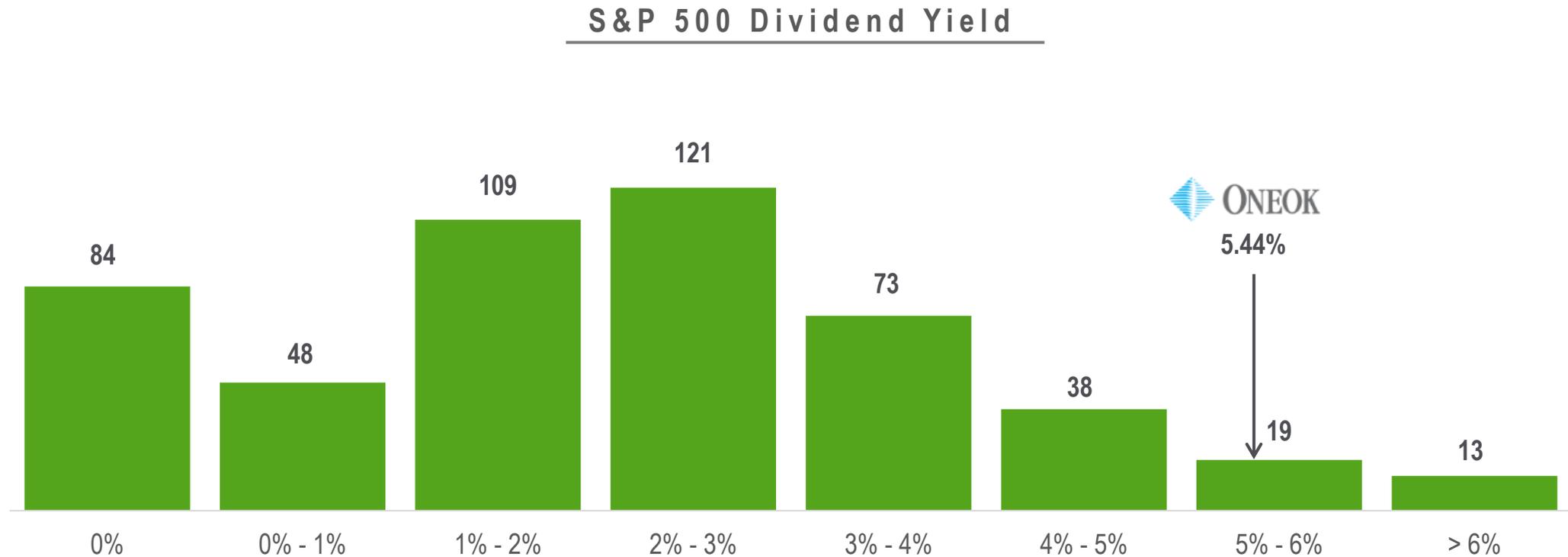
	ONEOK	Median S&P 500	Median S&P Dividend Aristocrats <sup>(b)</sup>
Approximate Current Dividend Yield	5.4	2.1	2.3
EBITDA Growth <sup>(a)</sup> 2019 – 2021	15.0	6.7	6.0
EPS Growth <sup>(a)</sup> 2019 – 2021	17.3	9.8	7.9
Dividend Growth <sup>(a)</sup> 2019 – 2021	9.1	5.7	5.6

(a) 2019-2021 growth rates based on consensus estimates as of May 31, 2019.

(b) Includes the companies within the S&P 1,500 that have followed a managed-dividends policy of consistently maintaining or increasing dividends every year for at least 20 years.

# ONEOK'S ATTRACTIVE DIVIDEND PROFILE

1 OF 32 COMPANIES IN THE S&P 500 WITH A DIVIDEND YIELD GREATER THAN 5%

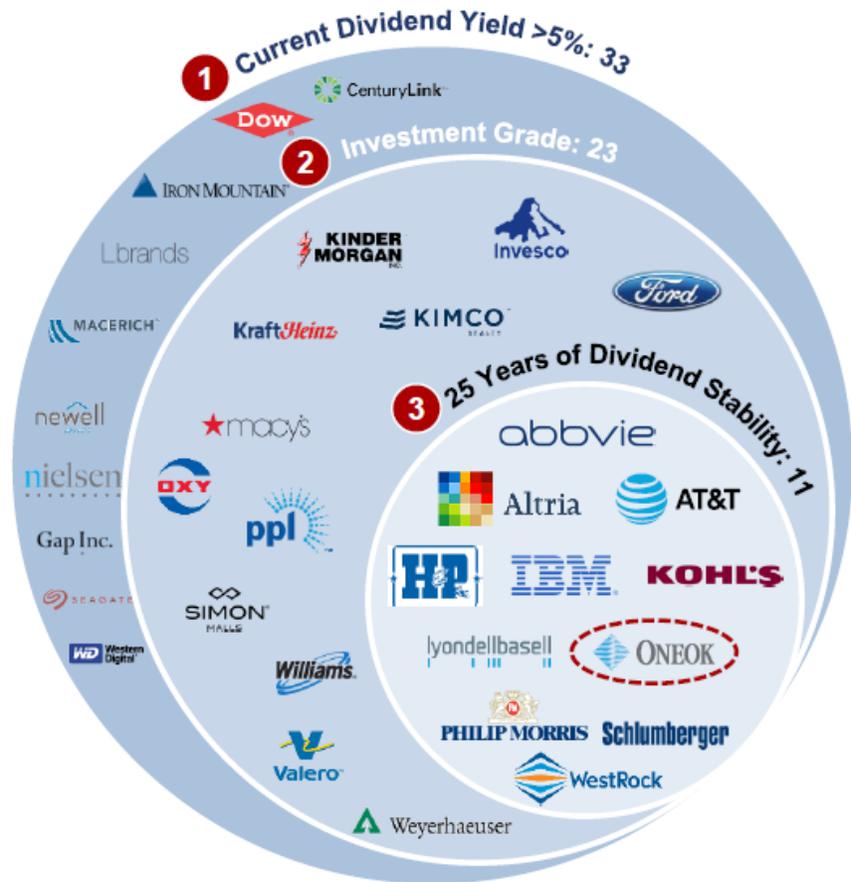


Source: NASDAQ market data as of May 31, 2019.

# THE HIGH DIVIDEND YIELD UNIVERSE

ONEOK HAS RETURNED MORE VALUE TO SHAREHOLDERS THAN OTHER HIGH DIVIDEND PEERS

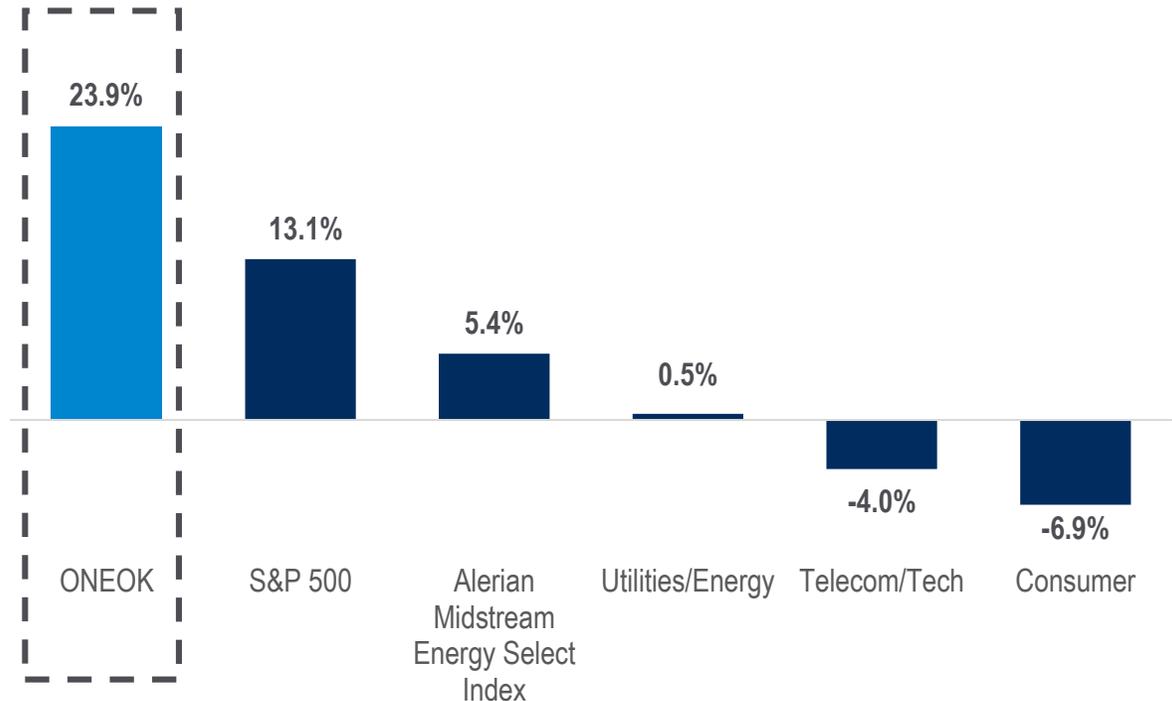
Evaluating the ONEOK Peer Universe<sup>(a)</sup>



ONEOK has 25+ years of dividend stability and growth

Total Shareholder Return vs. Peers<sup>(b)</sup>

Last three years, annualized



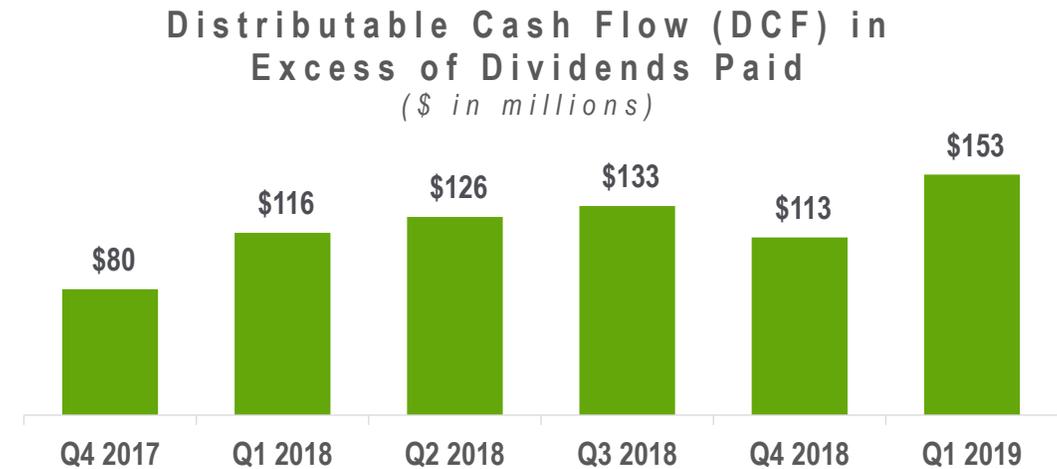
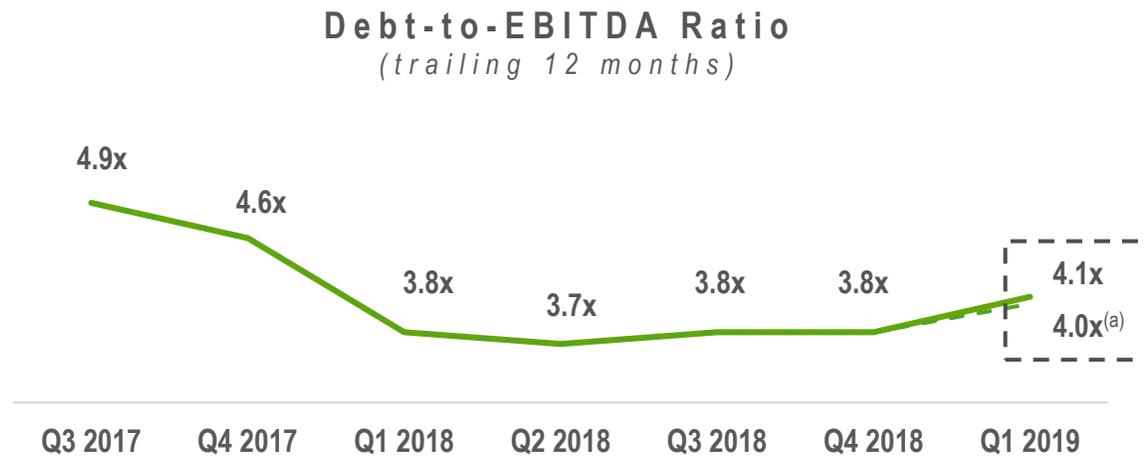
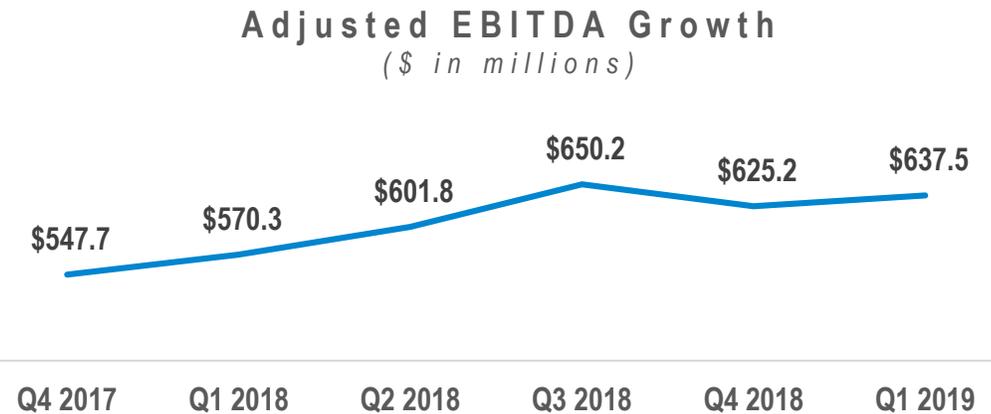
(a) Source: Bloomberg 2019 dividend estimates and market data as of May 31, 2019.

(b) Source: Bloomberg market data as of May 31, 2019. Includes investment-grade companies from graphic above. Telecom/Tech includes AT&T, CenturyLink, IBM, Seagate Technology and Western Digital. Utilities/Energy includes Helmerich & Payne, Kinder Morgan, Occidental Petroleum, PPL, Schlumberger, Williams and Valero. Consumer includes Altria, Ford, Gap, Kraft Heinz, Kohl's, L Brands, Macy's, Newell Brands and Philip Morris.

# FINANCIAL STRENGTH – A COMPETITIVE ADVANTAGE

## INCREASING EXCESS CASH

- ◆ Total liquidity of \$3.25 billion at March 31, 2019, with borrowing capacity of \$2.5 billion available on ONEOK's credit facility and \$750 million available on its three-year unsecured term loan agreement
- ◆ DCF in excess of dividends paid of \$153 million, a 35% increase compared with the fourth quarter 2018
- ◆ Investment-grade credit ratings provide a competitive advantage
  - S&P: BBB (stable); Moody's: Baa3 (stable)



(a) Q1 2019 adjusted EBITDA annualized

# ONEOK'S ESG INITIATIVES AND PRACTICES

## PROMOTING LONG-TERM BUSINESS SUSTAINABILITY

### ◆ Effective Governance and Oversight

- **Diverse board of directors** – members elected annually, including a nonexecutive chairman, lead independent director and independent committee chairs [82% independent; 18% female].
- **Executive compensation** – aligned with business strategies.

### ◆ Environmental Responsibility

- **Dedicated sustainability group** – promotes sustainable practices and awareness in business planning and operations.
- **Providing environmental solutions** – ONEOK infrastructure development in North Dakota helped reduce natural gas flaring [~19% currently being flared, >35% flared in 2014].
- **Impact assessments** – conducting environmental and social materiality assessments to help identify key focus areas and potential public disclosures.

### ◆ Committed to Safety

- **Training** – robust protocols and training focused on employee, asset and technology security.
- **ESH assessments** – conducted to measure compliance of ESH policies and procedures and target improvement areas.

### ◆ Building Stronger Communities

- ~\$7 million contributed to local communities in 2018.
- ~14,200 hours volunteered by employees in 2018.
- **Proactive community outreach** – pipeline safety outreach, open house events for growth projects, volunteer events, investor outreach and more.

### ◆ Promoting Diversity and Inclusion (D&I)

- **Community events** – sponsored 20+ D&I-related community events in 2018.
- **Business Resource Groups** – company sponsored Black/African-American, Veterans, Women's, Indigenous/Native American and Latinx/Hispanic American resource groups.
- **Inclusive benefits** – comprehensive employee benefits including adoption assistance and domestic partnership benefits.

# DELIVERING LONG-TERM VALUE

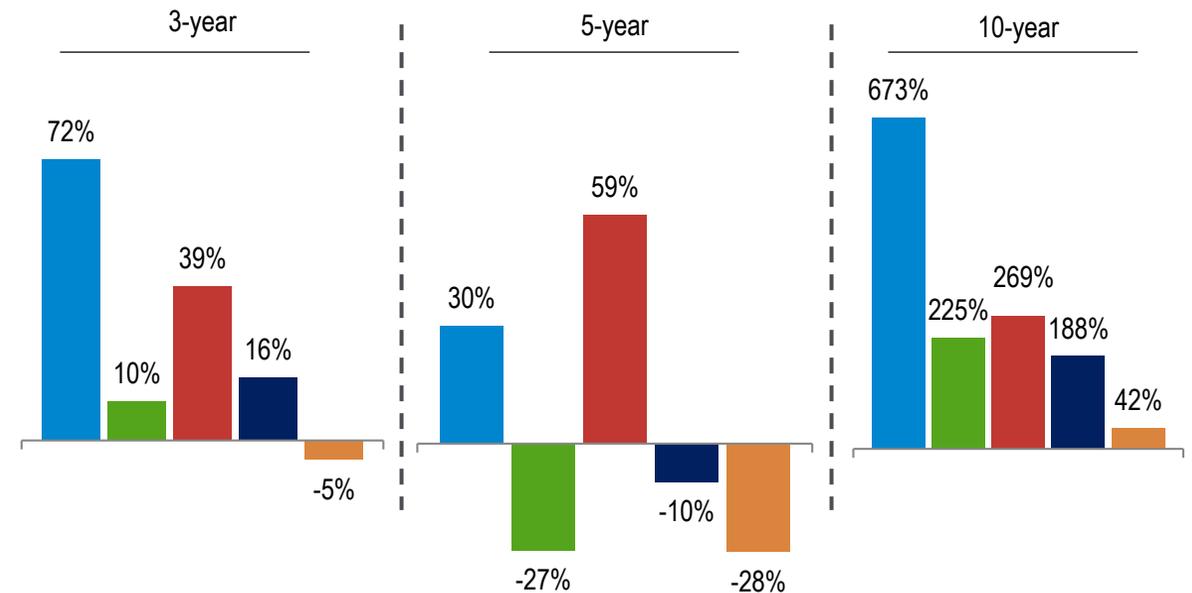
## ALIGNED WITH SHAREHOLDERS

### Value Creation and Equity Returns Drive Incentives

- ◆ ONEOK's executive compensation program is focused on creating long-term shareholder value
  - Compensation aligned with business strategies
  - Industry leader in terms of incentive metrics
- ◆ Incentive awards tied directly to key measures of financial and operations performance, including:
  - Distributable Cash Flow per Share
  - Return on Invested Capital
  - Total Shareholder Return
  - Safety and Environmental Measures

### Total Shareholder Returns

- ◆ ONEOK's total shareholder returns have consistently outperformed peers<sup>(a)</sup>
- ◆ Long-term shareholders have been rewarded with returns far exceeding those of the S&P 500 Index



(a) As of May 31, 2019; total shareholder return includes share-price appreciation and the reinvestment of dividends.

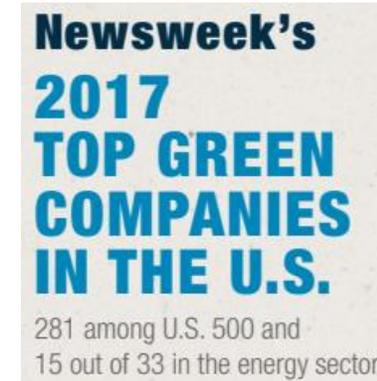
(b) ONEOK is excluded from peer average.

■ ONEOK ■ Peer Average (b) ■ S&P 500 Index ■ Alerian Energy Infrastructure Index ■ S&P 500 Energy Index

# ESG-RELATED RECOGNITION

## RECENT HIGHLIGHTS

- ◆ FTSE4Good Index
  - Includes companies demonstrating strong ESG practices. The FTSE4Good indices are used by a variety of market participants to create and assess responsible investment funds and other products.
- ◆ MSCI USA Quality Index
  - Includes companies with high return on equity (ROE), stable earnings growth and low financial leverage
- ◆ JUST ETF
  - Fund investing in U.S. companies that are driving positive change on social issues
- ◆ Carbon Disclosure Project (participated 2013-2018)
  - Ranked in top 25% of U.S. and Canada energy sector companies
- ◆ Newsweek's Green Rankings (2010-2018)
  - 2018 rank: third in the midstream energy sector
- ◆ Diversity, Inclusion and Workplace Excellence
  - Human Rights Campaign's Corporate Equality Index – A rating
    - ◇ Highest-ranked Oklahoma-based company in the rankings
  - Top Inclusive Workplace – Tulsa Regional Chamber
  - *Oklahoma Magazine's* Great Companies to Work For



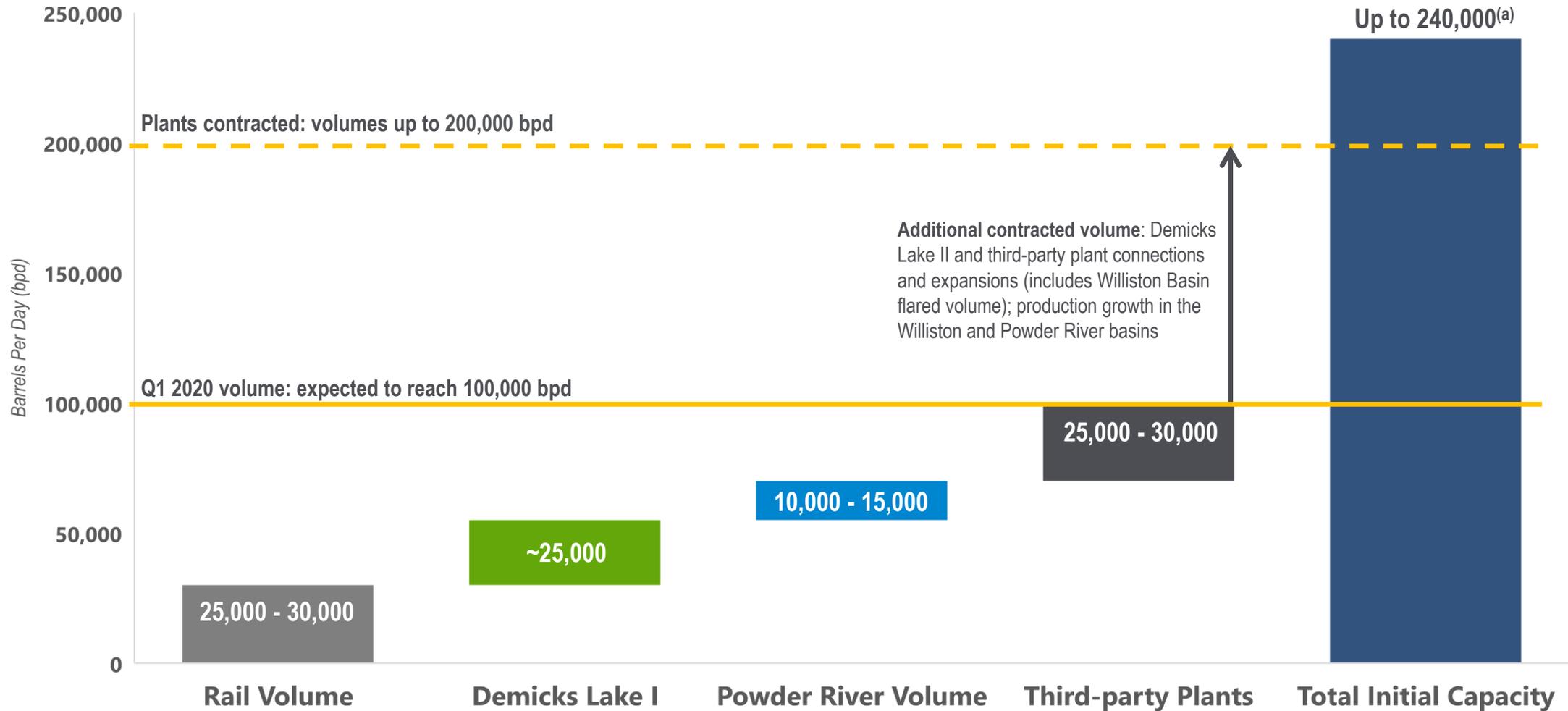


# FUTURE GROWTH



# ELK CREEK PIPELINE VOLUME RAMP

EXPECT TO ACHIEVE FOUR TO SIX TIMES EBITDA MULTIPLE IN FIRST QUARTER 2020

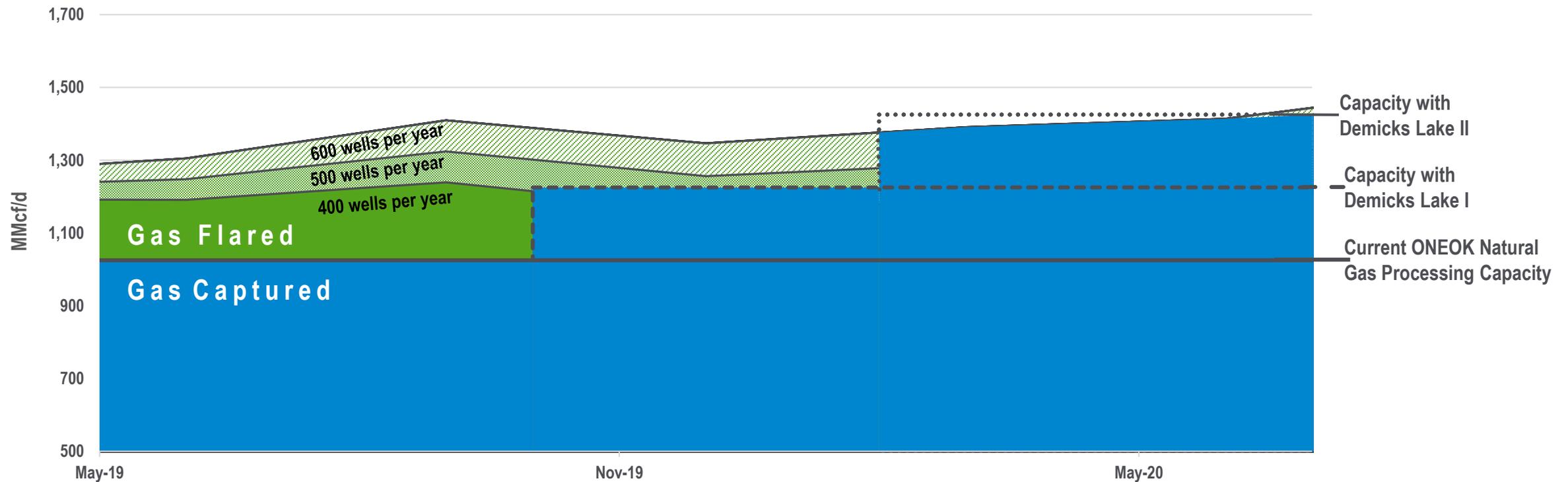


(a) Expandable up to 400,000 bpd.

# NORTH DAKOTA NATURAL GAS FLARING

CONNECTED MORE THAN 600 WELLS IN 2018

## ONEOK Dedicated Gross Production

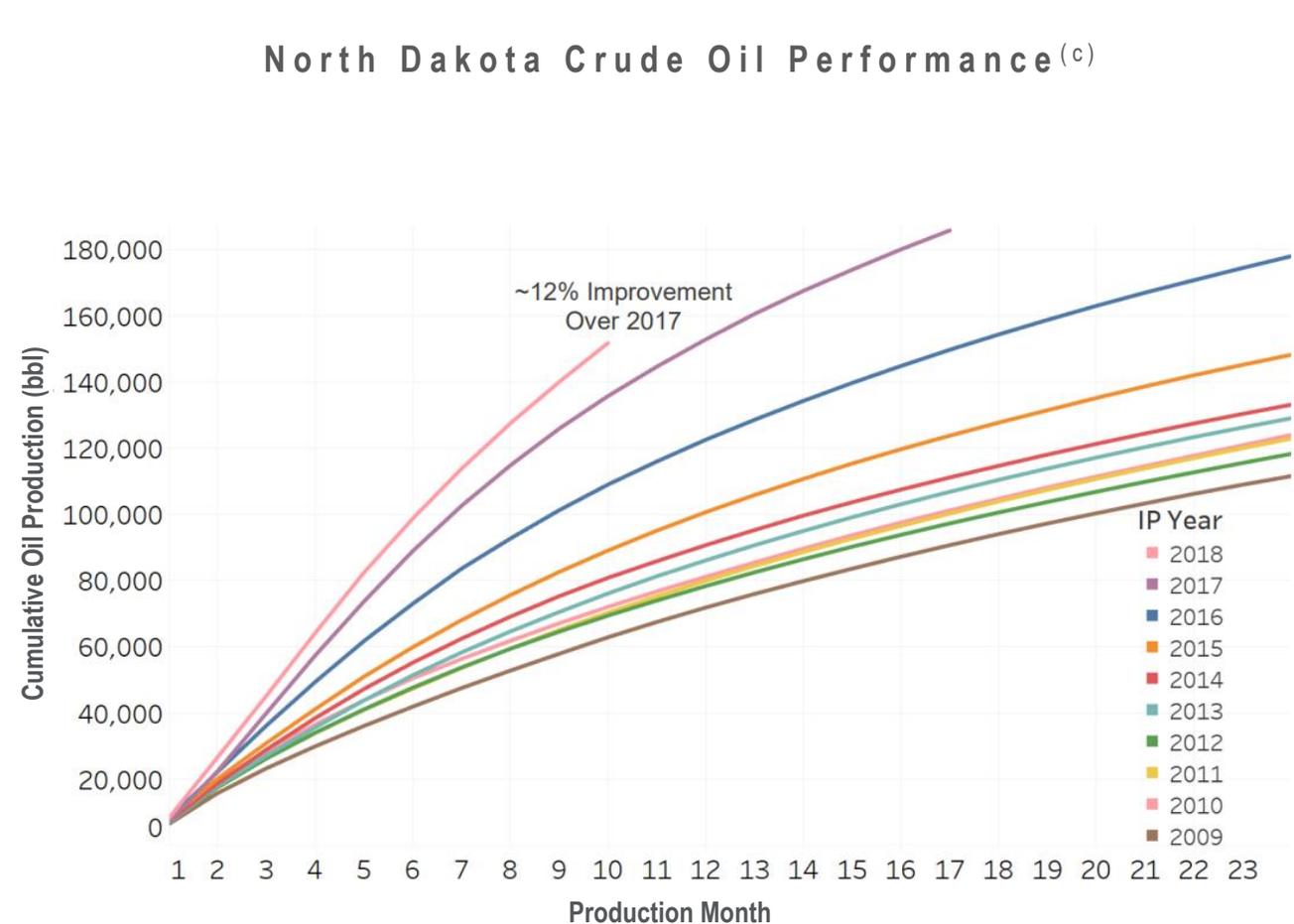
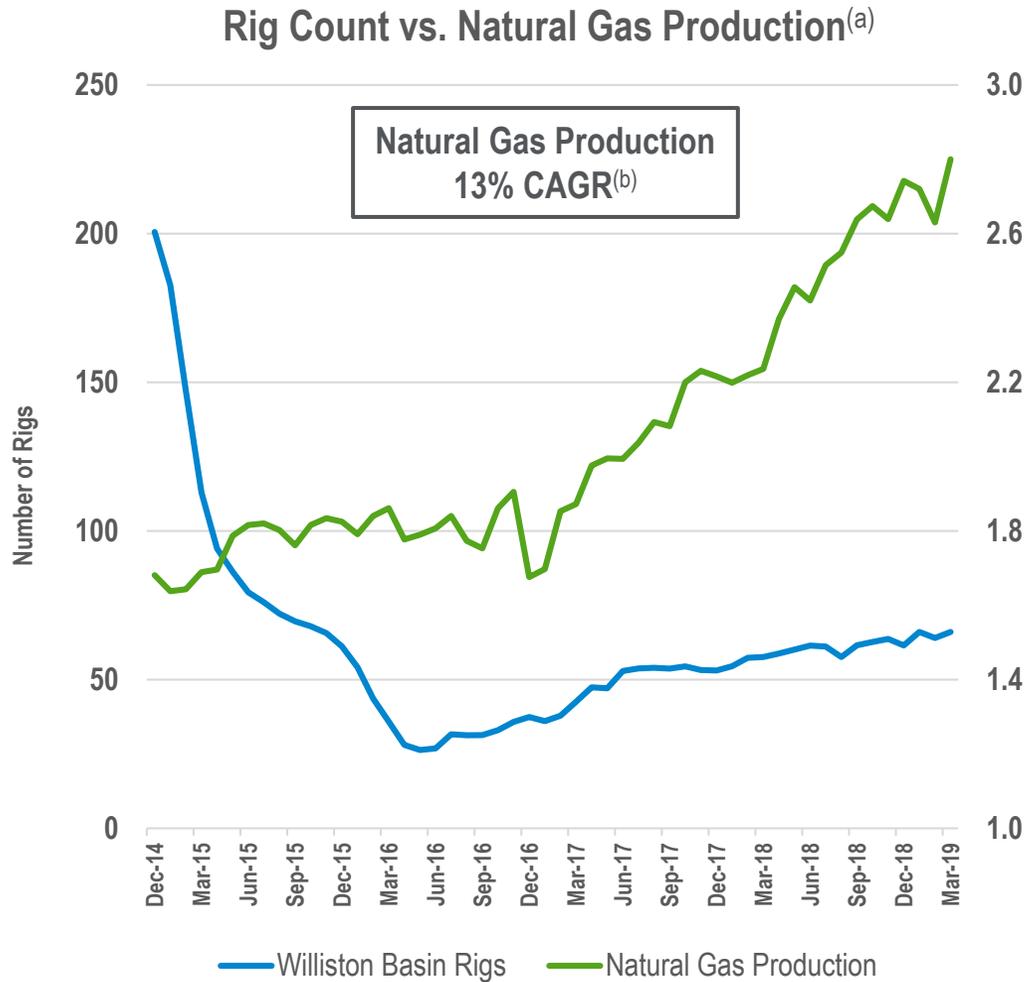


ONEOK currently has ~25 rigs and ~400 DUCs on its dedicated acreage.

Note: Production estimates assume approximately 20 wells per rig per year, based on trailing twelve-month data  
Sources: ONEOK and North Dakota Industrial Commission (NDIC) data

# WILLISTON BASIN PRODUCTION

INCREASING PRODUCTION AT LOWER CRUDE OIL PRICES AND WITH FEWER RIGS

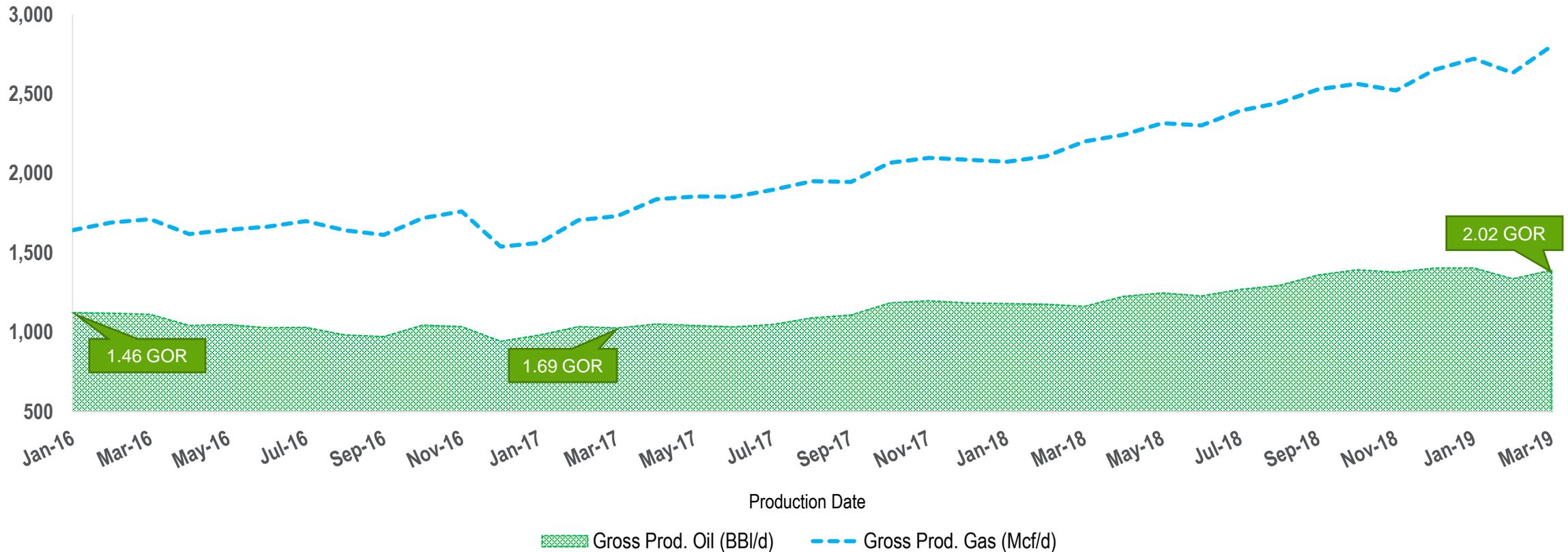


(a) Source: NDIC  
 (b) Compound Annual Growth Rate (CAGR) based on March 2015 to March 2019  
 (c) Source: North Dakota Pipeline Authority

# WILLISTON BASIN

## INCREASING GAS-TO-OIL RATIOS (GOR) DRIVING VOLUME GROWTH

- ◆ Producer efficiencies across the basin leading to increasing production with fewer rigs
- ◆ New all-time high natural gas production of 2.8 Bcf/d reported in March 2019, compared with 2.2 Bcf/d in March 2018



Source: North Dakota Industrial Commission and North Dakota Pipeline Authority

# NATURAL GAS LIQUIDS GROWTH PROJECTS

Project	Scope	CapEx (\$ in millions)	Expected Completion
<b>Elk Creek Pipeline project</b>	<ul style="list-style-type: none"> <li>900-mile NGL pipeline from the Williston Basin to the Mid-Continent with capacity of up to 240,000 bpd, and related infrastructure</li> <li>Supported by long-term contracts, which include minimum volume commitments</li> <li>Expansion capability up to 400,000 bpd with additional pump facilities</li> </ul>	\$1,400	Q4 2019 <sup>(a)</sup>
<b>Arbuckle II Pipeline</b>	<ul style="list-style-type: none"> <li>530-mile NGL pipeline from the Mid-Continent to the Gulf Coast with initial capacity of up to 400,000 bpd</li> <li>More than 50% of initial capacity is contracted under long-term, fee-based agreements</li> <li>Expansion capability up to 1 million bpd with additional pump facilities</li> </ul>	\$1,360	Q1 2020
<b>MB-4 fractionator</b>	<ul style="list-style-type: none"> <li>125,000 bpd NGL fractionator and related infrastructure in Mont Belvieu, Texas</li> <li>Fractionation capacity is fully contracted under long-term, fee-based agreements</li> </ul>	\$575	Q1 2020
<b>WTLPG pipeline expansion and Arbuckle II connection</b>	<ul style="list-style-type: none"> <li>Increasing mainline capacity by 80,000 bpd with additional pump facilities and pipeline looping</li> <li>Connecting WTLPG to the previously announced Arbuckle II Pipeline</li> <li>Supported by long-term dedicated production from six third-party processing plants expected to produce up to 60,000 bpd</li> </ul>	\$295	Q1 2020
<b>Bakken NGL Pipeline extension</b>	<ul style="list-style-type: none"> <li>75-mile NGL pipeline in the Williston Basin connecting with a third-party processing plant</li> <li>Supported by a long-term contract with a minimum volume commitment</li> </ul>	\$100	Q4 2020
<b>MB-5 fractionator</b>	<ul style="list-style-type: none"> <li>125,000 bpd NGL fractionator and related infrastructure in Mont Belvieu, Texas</li> <li>Fractionation capacity is fully contracted under long-term, fee-based agreements</li> </ul>	\$750	Q1 2021
<b>Arbuckle II Pipeline extension</b>	<ul style="list-style-type: none"> <li>Extension of pipeline further north and additional NGL gathering infrastructure to increase capacity between the Mid-Continent market hub and Arbuckle II</li> </ul>	\$240	Q1 2021
<b>Arbuckle II Pipeline expansion</b>	<ul style="list-style-type: none"> <li>100,000 bpd NGL pipeline expansion up to 500,000 bpd by adding pump stations</li> </ul>	\$60	Q1 2021

(a) ONEOK expects the southern section of the pipeline to be in service early in the third quarter 2019.

# GATHERING AND PROCESSING GROWTH PROJECTS

Project	Scope	CapEx (\$ in millions)	Expected Completion
<b>Demicks Lake I plant and infrastructure</b>	<ul style="list-style-type: none"> <li>• 200 MMcf/d processing plant in the core of the Williston Basin</li> <li>• Expected to open full by capturing natural gas currently being flared</li> <li>• Contributes additional NGL and natural gas volume on ONEOK's system</li> <li>• Supported by acreage dedications and primarily fee-based contracts</li> </ul>	\$400	Q4 2019
<b>Demicks Lake II plant and infrastructure</b>	<ul style="list-style-type: none"> <li>• 200 MMcf/d processing plant in the core of the Williston Basin</li> <li>• Contributes additional NGL and natural gas volume on ONEOK's system</li> <li>• Supported by acreage dedications and primarily fee-based contracts</li> </ul>	\$410	Q1 2020

# NATURAL GAS PIPELINES GROWTH PROJECTS

Project	Scope	Expected Completion
ONEOK Gas Transportation (OGT) westbound expansion	<ul style="list-style-type: none"> <li>100 MMcf/d westbound expansion from the STACK area to multiple western Oklahoma pipeline delivery points</li> </ul>	Complete
Roadrunner Gas Transmission bidirectional project	<ul style="list-style-type: none"> <li>750 MMcf/d of eastbound transportation capacity from the Delaware Basin to the Waha area<sup>(a)</sup></li> </ul>	Complete
OGT eastbound expansion	<ul style="list-style-type: none"> <li>150 MMcf/d eastbound expansion from the STACK and SCOOP areas to an eastern Oklahoma pipeline delivery point</li> </ul>	Complete
ONEOK WesTex Transmission expansion	<ul style="list-style-type: none"> <li>300 MMcf/d expansion from the Permian Basin to pipeline delivery points in the Texas Panhandle</li> </ul>	Complete

*(a) Expanding to approximately 1 Bcf/d in the third quarter 2019*



# APPENDIX

# ONEOK 2019 FINANCIAL GUIDANCE

	2019 Guidance Range		
(\$ in millions)		Midpoint	
Net income	\$ 1,140	\$ 1,270	\$ 1,400
Adjusted EBITDA	2,500	2,600	2,700
Distributable cash flow	1,820	1,940	2,060
Capital-growth expenditures	2,500	3,100	3,700
Maintenance capital expenditures	160	180	200
Segment Adjusted EBITDA:			
Natural Gas Liquids	1,520	1,570	1,620
Natural Gas Gathering and Processing	620	650	680
Natural Gas Pipelines	360	375	390
Other	–	5	10

Note: Adjusted EBITDA and distributable cash flow are non-GAAP measures. Reconciliations to relevant GAAP measures are included in this presentation.



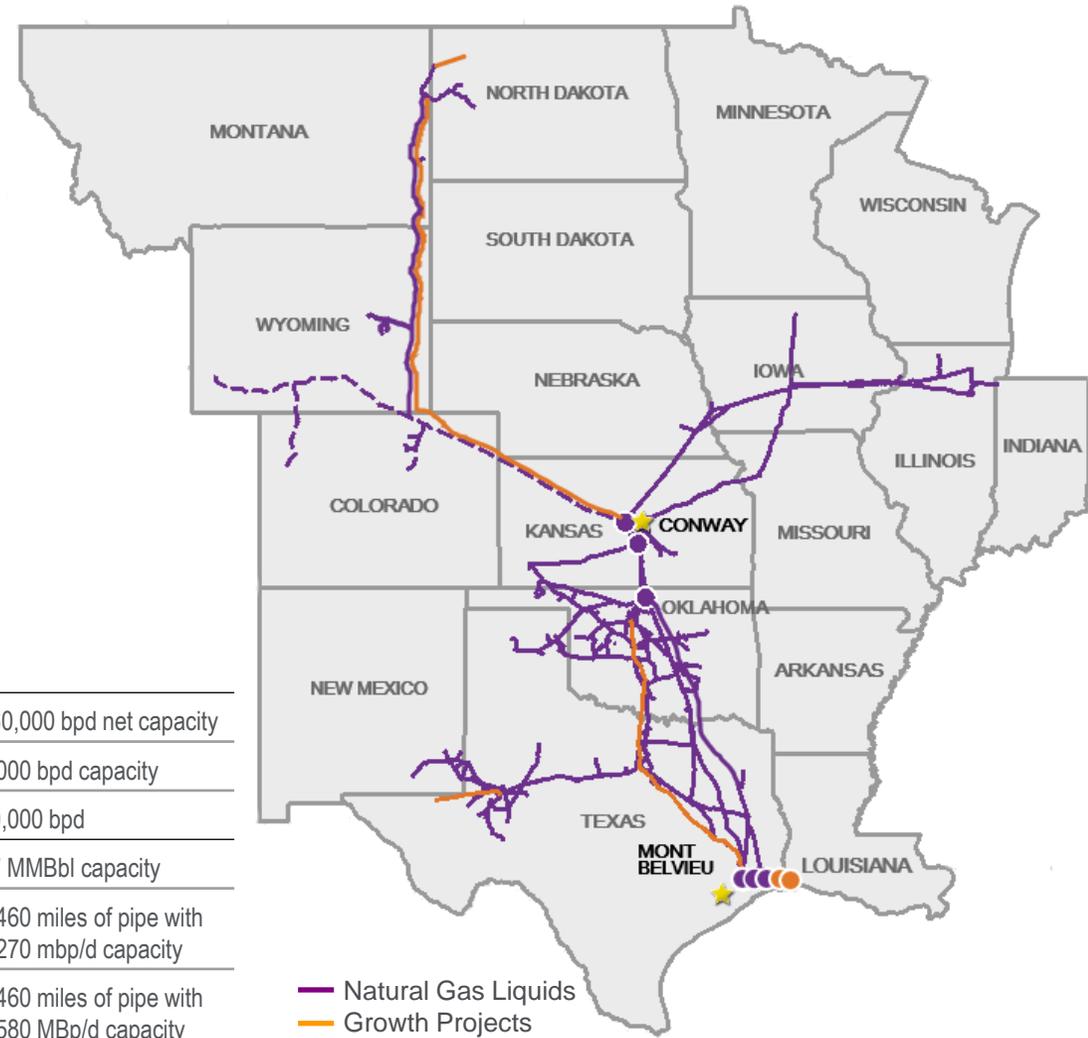
# BUSINESS SEGMENTS



# NATURAL GAS LIQUIDS

## ONE OF THE LARGEST INTEGRATED NGL SERVICE PROVIDERS

- ◆ Integrated NGL pipeline system from the Williston Basin to the Gulf Coast, linking key NGL market centers at Conway, Kansas and Mont Belvieu, Texas
- ◆ Provides fee-based services to natural gas processors and customers
  - Gathering, fractionation, transportation, marketing and storage
- ◆ Extensive NGL gathering system
  - Connected to approximately 200 natural gas processing plants in the Mid-Continent, Rocky Mountain region and Permian Basin
    - ◇ Represents 90% of pipeline-connected natural gas processing plants located in Mid-Continent
    - ◇ Contracted NGL volumes exceed physical volumes – minimum volume commitments
  - Bakken NGL Pipeline offers exclusive pipeline takeaway from the Williston Basin
- ◆ Extensive NGL fractionation system
  - Fractionation capacity near two market hubs
    - ◇ Conway, Kansas and Medford, Oklahoma – 520,000 bpd capacity
    - ◇ Mont Belvieu, Texas – 340,000 bpd capacity
- ◆ North System supplies Midwest refineries and propane markets
- ◆ Well positioned to help address increasing ethane demand
  - Expect approximately 320,000 bpd of incremental petrochemical and export capacity in 2019



Fractionation	860,000 bpd net capacity
Isomerization	9,000 bpd capacity
E/P Splitter	40,000 bpd
Storage	27 MMBbl capacity
Distribution	4,460 miles of pipe with 1,270 mbp/d capacity
Gathering – Raw Feed	7,460 miles of pipe with 1,580 MBp/d capacity
<i>As of March 31, 2019</i>	

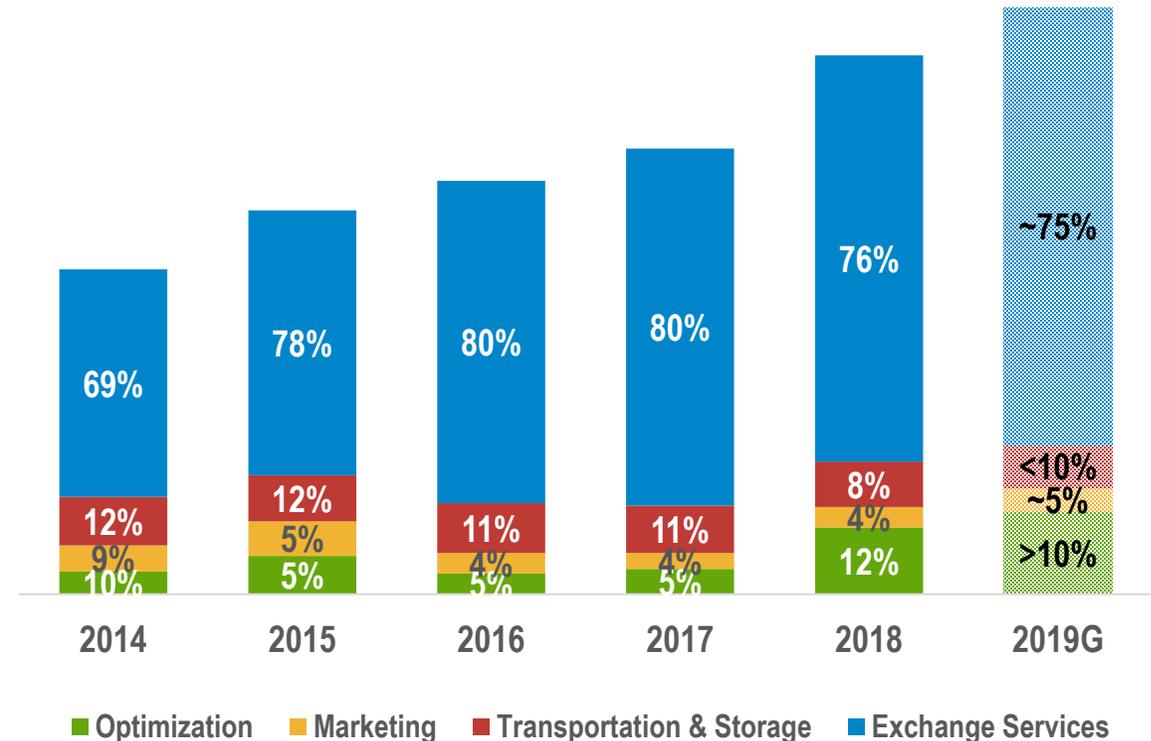
- Natural Gas Liquids
- Growth Projects
- Natural Gas Liquids Fractionator
- ★ NGL Market Hub

# NATURAL GAS LIQUIDS

## PREDOMINANTLY FEE BASED

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

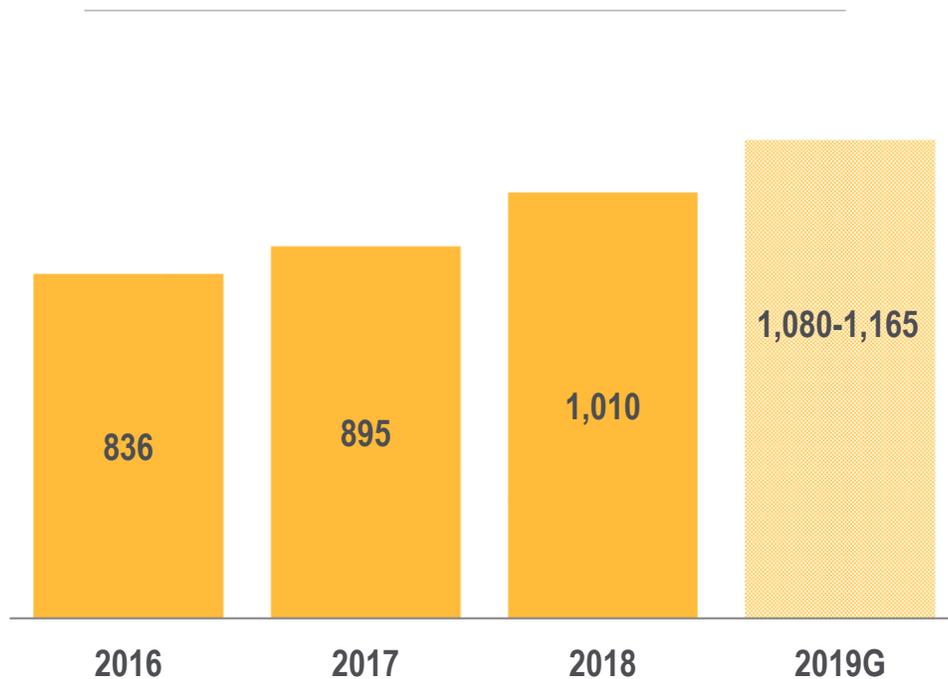
## Sources of Earnings



# NATURAL GAS LIQUIDS

## VOLUME UPDATE

**NGL Raw Feed Throughput Volume<sup>(a)</sup>**  
(M Bbl/d)



Average NGL Raw Feed Throughput Volumes			
Region/Asset	Fourth Quarter 2018	First Quarter 2019	Average Bundled Rate (per gallon)
Bakken NGL Pipeline	157,000 bpd	167,000 bpd	~30 cents <sup>(c)</sup>
Mid-Continent	592,000 bpd	556,000 bpd	~ 9 cents <sup>(c)</sup>
Gulf Coast/Permian <sup>(b)</sup>	286,000 bpd	305,000 bpd	~ 5 cents <sup>(d)</sup>
<b>Total</b>	<b>1,035,000 bpd</b>	<b>1,028,000 bpd</b>	

(a) Represents physical raw feed volumes on which ONEOK charges a fee for transportation and/or fractionation services.

(b) Gulf Coast/Permian volumes consist of volume from the West Texas LPG pipeline system, Arbuckle Pipeline volume originating in Texas and any volume fractionated at ONEOK's Mont Belvieu fractionation facilities received from a third-party pipeline.

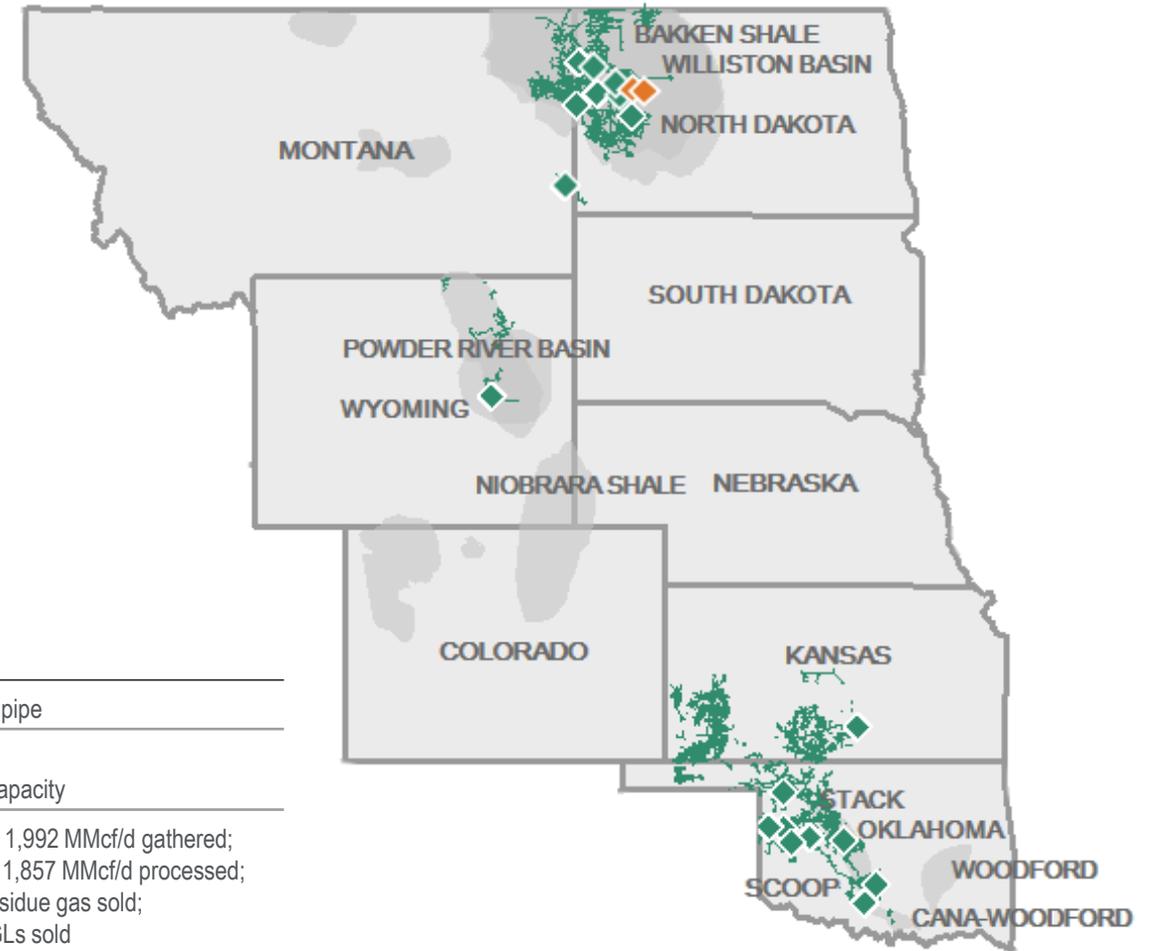
(c) Includes transportation and fractionation.

(d) Primarily transportation only.

# NATURAL GAS GATHERING AND PROCESSING

## SERVING PRODUCERS IN KEY BASINS

- ◆ Provides gathering, compression, treating and processing services to producers
- ◆ Diverse contract portfolio
  - More than 2,000 contracts
  - Fee-based contracts with a percent of proceeds (POP) component
- ◆ Natural gas supplies from three core areas:
  - Williston Basin
    - ◇ Bakken
    - ◇ Three Forks
  - Mid-Continent
    - ◇ STACK
    - ◇ SCOOP
    - ◇ Cana-Woodford Shale
    - ◇ Mississippian Lime
    - ◇ Granite Wash, Hugoton, Central Kansas Uplift
  - Powder River Basin
    - ◇ Niobrara, Sussex and Turner formations



Gathering	18,900 miles of pipe
Processing	20 active plants 2,245 MMcf/d capacity
Volumes (Q1 2019)	2,636 BBtu/d or 1,992 MMcf/d gathered; 2,442 Bbtu/d or 1,857 MMcf/d processed; 1,130 BBtu/d residue gas sold; 214 MBbl/d NGLs sold
<i>As of March 31, 2019</i>	

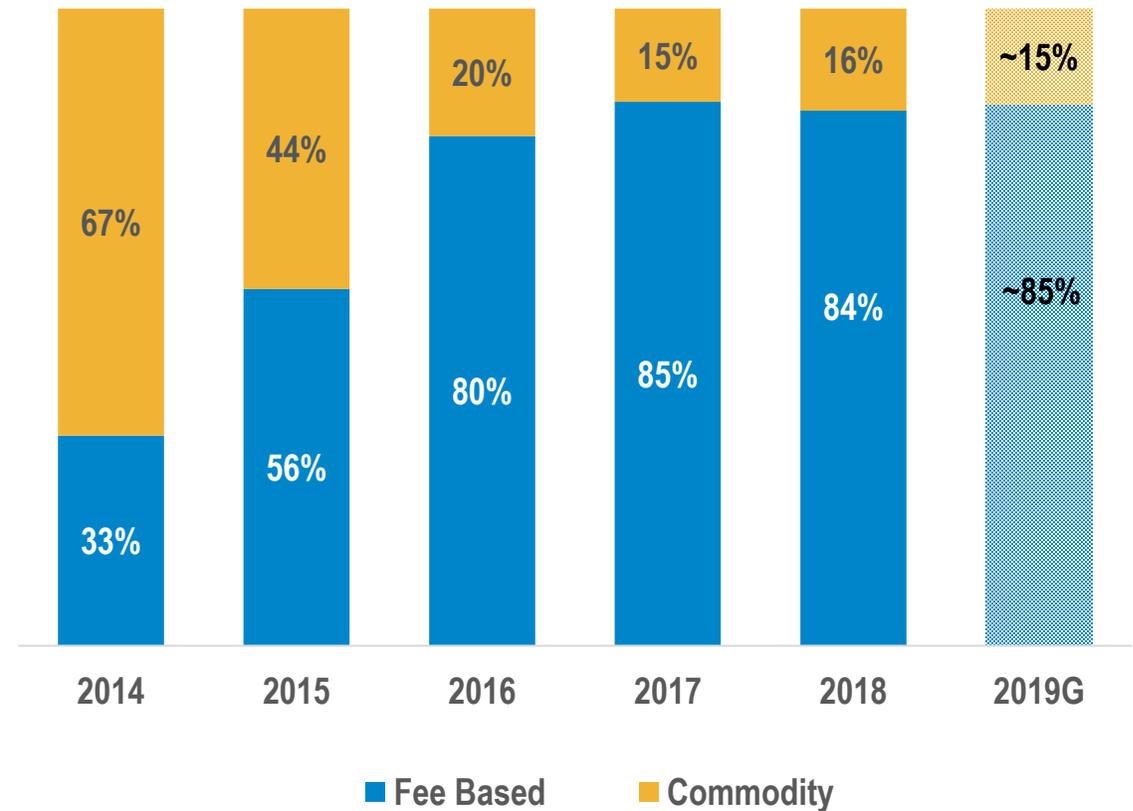
- Natural Gas Gathering and Processing
- ◆ ONEOK Processing Plants
- ◆ Growth Projects

# NATURAL GAS GATHERING AND PROCESSING

## PREDOMINANTLY FEE BASED

- ◆ 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 producers
  - Expect fee rate to range from 90 to 95 cents per MMBtu in 2019

### Contract Mix by Earnings



# NATURAL GAS GATHERING AND PROCESSING

## VOLUME UPDATE

### Rocky Mountain

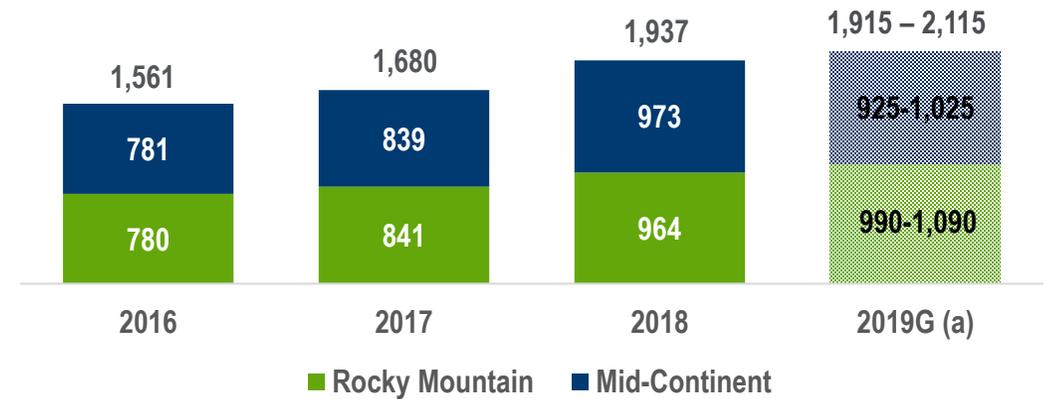
- ◆ Expect to connect approximately 620 wells in 2019
  - 78 well connects completed in the first quarter 2019
- ◆ First quarter 2019 natural gas volumes processed increased approximately 3%, compared with the fourth quarter 2018

### Mid-Continent

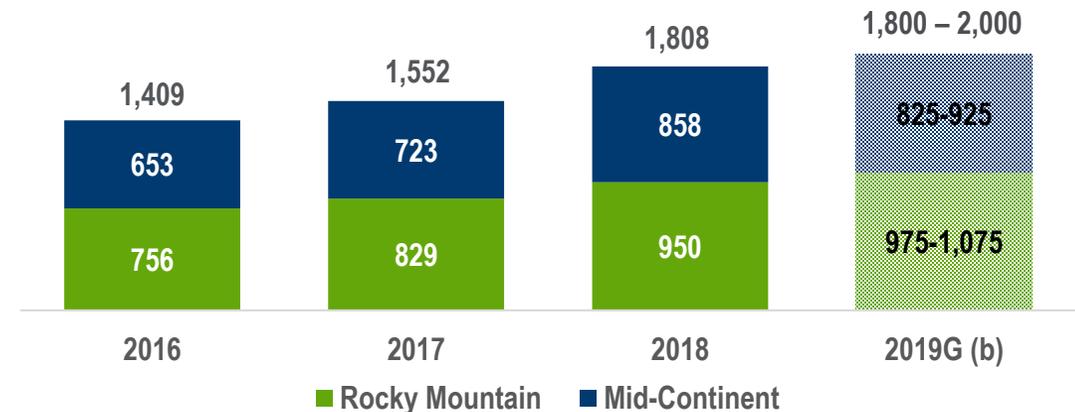
- ◆ Expect to connect approximately 100 wells in 2019
  - 32 well connects completed in the first quarter 2019

Region	Fourth Quarter 2018 – Average Gathered Volumes	First Quarter 2019 – Average Gathered Volumes	Fourth Quarter 2018 – Average Processed Volumes	First Quarter 2019 – Average Processed Volumes
Mid-Continent	1,009 MMcf/d	961 MMcf/d	900 MMcf/d	854 MMcf/d
Rocky Mountain	991 MMcf/d	1,031 MMcf/d	975 MMcf/d	1,003 MMcf/d
Total	2,000 MMcf/d	1,992 MMcf/d	1,875 MMcf/d	1,857 MMcf/d

Gathered Volumes (MMcf/d)



Processed Volumes (MMcf/d)



(a) 2019 guidance gathered volumes (BBtu/d): 2,540 – 2,800  
 (b) 2019 guidance processed volumes (BBtu/d): 2,360 – 2,620

# NATURAL GAS GATHERING AND PROCESSING

Nine Months Ending Dec. 31, 2019			
Commodity	Volumes Hedged	Average Price	Percent Hedged
Natural Gas (BBtu/d) <sup>(a)</sup>	82.0	\$2.30 / MMBtu	80%
Condensate (MBbl/d)	2.7	\$58.55 / Bbl	90%
Natural Gas Liquids (MBbl/d) <sup>(b)</sup>	7.6	\$0.71 / gallon	74%

Year Ending Dec. 31, 2020			
Commodity	Volumes Hedged	Average Price	Percent Hedged
Natural Gas (BBtu/d) <sup>(a)</sup>	51.6	\$2.52 / MMBtu	65%
Condensate (MBbl/d)	0.8	\$55.25 / Bbl	26%
Natural Gas Liquids (MBbl/d) <sup>(b)</sup>	2.6	\$0.63 / gallon	29%

*(a) Natural gas prices represent a combination of hedges at various basis locations*

*(b) 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's results of operations*

# NATURAL GAS GATHERING AND PROCESSING

## COMMODITY PRICE SENSITIVITIES<sup>(a)</sup>

Commodity	Sensitivity	Earnings Impact	Earnings Impact
		2019 <sup>(b)</sup>	2020 <sup>(c)</sup>
Natural Gas	\$0.10 / MMBtu	\$3.0	\$3.6
Natural Gas Liquids	\$0.01 / gallon	\$1.2	\$1.7
Crude Oil	\$1.00 / barrel	\$1.1	\$1.6

(a) As of March 31, 2019

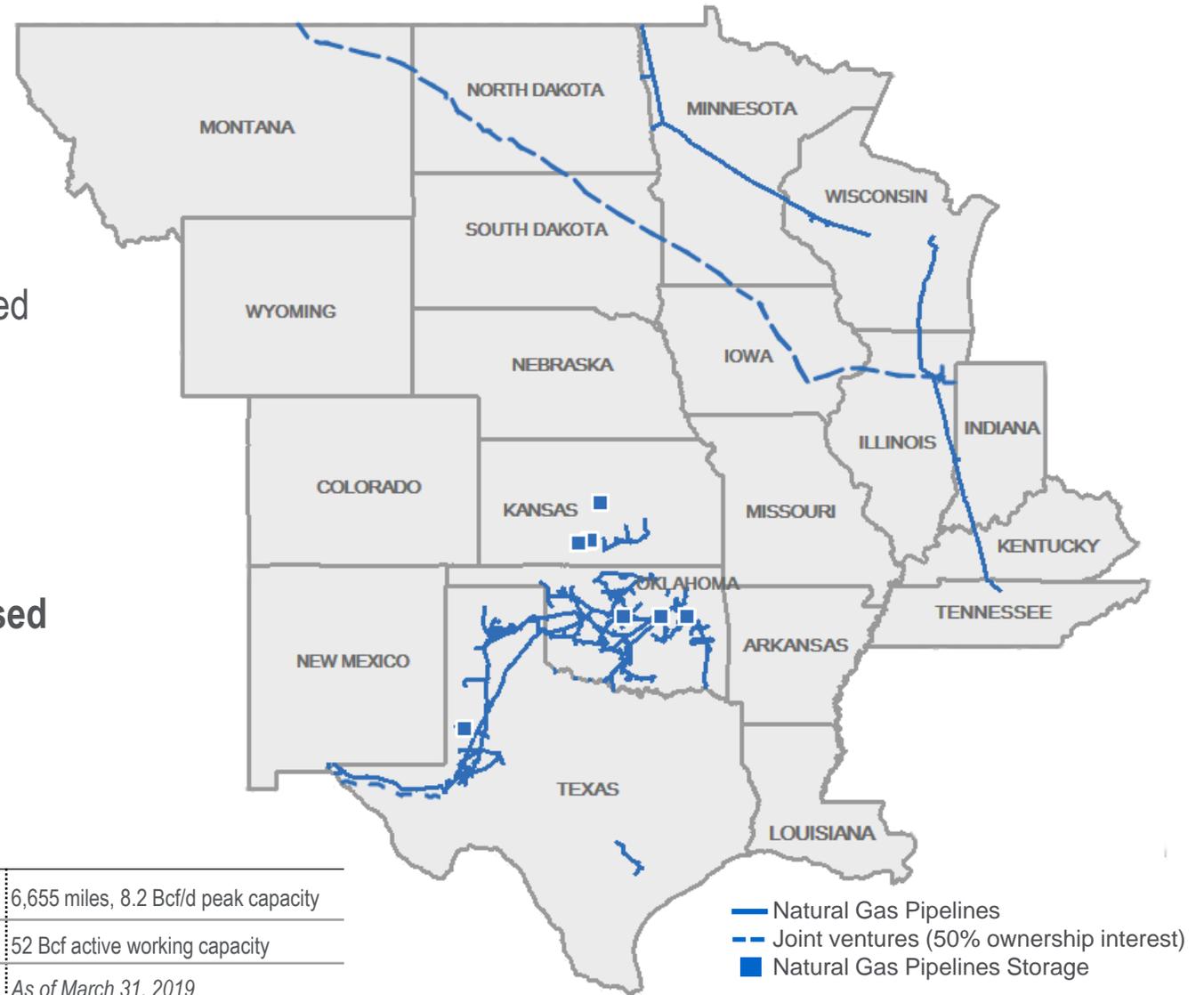
(b) Nine months ending Dec. 31, 2019, forward-looking sensitivities, not including effects of hedging

(c) Full-year ending Dec. 31, 2020, forward-looking sensitivities, not including effects of hedging

# NATURAL GAS PIPELINES

## CONNECTIVITY TO KEY MARKETS

- ◆ Predominantly fee-based earnings
- ◆ 96% of transportation capacity contracted under firm **demand-based** rates in 2018
- ◆ 85% of contracted system transportation capacity served end-use markets in 2018
  - Connected directly to end-use markets
    - ◇ Local natural gas distribution companies
    - ◇ Electric-generation facilities
    - ◇ Large industrial companies
- ◆ 64% of storage capacity contracted under firm, **fee-based** contracts in 2018

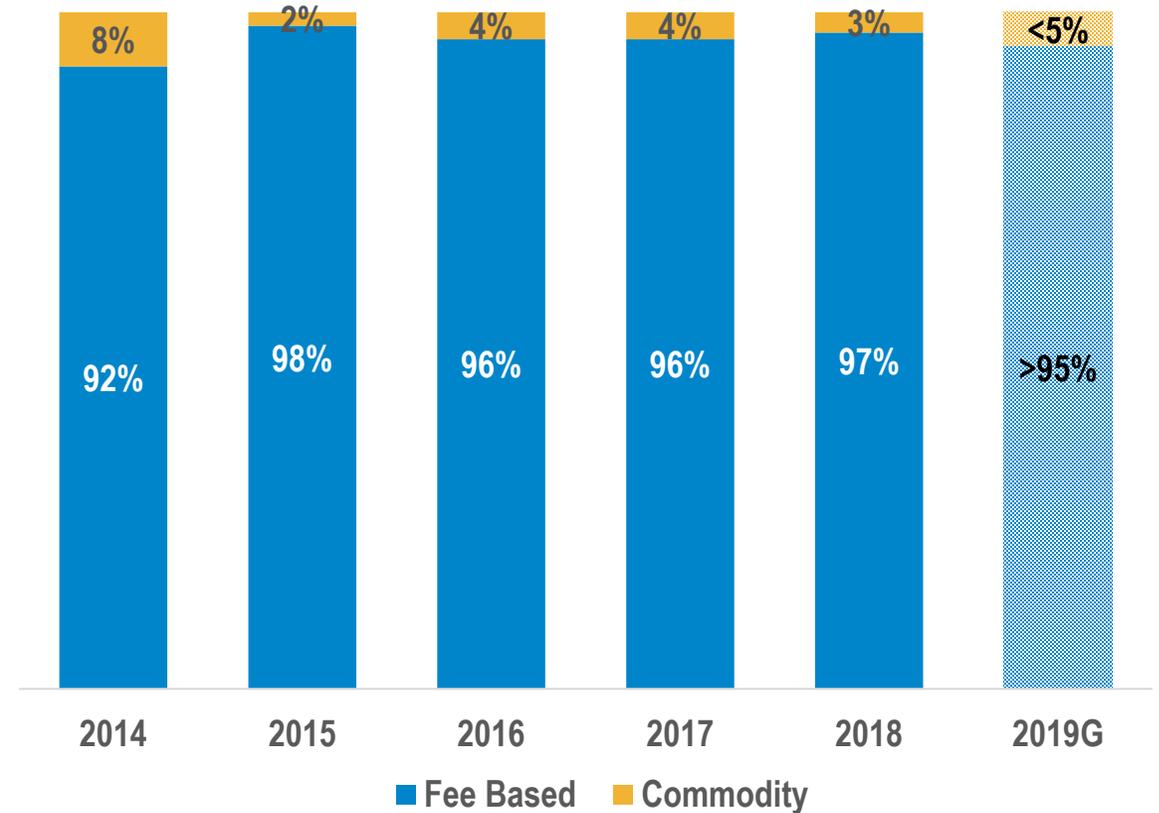


# NATURAL GAS PIPELINES

## PREDOMINANTLY FEE BASED

- ◆ Firm demand-based contracts serving primarily investment-grade utility customers
- ◆ Recently completed approximately 1.3 billion cubic feet per day of system expansions
  - Capital-efficient projects backed by multiple firm transportation commitments

### Sources of Earnings



# NATURAL GAS PIPELINES

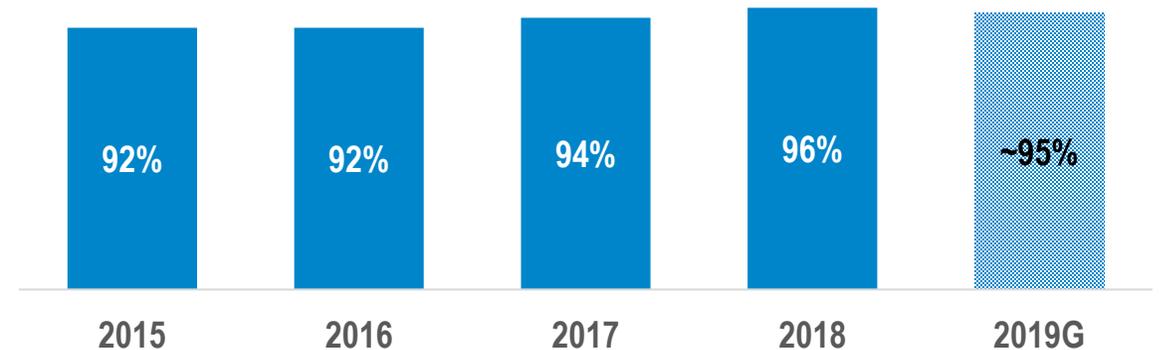
## WELL-POSITIONED AND MARKET-CONNECTED

- ◆ Expect more than 95% fee-based earnings in 2019, and:
  - Approximately 95% of transportation capacity subscribed
  - Approximately 65% of natural gas storage capacity contracted
- ◆ Firm demand-based contracts serving primarily investment-grade utility customers
- ◆ Recently completed natural gas takeaway projects in the Permian Basin and STACK and SCOOP areas, including:
  - 300 MMcf/d expansion of the ONEOK WesTex Transmission system
  - 150 MMcf/d eastbound and 100 MMcf/d westbound expansions of the ONEOK Gas Transportation system
  - 750 MMcf/d of eastbound transportation capacity on ONEOK's Roadrunner Gas Transmission joint venture to make the pipeline bidirectional, expanding to ~1 Bcf/d in the third quarter 2019

### Natural Gas Transportation Capacity Contracted (MDth/d)



### Natural Gas Transportation Capacity Subscribed





# WILLISTON BASIN



# WILLISTON BASIN

## PROVIDING VALUABLE TAKEAWAY CAPACITY

### Natural Gas Gathering and Processing

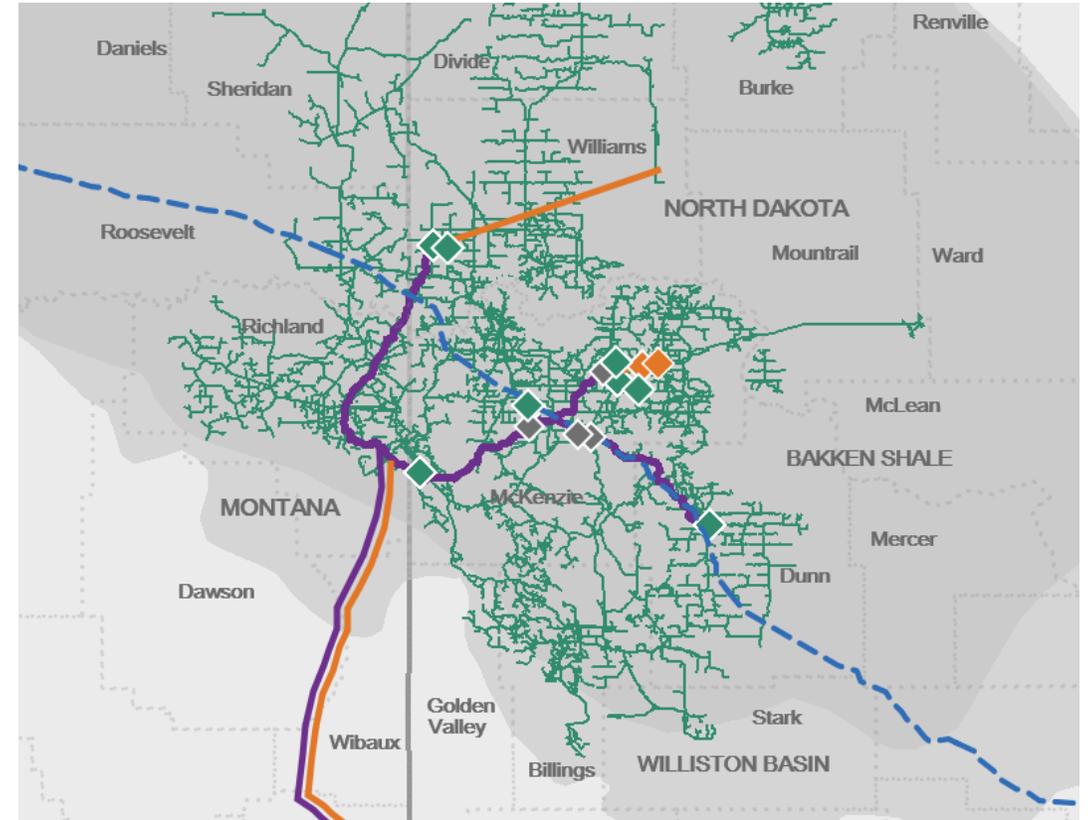
- ◆ More than 1 Bcf/d of natural gas processing capacity, increasing to more than 1.4 Bcf/d in the first quarter 2020
- ◆ More than 3 million acres dedicated to ONEOK, with approximately 1 million acres in the core

### Natural Gas Liquids

- ◆ Elk Creek Pipeline will add up to 240,000 bpd of NGL takeaway capacity by year-end 2019; expandable to 400,000 bpd
- ◆ Current incremental ethane opportunity of approximately 100,000 bpd
- ◆ Highest margin NGL barrel with average bundled fee rates of approximately 30 cents per gallon

### Natural Gas Pipelines

- ◆ 2.4 Bcf/d of long-haul natural gas transportation capacity through ONEOK's 50% owned Northern Border Pipeline

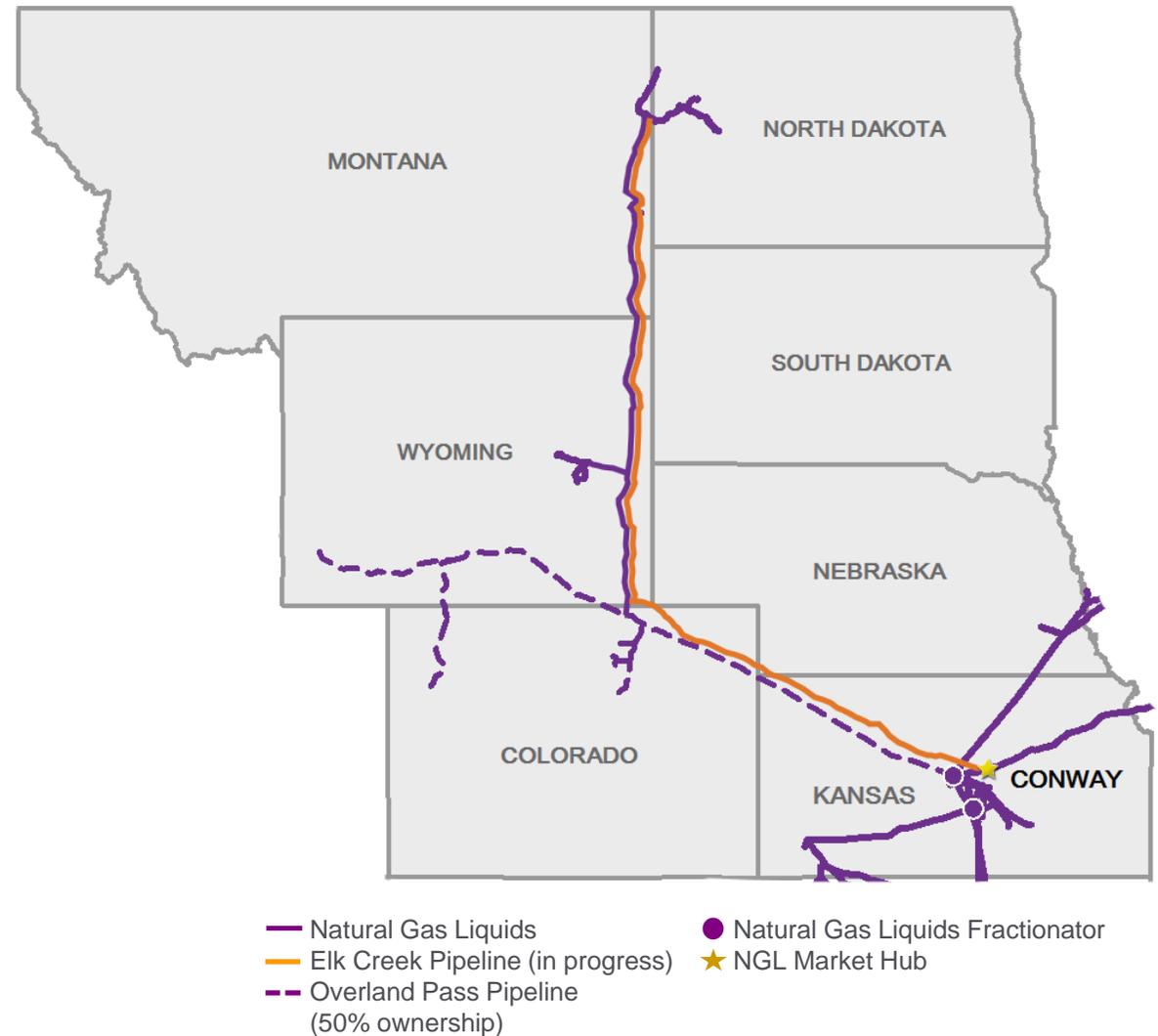


- Natural Gas Gathering & Processing
- Growth Projects
- Bakken NGL Pipeline
- Northern Border Pipeline
- ◆ Demicks Lake Processing Plants (in progress)
- ◆ Existing ONEOK Processing Plants
- ◆ Third-party Processing Plant Connections (50% ownership interest)

# ELK CREEK PIPELINE PROJECT

## ATTRACTIVE PROJECT RETURN

- ◆ Existing Bakken NGL Pipeline and Overland Pass Pipeline operating at full capacity
- ◆ Expected to reach 100,000 bpd in the first quarter 2020
- ◆ Growing production in the region drives need for increased NGL takeaway
  - Producer drilling and completion improvements driving break-evens lower
  - Increased activity in the Powder River and Denver-Julesburg (DJ) basins
  - High-quality, well-capitalized producers
- ◆ Secured contracts with natural gas processing plants in the Rocky Mountain region able to produce up to 200,000 bpd
  - Contract terms of 10-15 years
  - > 70,000 bpd of minimum volume commitments
- ◆ Strengthens ONEOK's position in the high-production areas of the Williston, Powder River and DJ basins
- ◆ Attractive project returns expected: adjusted EBITDA multiple of 4-6x expected to be realized in the first quarter 2020
  - Approximately 900-mile, 20-inch pipeline with initial capacity of up to 240,000 bpd, expandable to 400,000 bpd
  - \$1.2 billion for new pipeline – expected completion by year end 2019
    - ◇ Southern portion, from the Powder River Basin to the Mid-Continent area, expected to be completed early in the third quarter 2019
  - \$200 million for incremental related infrastructure
  - Expected to be significantly accretive to distributable cash flow per share



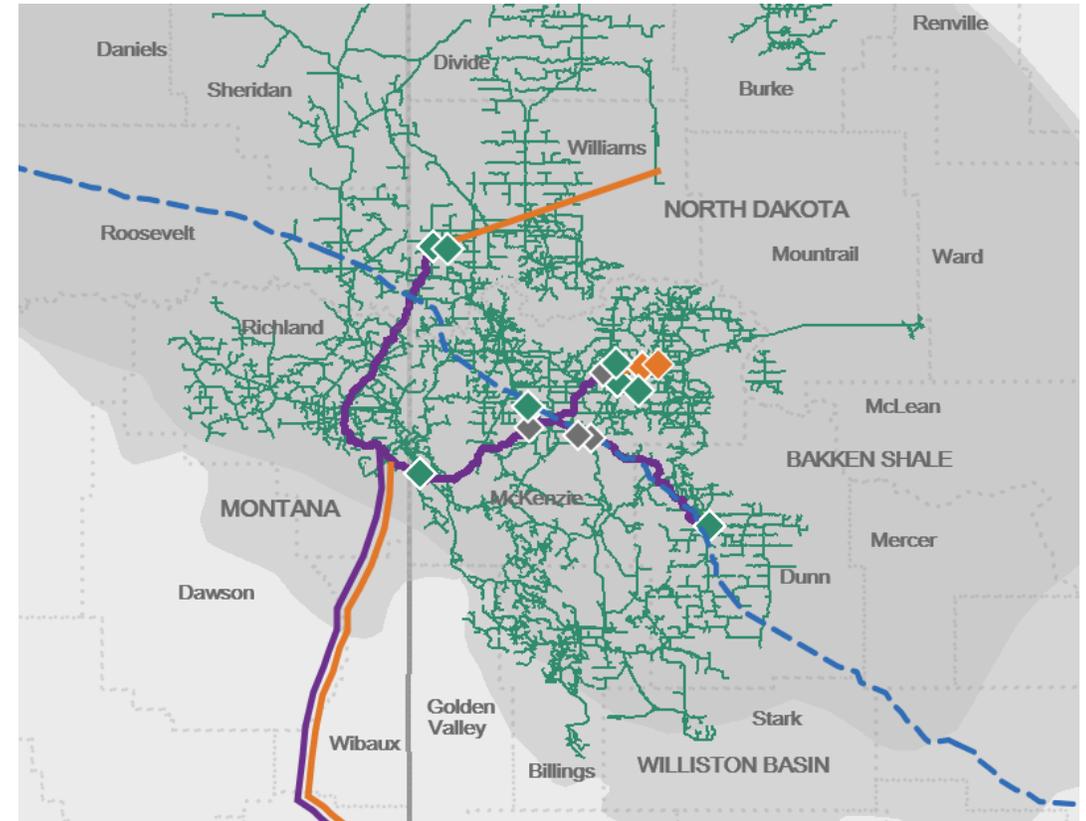
# DEMICKS LAKE I AND II PLANTS

## PROCESSING CAPACITY TO SUPPORT PRODUCER GROWTH AND HELP MEET GAS CAPTURE TARGETS

- ◆ Williston Basin growth continues with enhanced well-completion techniques driving increased production and lower breakeven economics
  - One-third of the rigs needed today to develop the same volume produced three years ago
- ◆ Natural gas capture targets continue to rise putting oil production at risk without additional midstream infrastructure investments
  - North Dakota natural gas capture targets:
    - ◇ Currently 88%; 91% by November 2020
- ◆ Expected adjusted EBITDA multiple of 4-6x

### Demicks Lake plants

- ◆ Demicks Lake I – 200 MMcf/d natural gas processing plant and related infrastructure in McKenzie County
  - \$400 million – expected completion in the fourth quarter 2019
- ◆ Demicks Lake II – 200 MMcf/d plant and related infrastructure
  - \$410 million – expected completion in the first quarter 2020

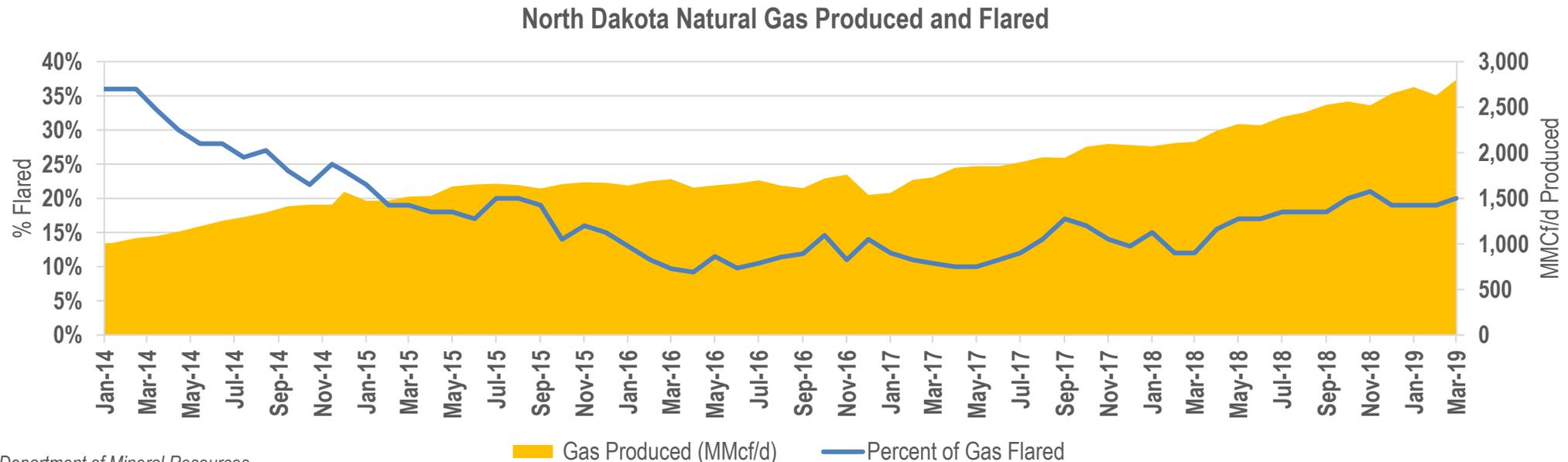


- Natural Gas Gathering & Processing
- Growth Projects
- Bakken NGL Pipeline
- - Northern Border Pipeline (50% ownership interest)
- ◆ Demicks Lake Processing Plants (in progress)
- ◆ Existing ONEOK Processing Plants
- ◆ Third-party Processing Plant Connections

# WILLISTON BASIN

## INCREASED NATURAL GAS CAPTURE RESULTS

- ◆ Increased NGL and natural gas value uplift
- ◆ Approximately 80% of North Dakota's natural gas production was captured in March 2019
- ◆ North Dakota Industrial Commission (NDIC) policy targets:
  - Natural gas capture: currently 88%, increasing to 91% by Nov. 2020
- ◆ March statewide flaring was approximately 555 MMcf/d, with more than 300 MMcf/d estimated to be on ONEOK's dedicated acreage
- ◆ Producers incentivized to increase natural gas capture rates to maximize the value of wells drilled



Source: NDIC Department of Mineral Resources



# MID-CONTINENT REGION



# MID-CONTINENT REGION

RELIABLE FULL-SERVICE PROVIDER SERVING GROWTH IN THE STACK AND SCOOP PLAYS

## Natural Gas Liquids

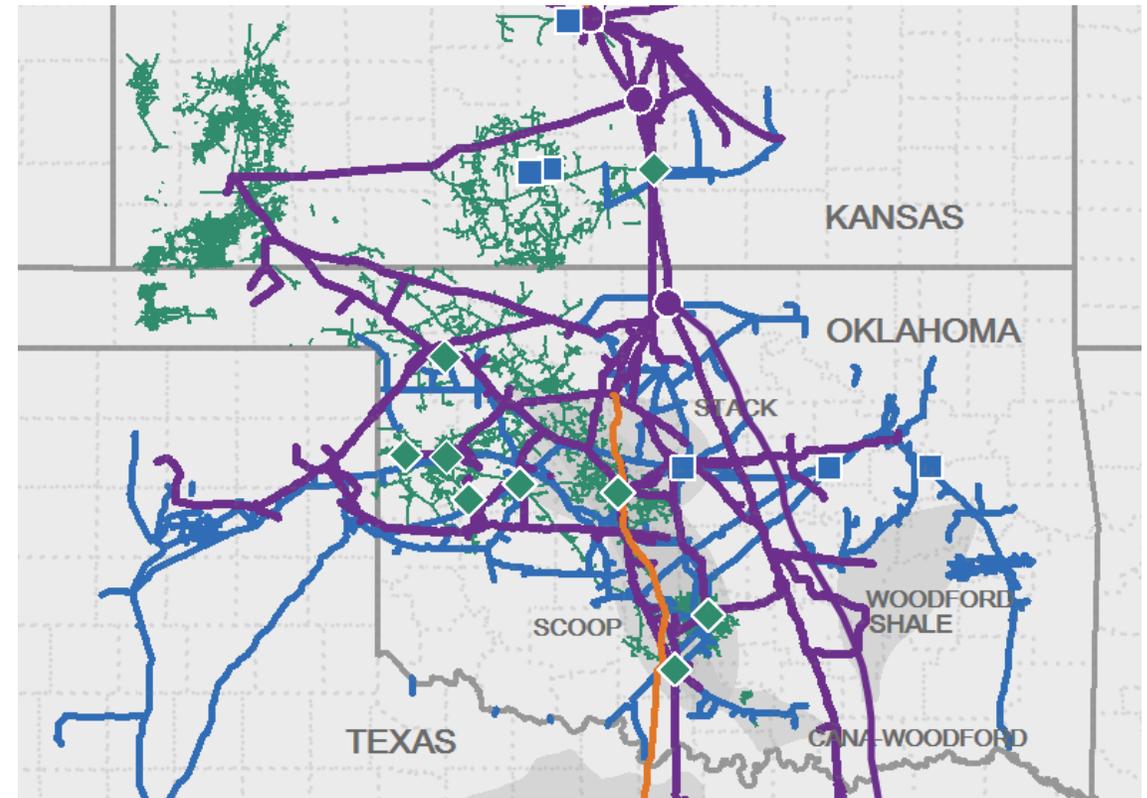
- ◆ More than 110 existing natural gas processing plant connections
- ◆ Currently gathering approximately 576,000 bpd of NGLs with an incremental 90,000 bpd, excluding ethane, expected by end of year 2019
- ◆ Incremental ethane opportunity of approximately 70,000 bpd

## Natural Gas Gathering and Processing

- ◆ Access to approximately 1.2 Bcf of processing capacity through integrated asset network
- ◆ More than 300,000 acres dedicated in STACK and SCOOP<sup>(a)</sup>

## Natural Gas Pipelines

- ◆ Connected to more than 35 natural gas processing plants
- ◆ Approximately 50 Bcf of storage capacity
- ◆ On-system utility and industrial markets with peak capacity of ~2.7 Bcf/d



- ◆ Natural Gas Liquids
- ◆ Arbuckle II Pipeline (in progress)
- ◆ Natural Gas Gathering & Processing
- ◆ Natural Gas Pipelines
- ◆ Natural Gas Liquids Fractionator
- ◆ ONEOK Processing Plants
- ◆ Natural Gas Pipelines Storage

(a) STACK: Sooner Trend (oil field), Anadarko (basin), Canadian and Kingfisher (counties) ; SCOOP: South Central Oklahoma Oil Province

# ARBUCKLE II PIPELINE

## CRITICAL INFRASTRUCTURE TO SERVE GROWING PRODUCTION

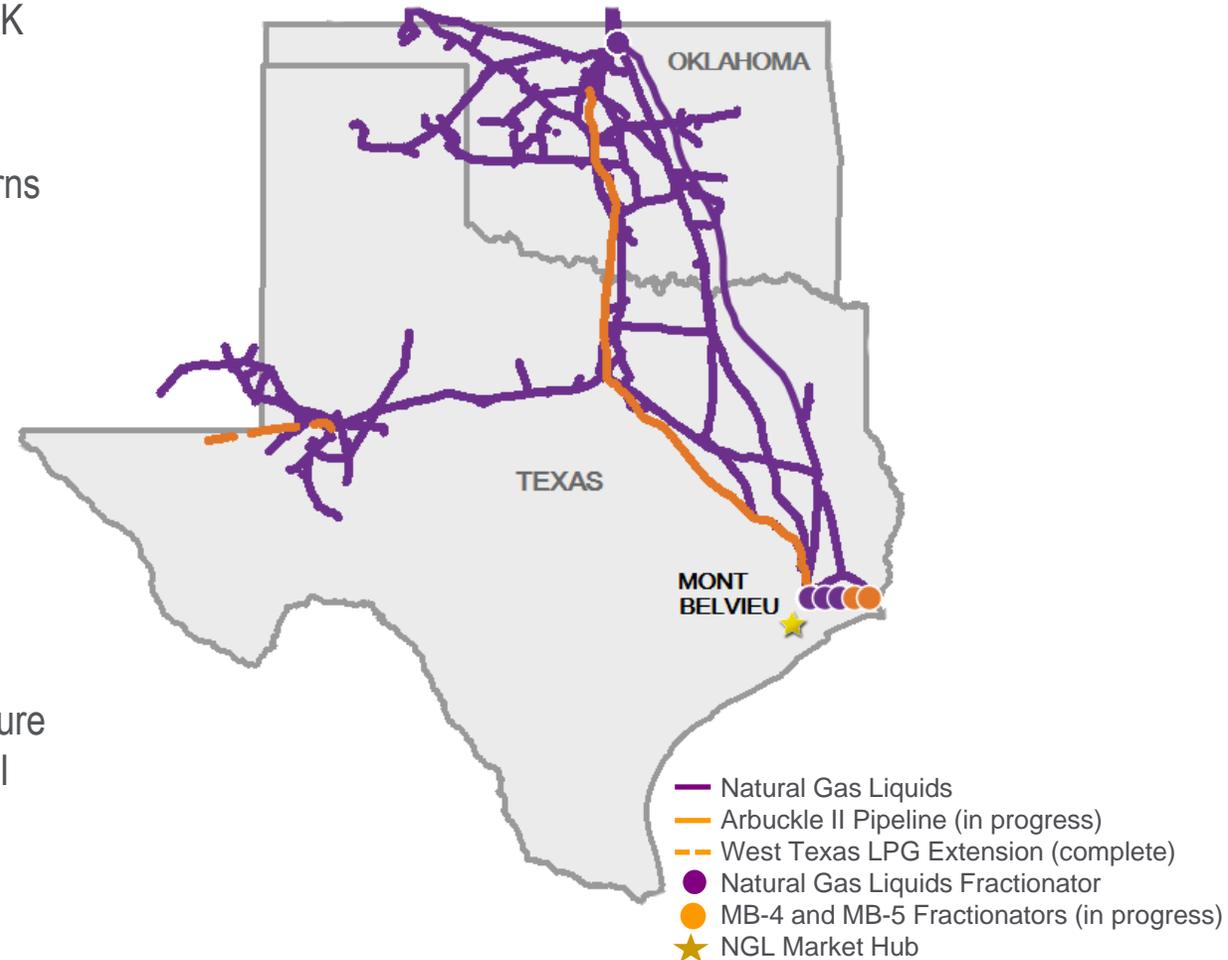
- ◆ Volume growth expected across ONEOK footprint, particularly in the STACK and SCOOP areas and Williston and Permian basins, creating a need for additional capacity
- ◆ Pipeline and fractionator projects serving producer needs at attractive returns
  - Anchored by long-term contracts with 10- to 20-year terms
  - Expected adjusted EBITDA multiples of 4-6x

### Arbuckle II Pipeline

- ◆ 530-mile, 24- and 30-inch diameter NGL pipeline with initial capacity of up to 400,000 bpd expandable to 1 million bpd
  - \$1.36 billion – expected completion first quarter 2020
  - Approximately 350,000 bpd contracted

### Extension and expansion projects

- ◆ Extension of pipeline further north and additional NGL gathering infrastructure to increase capacity between the Mid-Continent market hub and Arbuckle II
- ◆ 100,000 bpd NGL pipeline expansion up to 500,000 bpd by adding pump stations





# PERMIAN BASIN

# PERMIAN BASIN

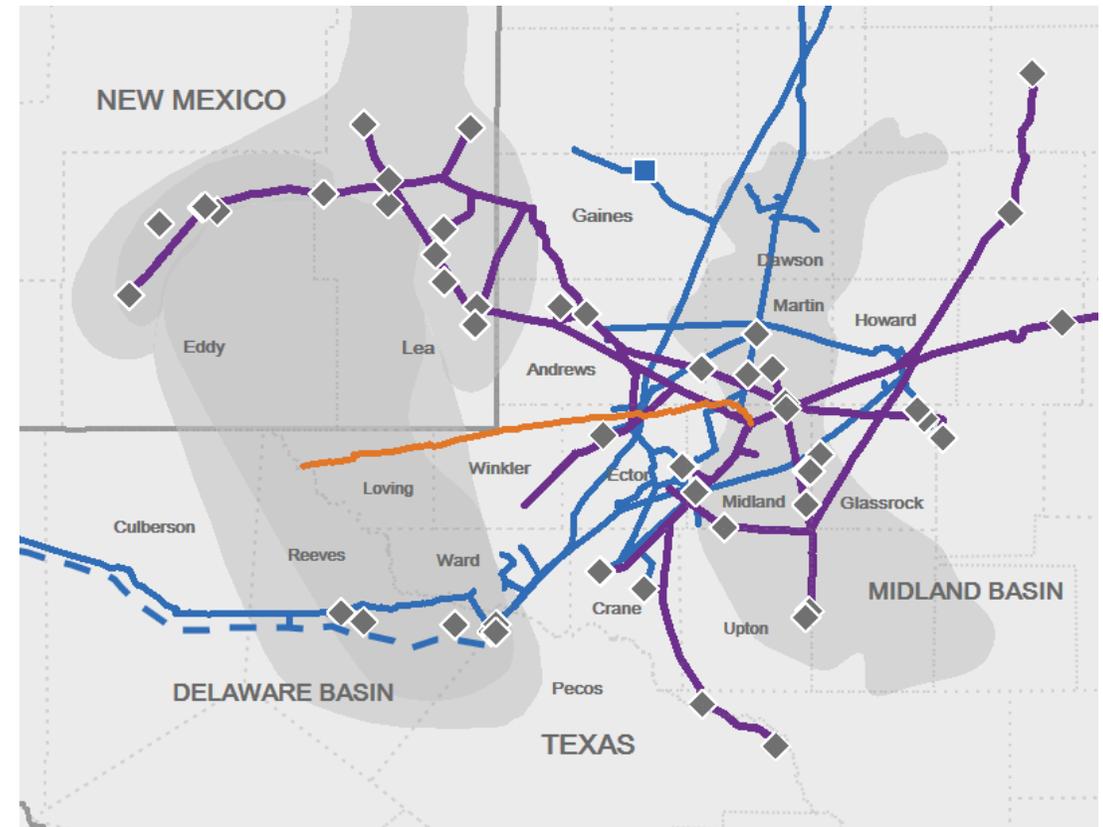
## RELIABLE SERVICE PROVIDER

### Natural Gas Liquids

- ◆ Approximately 40 third-party natural gas processing plant connections in the Permian Basin
- ◆ Completed West Texas LPG pipeline extension into Delaware Basin with initial capacity of 110,000 bpd
  - Includes expansion of existing 285,000 bpd system to accommodate increased volumes

### Natural Gas Pipelines

- ◆ 2,500-mile network of natural gas pipelines connected to approximately 20 natural gas processing plants serving the Permian Basin
- ◆ Access to on-system utility and industrial markets with peak capacity of approximately 1.7 Bcf/d
- ◆ 4 Bcf of active natural gas storage capacity in Texas
- ◆ Completed more than 1 Bcf/d of expansion projects to provide additional natural gas takeaway options including, the WestTex Transmission Pipeline expansion and a project to make Roadrunner Gas Transmission bidirectional

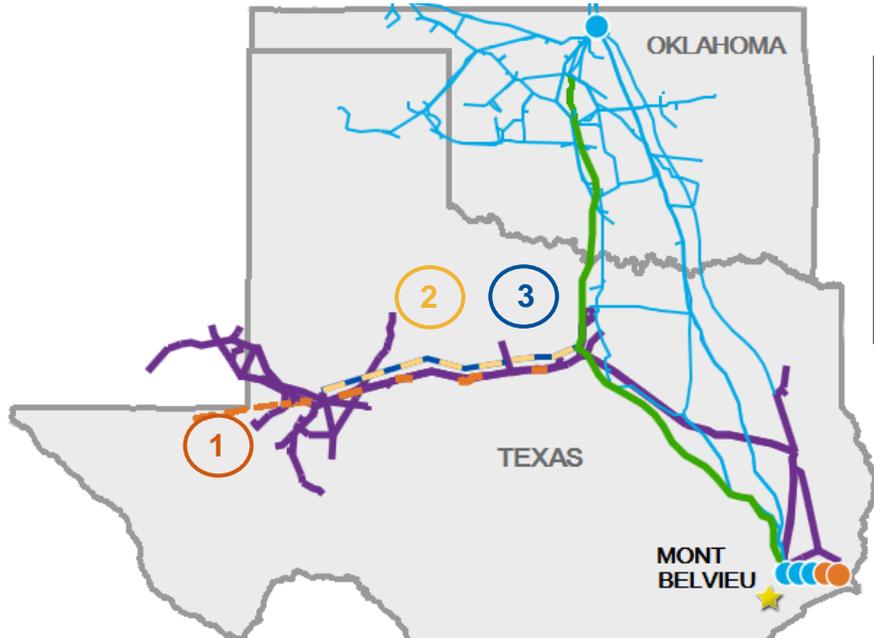


- Natural Gas Liquids
- West Texas LPG Extension (complete)
- ◆ Third-party Processing Plant Connections
- Natural Gas Pipelines
- - - Roadrunner Gas Transmission (50% ownership interest)
- Natural Gas Pipelines Storage

# ONEOK'S PERMIAN BASIN STRATEGY

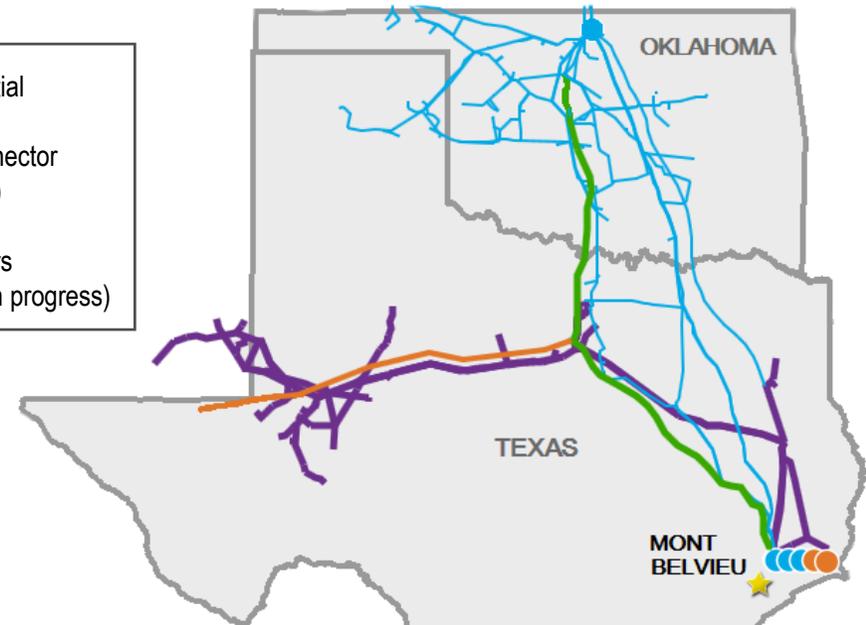
CONNECTING PERMIAN BASIN TO ARBUCKLE II UTILIZING INCREMENTAL, CAPITAL-EFFICIENT EXPANSIONS

## STRATEGY



- Legacy WTLPG system – potential conversion to crude service
- New Permian to Arbuckle II connector
- Arbuckle II Pipeline (in progress)
- Natural Gas Liquids Pipelines
- Natural Gas Liquids Fractionators
- MB-4 and MB-5 Fractionators (in progress)

## POTENTIAL FUTURE



Phases	Scope	Status
1	Delaware Basin extension and pump stations and looping on mainline	Complete
2	Additional pump stations and looping to accommodate up to 80 MBbl/d, and connection of West Texas LPG (WTLPG) to Arbuckle II pipeline	Q1 2020
3	Complete the loop of WTLPG and fully connect with Arbuckle II pipeline	Future phases as additional contracts are finalized

Capacities and Options	
	New pipeline with capacity of up to 400 MBbl/d connecting Permian Basin to Mont Belvieu with Arbuckle II which is expandable up to 1,000 MBbl/d
	Legacy WTLPG pipeline could be used in either NGL service or crude transportation service



# POWDER RIVER BASIN

# POWDER RIVER BASIN

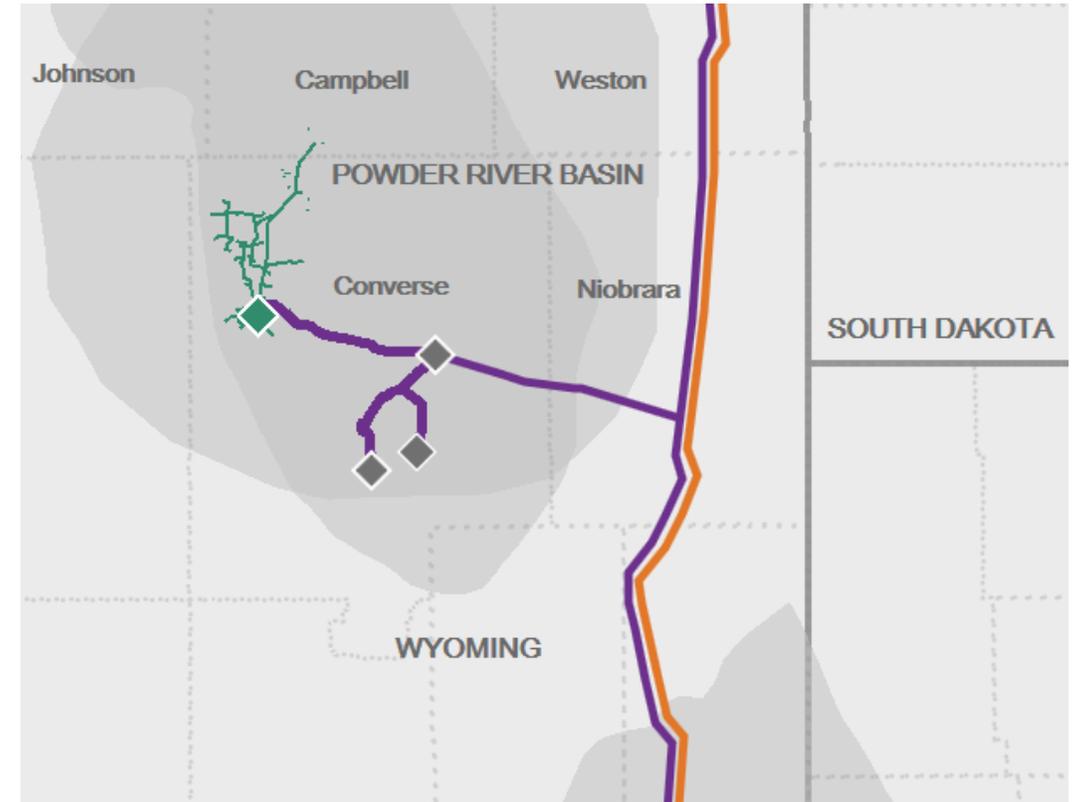
## PROVIDING VALUABLE TAKEAWAY CAPACITY

### Natural Gas Liquids

- ◆ Assets located in NGL-rich Niobrara, Sussex and Turner formations
- ◆ Approximately 1 million acres dedicated to ONEOK
- ◆ NGL takeaway through Bakken NGL Pipeline and Overland Pass Pipeline
  - Elk Creek Pipeline will provide additional capacity once complete
- ◆ Three third-party natural gas processing plant connections

### Natural Gas Gathering and Processing

- ◆ Approximately 130,000 acres dedicated to ONEOK
- ◆ 50 MMcf/d processing capacity at Sage Creek natural gas processing plant
- ◆ Integrated assets and value chain with natural gas liquids segment



— Natural Gas Gathering & Processing  
— Elk Creek Pipeline (in progress)  
— Bakken NGL Pipeline

◆ ONEOK Processing Plant  
◆ Third-party Processing Plant Connections



## NON-GAAP RECONCILIATIONS



# NON-GAAP RECONCILIATIONS

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

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

Distributable cash flow 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 from unconsolidated affiliates and certain other items; and

Dividend coverage ratio is defined as ONEOK's distributable cash flow to ONEOK shareholders divided by the dividends paid for the period.

These non-GAAP financial measures described above are useful to investors because they are used by many companies in the industry as a measurement of financial performance and are commonly employed by financial analysts and others to evaluate our financial performance and to compare our financial performance with the performance of other companies within our industry. Adjusted EBITDA, DCF and dividend coverage ratio should not be considered in isolation or as a substitute for net income 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. In connection with our merger transaction, we have adjusted prior periods in the following table to conform to current presentation. Furthermore, these non-GAAP measures should not be viewed as indicative of the actual amount of cash that is available or that is planned to be distributed in a given period.

ONEOK has also disclosed in this presentation forward-looking estimates for projected adjusted EBITDA multiples expected to be generated by announced capital-growth projects. Adjusted EBITDA multiples for the announced capital-growth projects reflect the expected adjusted EBITDA to be generated by the projects relative to the capital investment being made. A reconciliation of estimated adjusted EBITDA to GAAP net income for the announced capital-growth projects is not provided because the GAAP net income generated by the projects is not available without unreasonable efforts.

# 2019 FINANCIAL GUIDANCE

## NON-GAAP RECONCILIATION

### 2019 Guidance Range

(Millions of dollars)

#### Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow

Net Income	\$ 1,140	-	\$ 1,400
Interest expense, net of capitalized interest	525	-	475
Depreciation and amortization	490	-	470
Income taxes	340	-	410
Noncash compensation expense	45	-	25
Equity AFUDC and other noncash items	(40)	-	(80)
Adjusted EBITDA	2,500	-	2,700
Interest expense, net of capitalized interest	(525)	-	(475)
Maintenance capital	(200)	-	(160)
Equity in net earnings from investments	(125)	-	(175)
Distributions received from unconsolidated affiliates	170	-	180
Other	-	-	(10)
Distributable cash flow	\$ 1,820	-	\$ 2,060

# NON-GAAP RECONCILIATION

(\$ in Millions)	2017					2018					2019
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
<b>Reconciliation of Net Income to Adjusted EBITDA</b>											
Net income	\$186	\$176	\$167	\$65	\$594	\$266	\$282	\$314	\$293	\$1,155	\$337
Interest expense, net of capitalized interest	116	118	127	125	486	116	113	122	119	470	115
Depreciation and amortization	99	101	102	104	406	104	107	107	111	429	114
Impairment charges	-	-	20	-	20	-	-	-	-	-	-
Income taxes	55	44	97	251	447	76	88	102	97	363	78
Noncash compensation expense	2	3	5	3	13	9	12	6	11	38	6
Equity AFUDC and other noncash items	2	20	(1)	-	21	(1)	-	(1)	(5)	(7)	(13)
<b>Adjusted EBITDA</b>	<b>\$460</b>	<b>\$462</b>	<b>\$517</b>	<b>\$548</b>	<b>\$1,987</b>	<b>\$570</b>	<b>\$602</b>	<b>\$650</b>	<b>\$626</b>	<b>\$2,448</b>	<b>\$637</b>
Interest expense, net of capitalized interest	(116)	(118)	(127)	(125)	(486)	(116)	(113)	(122)	(119)	(470)	(115)
Maintenance capital	(24)	(23)	(33)	(67)	(147)	(30)	(44)	(63)	(51)	(188)	(41)
Equity earnings from investments	(40)	(39)	(40)	(40)	(159)	(40)	(37)	(39)	(42)	(158)	(43)
Distributions received from unconsolidated affiliates	47	50	49	50	196	50	48	47	52	197	59
Other	(3)	(2)	(2)	-	(7)	(2)	(3)	-	(2)	(7)	10
<b>Distributable Cash Flow</b>	<b>\$324</b>	<b>\$330</b>	<b>\$364</b>	<b>\$366</b>	<b>\$1,384</b>	<b>\$432</b>	<b>\$453</b>	<b>\$473</b>	<b>\$464</b>	<b>\$1,822</b>	<b>\$507</b>
Dividends paid to preferred shareholders	-	-	-	(1)	(1)	-	-	(1)	-	(1)	-
Distributions paid to public limited partners	(135)	(135)	-	-	(270)	-	-	-	-	-	-
<b>Distributable cash flow to shareholders</b>	<b>\$189</b>	<b>\$195</b>	<b>\$364</b>	<b>\$365</b>	<b>\$1,113</b>	<b>\$432</b>	<b>\$453</b>	<b>\$472</b>	<b>\$464</b>	<b>\$1,821</b>	<b>\$507</b>
Dividends paid	(130)	(130)	(283)	(285)	(828)	(316)	(327)	(339)	(352)	(1,334)	(354)
<b>Distributable cash flow in excess of dividends paid</b>	<b>59</b>	<b>65</b>	<b>81</b>	<b>80</b>	<b>285</b>	<b>116</b>	<b>126</b>	<b>133</b>	<b>112</b>	<b>487</b>	<b>153</b>
Dividends paid per share	\$0.615	\$0.615	\$0.745	\$0.745	\$2.720	\$0.770	\$0.795	\$0.825	\$0.855	\$3.245	\$0.860
Dividend coverage ratio	1.46	1.50	1.29	1.28	1.34	1.37	1.39	1.39	1.32	1.37	1.43
Number of shares used in computations (millions)	211	211	380	383	304	411	411	411	411	411	412

# NON-GAAP RECONCILIATION

## NET INCOME TO ADJUSTED EBITDA

<i>(millions of dollars)</i>	2014	2015	2016	2017	2018
<b>Reconciliation of net income to adjusted EBITDA</b>					
Net income	\$ 663	\$ 379	\$ 744	\$ 594	\$ 1,155
Interest expense, net of capitalized interest	356	417	470	486	470
Depreciation and amortization	295	355	392	406	429
Impairment charges	79	264	–	20	-
Income taxes	151	137	212	447	363
Noncash compensation expense	17	14	32	13	38
Other	(9)	13	–	21	(7)
Adjusted EBITDA	\$ 1,552	\$ 1,579	\$ 1,850	\$ 1,987	\$ 2,448



Elk Creek Pipeline — Kansas