

ONEOK INC /NEW/
Form 10-Q
August 04, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

X Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 30, 2010

OR

___ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____.

Commission file number 001-13643

ONEOK, Inc.
(Exact name of registrant as specified in its charter)

Oklahoma
(State or other jurisdiction of
incorporation or organization)

73-1520922
(I.R.S. Employer Identification No.)

100 West Fifth Street, Tulsa, OK
(Address of principal executive offices)

74103
(Zip Code)

Registrant's telephone number, including area code (918) 588-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No ___

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer X Accelerated filer ___ Non-accelerated filer ___ Smaller reporting company ___

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Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

On July 28, 2010, the Company had 106,418,886 shares of common stock outstanding.

ONEOK, Inc.

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As used in this Quarterly Report, references to "we," "our" or "us" refer to ONEOK, Inc., an Oklahoma corporation, and its predecessors and subsidiaries, unless the context indicates otherwise.

The statements in this Quarterly Report that are not historical information, including statements concerning plans and objectives of management for future operations, economic performance or related assumptions, are forward-looking statements. Forward-looking statements may include words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “should,” “goal,” “forecast,” “guidance,” “could,” “may,” “continue,” “might,” “potential,” “scheduled” and other words of similar meaning. Although we believe that our expectations regarding future events are based on reasonable assumptions, we can give no assurance that such expectations and assumptions will be achieved. Important factors that could cause actual results to differ materially from those in the forward-looking statements are described under Part I, Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations, “Forward-Looking Statements” and Part II, Item 1A, “Risk Factors” in this Quarterly Report and under Part I, Item 1A, “Risk Factors,” in our Annual Report.

INFORMATION AVAILABLE ON OUR WEB SITE

We make available on our Web site copies of our Annual Report, Quarterly Reports, Current Reports on Form 8-K, amendments to those reports filed or furnished to the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act and reports of holdings of our securities filed by our officers and directors under Section 16 of the Exchange Act as soon as reasonably practicable after filing such material electronically or otherwise furnishing it to the SEC. Our Web site and any contents thereof are not incorporated by reference into this report.

We also make available on our Web site the Interactive Data Files required to be submitted and posted pursuant to Rule 405 of Regulation S-T. In accordance with Rule 402 of Regulation S-T, the Interactive Data Files shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

GLOSSARY

The abbreviations, acronyms and industry terminology used in this Quarterly Report are defined as follows:

AFUDC.....	Allowance for funds used during construction
Annual Report.....	Annual Report on Form 10-K for the year ended December 31, 2009
ASU.....	Accounting Standards Update
Bbl.....	Barrels, one barrel is equivalent to 42 United States gallons
Bbl/d.....	Barrels per day
BBtu/d.....	Billion British thermal units per day
Bcf.....	Billion cubic feet
Bcf/d.....	Billion cubic feet per day
Btu(s).....	British thermal units, a measure of the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit
Bushton Plant.....	Bushton Gas Processing Plant
Clean Air Act.....	Federal Clean Air Act, as amended
Clean Water Act.....	Federal Water Pollution Control Act Amendments of 1972, as amended
EBITDA.....	Earnings before interest, taxes, depreciation and amortization
EPA.....	United States Environmental Protection Agency
Exchange Act.....	Securities Exchange Act of 1934, as amended
FASB.....	Financial Accounting Standards Board
FERC.....	Federal Energy Regulatory Commission
GAAP.....	Accounting principles generally accepted in the United States of America
KCC.....	Kansas Corporation Commission
KDHE.....	Kansas Department of Health and Environment
LDCs.....	Local distribution companies
LIBOR.....	London Interbank Offered Rate
MBbl.....	Thousand barrels
MBbl/d.....	Thousand barrels per day
Mcf.....	Thousand cubic feet
MMBbl.....	Million barrels
MMBtu.....	Million British thermal units
MMBtu/d.....	Million British thermal units per day
MMcf.....	Million cubic feet
MMcf/d.....	Million cubic feet per day
Moody's.....	Moody's Investors Service, Inc.
NGL products.....	Marketable natural gas liquid purity products, such as ethane, ethane/propane mix, propane, iso-butane, normal butane and natural gasoline
NGL(s).....	Natural gas liquid(s)
Northern Border Pipeline.....	Northern Border Pipeline Company
NYMEX.....	New York Mercantile Exchange
OBPI.....	ONEOK Bushton Processing Inc.
OCC.....	Oklahoma Corporation Commission
ONEOK.....	ONEOK, Inc.
ONEOK Credit Agreement.....	ONEOK's \$1.2 billion Amended and Restated Credit Agreement dated July 14, 2006
ONEOK Partners.....	ONEOK Partners, L.P.
ONEOK Partners Credit Agreement.....	ONEOK Partners' \$1.0 billion Amended and Restated Revolving Credit

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Agreement dated March 30, 2007

ONEOK Partners
GP.....

ONEOK Partners GP, L.L.C., a wholly owned subsidiary of ONEOK and
the sole
general partner of ONEOK Partners

OPIS.....	Oil Price Information Service
Overland Pass Pipeline Company.....	Overland Pass Pipeline Company LLC
Quarterly Report(s).....	Quarterly Report(s) on Form 10-Q
S&P.....	Standard & Poor's Rating Group
SEC.....	Securities and Exchange Commission
Securities Act.....	Securities Act of 1933, as amended
Viking Gas Transmission.....	Viking Gas Transmission Company
XBRL.....	eXtensible Business Reporting Language

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PART I - FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
ONEOK, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2010	2009	2010	2009
	(Thousands of dollars, except per share amounts)			
Revenues	\$2,807,131	\$2,227,627	\$6,731,098	\$5,017,454
Cost of sales and fuel	2,349,054	1,795,201	5,653,701	4,033,617
Net margin	458,077	432,426	1,077,397	983,837
Operating expenses				
Operations and maintenance	178,478	184,874	358,750	346,593
Depreciation and amortization	75,510	71,249	153,367	143,375
General taxes	25,103	25,261		