

ONEOK INC /NEW/
Form 424B5
June 16, 2005
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SEC File No. 333-82717

PROSPECTUS SUPPLEMENT

(To Prospectus Dated April 15, 2003)

ONEOK, Inc.

\$400,000,000 5.20% Notes due 2015

\$400,000,000 6.00% Notes due 2035

The 2015 notes will bear interest at the rate of 5.20% per year and will mature on June 15, 2015. The 2035 notes will bear interest at the rate of 6.00% per year and will mature on June 15, 2035. Interest on the notes is payable on June 15 and December 15 of each year, beginning December 15, 2005. We may redeem some or all of each series of notes at any time prior to maturity, in whole or in part, at a redemption price equal to the greater of the principal amount of the notes and the make whole price described in this prospectus supplement, together with accrued and unpaid interest on the notes to the redemption date.

The notes will be general unsubordinated obligations of our company and will rank equally with all of our existing and future unsecured and unsubordinated debt.

Investing in the notes involves risks. See Risk Factors beginning on page S-11 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	<u>Offering Price to Public⁽¹⁾</u>	<u>Underwriting Discounts</u>	<u>Proceeds to Us Before Expenses</u>
Per 5.20% Note due 2015	99.946%	0.650%	99.296%
Total	\$ 399,784,000	\$ 2,600,000	\$ 397,184,000
Per 6.00% Note due 2035	99.752%	0.875%	98.877%
Total	\$ 399,008,000	\$ 3,500,000	\$ 395,508,000

(1) Plus accrued interest, if any, from the date of original issuance.

The underwriters expect to deliver the notes to purchasers in registered book entry form only through the facilities of The Depository Trust Company, or through its direct participants, Clearstream Banking, Société anonyme or Euroclear Bank S.A./N.V., on or about June 17, 2005.

Joint Book-Running Managers

Citigroup

UBS Investment Bank

Senior Co-Managers

**ABN AMRO Incorporated
RBS Greenwich Capital**

**JPMorgan
Wachovia Securities**

Co-Managers

SunTrust Robinson Humphrey

BOSC, Inc.

June 14, 2005

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement or, with respect to information incorporated by reference, as of the date of such information.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying prospectus that is also a part of this document. In this prospectus supplement, we provide you with specific information about the terms of this offering of the notes. Both this prospectus supplement and the accompanying prospectus include important information about us, the notes and other information you should know before investing in the notes. This prospectus supplement also adds to, updates and changes some of the information contained in the accompanying prospectus. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying prospectus, the statements made in the accompanying prospectus are deemed modified or superseded by the statements made in this prospectus supplement.

Unless we otherwise indicate or unless the context requires otherwise, all references in this prospectus supplement to we, our, us, the Company, ONEOK or similar references mean ONEOK, Inc. and its subsidiaries, predecessors and acquired businesses.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. You can read and copy any materials we file with the Securities and Exchange Commission at its Public Reference Room at Station Place, 100 F Street, N.W., Washington, D.C. 20549. You can obtain information about the operations of the Securities and Exchange Commission Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission also maintains a Web site that contains information we file electronically with the Securities and Exchange Commission, which you can access over the Internet at <http://www.sec.gov>. In addition, our SEC filings are available at www.oneok.com. Information contained in our website does not constitute part of this prospectus supplement. Our common stock is listed on the New York Stock Exchange (NYSE: OKE), and you can obtain information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

As permitted by Securities and Exchange Commission rules, this prospectus supplement does not contain all of the information we have included in the registration statement and the accompanying exhibits. You may refer to the registration statement and the exhibits for more information about us and our securities. The registration statement and the exhibits are available at the Securities and Exchange Commission's Public Reference Room or through its Web site.

The Securities and Exchange Commission allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. All information incorporated by reference is part of this document, unless and until that information is updated and superseded by the information contained in this document or any information subsequently filed that is incorporated by reference. We incorporate by reference the documents listed below.

our annual report on Form 10-K for the year ended December 31, 2004;

our quarterly report on Form 10-Q for the quarter ended March 31, 2005;

our definitive 2005 Proxy Statement on Schedule 14A, excluding those portions thereof which are furnished and not filed with the SEC; and

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our current reports on Form 8-K dated January 19, 2005, January 21, 2005 (three reports), January 28, 2005 (two reports), February 23, 2005 (relating to our Equity Compensation Plan and Employee Stock Purchase Plan), March 16, 2005, March 21, 2005, March 31, 2005 (relating to presentation at the Howard Weil 33rd Annual Energy Conference), April 22, 2005 (two reports), May 13, 2005 and May 20, 2005 (two reports).

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You may request a copy of these filings (other than an exhibit to the filings unless we have specifically incorporated that exhibit by reference into the filing) at no cost, by writing or telephoning us at the following address:

ONEOK, Inc.

100 West Fifth Street

Tulsa, Oklahoma 74103

Attention: Chief Financial Officer

Telephone: (918) 588-7000

We also incorporate by reference all future filings we make with the Securities and Exchange Commission under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (other than current reports on Form 8-K furnished under Item 2.02 or Item 7.01 and any related exhibits) on or after the date of this prospectus supplement and prior to the closing of the related offering made hereby. Those documents will become a part of this prospectus supplement from the date that the documents are filed with the Securities and Exchange Commission.

You may request and we will deliver to you promptly, without charge, a paper copy of this prospectus if you send a request in writing to us at the above address.

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FORWARD-LOOKING INFORMATION

Some of the statements contained and incorporated in this prospectus supplement and the accompanying prospectus are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements relate to: anticipated financial performance, including anticipated operating income from the businesses that we agreed in May 2005 to acquire from Koch Industries, Inc. and affiliates; management's plans and objectives for future operations; business prospects; outcome of regulatory and legal proceedings; market conditions and other matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements in certain circumstances. The following discussion is intended to identify important factors that could cause future outcomes to differ materially from those set forth in the forward-looking statements.

Forward-looking statements include the information concerning possible or assumed future results of our operations and other statements contained or incorporated in this prospectus supplement or the accompanying prospectus identified by words such as anticipate, estimate, expect, forecast, intend, believe, projection or goal.

You should not place undue reliance on forward-looking statements. Known and unknown risks, uncertainties and other factors may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Those factors may affect our operations, markets, products, services and prices. In addition to any assumptions and other factors referred to specifically in connection with the forward-looking statements, factors that could cause our actual results to differ materially from those contemplated in any forward-looking statement include, among others, the following:

risks associated with any reduction in our credit ratings;

the effects of weather and other natural phenomena on energy sales and prices;

competition from other energy suppliers as well as alternative forms of energy;

the capital intensive nature of our business;

the profitability of assets or businesses acquired by us;

risks of marketing, trading and hedging activities as a result of changes in energy prices or the financial condition of our counterparties;

economic climate and growth in the geographic areas in which we do business;

the uncertainty of estimates, including accruals, cost of environmental remediation and gas and oil reserves;

the timing and extent of changes in commodity prices for natural gas, natural gas liquids, electricity and crude oil;

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the effects of changes in governmental policies and regulatory actions, including changes with respect to income taxes, environmental compliance, authorized rates or recovery of gas costs;

the impact of recently issued and future accounting pronouncements and other changes in accounting policies;

the possibility of future terrorist attacks or the possibility or occurrence of an outbreak of, or changes in, hostilities or changes in the political conditions in the Middle East and elsewhere;

the risk of increased costs for insurance premiums, security or other items as a consequence of terrorist attacks;

the impact of unforeseen changes in interest rates, equity markets, inflation rates, economic recession and other external factors over which we have no control, including the effect on pension expense and funding resulting from changes in stock and bond market returns;

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risks associated with pending or possible acquisitions and dispositions, including our ability to finance or integrate any such acquisitions and any regulatory delay or conditions imposed by regulatory bodies in connection with any such acquisitions and dispositions;

the results of administrative proceedings and litigation involving the Oklahoma Corporation Commission, Kansas Corporation Commission, Texas regulatory authorities or any other local, state or federal regulatory body, including the Federal Energy Regulatory Commission;

our ability to access capital at competitive rates or on terms acceptable to us;

the risk of a significant slowdown in growth or decline in the U.S. economy or the risk of delay in growth or recovery in the U.S. economy;

risks associated with adequate supply to our gathering and processing, fractionation and pipeline facilities, including production declines which outpace new drilling;

risks inherent in the implementation of new software, such as our customer service system, and the impact on the timeliness of information for financial reporting;

the risk that material weaknesses or significant deficiencies in our internal controls over financial reporting could emerge or that minor problems could become significant;

the impact of the outcome of pending and future litigation;

the possible loss of franchises or other adverse effects caused by the actions of municipalities; and

the other factors listed in the reports we have filed and may file with the Securities and Exchange Commission, which are incorporated by reference.

Other factors and assumptions not identified above were also involved in the making of the forward-looking statements. The failure of those assumptions to be realized, as well as other factors, may also cause actual results to differ materially from those projected. We have no obligation and make no undertaking to update publicly or revise any forward-looking information.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus. This summary may not contain all of the information that may be important to you. You should read carefully all of the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including the information set forth under the caption "Risk Factors" in this prospectus supplement and our consolidated financial statements and the related notes thereto incorporated by reference herein before making a decision to invest in the notes.

Our Company

ONEOK is a diversified energy company. We purchase, gather, process, transport, store and distribute natural gas. We drill for and produce natural gas and oil; extract, fractionate, store, transport, sell and market natural gas liquids; and are engaged in the marketing of natural gas and natural gas liquids. On a smaller scale, we also trade natural gas and power. We are the largest natural gas distributor in Kansas and Oklahoma and the third largest distributor in Texas, providing service as a regulated public utility to wholesale and retail customers. Our largest markets are Oklahoma City and Tulsa, Oklahoma; Kansas City, Wichita and Topeka, Kansas; and Austin and El Paso, Texas. Our energy services operation provides services to customers in many states.

Our principal operations are reported in the following segments:

Distribution

Transportation and Storage

Gathering and Processing

Energy Services

Production

Our distribution segment provides natural gas distribution services to approximately 2 million customers in Oklahoma, Kansas and Texas. Rates charged for gas services in the states of Oklahoma and Kansas are established by the Oklahoma Corporation Commission and Kansas Corporation Commission, respectively. Our operations in Texas are subject to regulatory oversight by the various municipalities we serve, which have primary jurisdiction in their respective areas. Rates in areas adjacent to the various municipalities and appellate matters are subject to regulatory oversight by the Texas Railroad Commission.

Our transportation and storage segment provides natural gas transportation, storage and some gas gathering services. Our transportation assets in Oklahoma, Kansas and Texas are regulated by the Oklahoma Corporation Commission, Kansas Corporation Commission and Texas Railroad Commission, respectively. We have flexibility in establishing transportation rates with customers. However, there is a maximum rate that we can

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charge our customers in Oklahoma and Kansas and if a rate cannot be agreed upon in Texas, then the rate is established by the Texas Railroad Commission.

Our gathering and processing segment is engaged in the gathering, processing and marketing of natural gas and fractionation, storage, transportation and marketing of natural gas liquids.

Our energy services segment is actively engaged in the marketing of natural gas to both wholesale and retail customers throughout the United States using gas storage and pipeline capacity, including firm transportation capacity, leased from related parties and others. The combination of owning supply and controlling strategic assets allows us to provide customers with enhanced services in return for premium value. This combination also allows us to capture incremental value from the volatility in the energy markets.

Our production segment owns, develops and produces natural gas and oil reserves in Oklahoma and Texas.

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Our Business Strategy

Our business strategy is focused on the maximization of shareholder value by integrating our natural gas business operations. In order to implement this strategy, we plan to:

look for acquisition opportunities, when advantageous, that complement and strengthen our geographic footprint and core lines of business;

maximize the earnings potential of existing assets through rationalization and consolidation;

pursue regulatory initiatives that benefit us and our customers; and

sell assets when deemed to be less strategic.

Recent Developments

Koch Acquisition. On May 9, 2005, we signed definitive agreements to acquire the natural gas liquids, or NGL, businesses owned by Koch Industries, Inc. and affiliates for approximately \$1.35 billion, referred to collectively as the Koch Acquisition. Included in the transaction is Koch Hydrocarbon, LP's entire mid-continent NGL business that provides NGL gathering, fractionation, storage and marketing services for processors and other parties in Oklahoma, Kansas and Texas. This acquisition includes two fractionators (100 percent-owned) located at Medford, Oklahoma, and Hutchinson, Kansas, with combined capacity of 240,000 barrels per day, a 10 percent ownership in a 110,000 barrel per day fractionator located at Conway, Kansas, and two underground NGL storage facilities and a 9,000 barrel per day isomerization facility located at Conway, Kansas.

Also included in the transaction are Koch Pipeline Company's NGL pipeline distribution and gathering systems, including approximately 1,800 miles of interstate NGL distribution pipelines that connect the Conway, Kansas, and Mont Belvieu, Texas market centers. Additionally, a 50 percent interest in the 200-mile Federal Energy Regulatory Commission regulated gathering pipeline owned by Chisholm Pipeline Company will be acquired.

We will also acquire MBFF, LP, which owns an 80 percent interest in a 160,000 barrel per day fractionator at Mont Belvieu. We will also acquire Koch Vesco Holdings, LLC, an entity which owns a 10.2% interest in Venice Energy Services Company, LLC, or VESCO, which owns a gas processing complex, near Venice, Louisiana. The VESCO facility currently processes an average of 800 million cubic feet per day of gas and provides gas gathering, processing, fractionation, storage and distribution services to offshore Gulf of Mexico gas producers.

We believe that the Koch Acquisition will provide us with a number of benefits including improved operating results from fee based contracts. For the Koch Acquisition, we have relied upon improved financial results from recently renegotiated contracts. Our ability to realize the benefits will depend upon the successful completion and integration of the Koch Acquisition, the retention of production volumes, a continuation of the currently favorable operating environment in the NGL market and the realization of the benefit from recent contract renegotiations.

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Initial financing for the Koch Acquisition will be in the form of a bridge loan or through another short-term credit facility. Permanent financing is expected to come from a combination of available cash, issuance of long-term debt and proceeds from the settlement of our equity units in February 2006. We may also use proceeds from the sale of less strategic assets.

Closing of the Koch Acquisition is subject to antitrust clearance under the Hart-Scott-Rodino Antitrust Act.

ONEOK was organized in May 1997 and acquired the gas business of Westar Energy, Inc. and its affiliates in November 1997. We are the successor to a company founded in 1906 as Oklahoma Natural Gas Company. Our principal executive offices are located at 100 West Fifth Street, Tulsa, Oklahoma 74103, telephone: (918) 588-7000.

The information above concerning us is only a summary and does not purport to be comprehensive. For additional information concerning ONEOK, you should refer to the information described under the caption **Where You Can Find More Information** on page S-1 of this prospectus supplement.

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The Offering

Issuer	ONEOK, Inc.
Notes Offered	\$400 million initial principal amount of 5.20% notes due 2015 and \$400 million initial principal amount of 6.00% notes due 2035.
Maturity	The 2015 notes will mature on June 15, 2015 and the 2035 notes will mature on June 15, 2035.
Interest Rates	The 2015 notes will bear interest at the rate of 5.20% per year and the 2035 notes will bear interest at the rate of 6.00% per year, in each case accruing from June 17, 2005 or from the most recent interest payment date to which interest has been paid or duly provided for.
Interest Payment Dates	Interest on the notes will be payable semi-annually in arrears on June 15 and December 15 of each year, commencing December 15, 2005, and at maturity or, if applicable, upon their earlier redemption.
Optional Redemption	At our option, we may redeem any or all of the notes at any time, in whole or in part, as described on pages S-21 under the heading "Description of the Notes - Optional Redemption" in this prospectus supplement.
Ranking	<p>The notes will be our general unsecured obligations. The notes will rank equally with all of our other unsecured and unsubordinated debt, and senior in right of payment to all of our future subordinated debt. The notes are not guaranteed by any of our subsidiaries. The notes will be effectively subordinated to:</p> <p style="padding-left: 40px;">any of our secured debt to the extent of the assets securing that debt; and</p> <p style="padding-left: 40px;">all debt for money borrowed and other liabilities of our subsidiaries.</p> <p>As of March 31, 2005, after giving effect to this offering and the application of its proceeds, we would have had approximately \$2.3 billion of unsecured debt to third parties (including the notes, but excluding trade payables), none of which was debt of our subsidiaries, and we had no secured debt.</p>
Covenants	<p>We will issue the notes under an indenture containing covenants for your benefit. The covenants restrict our ability, with certain exceptions, to:</p> <p style="padding-left: 40px;">merge or consolidate with another entity or transfer all or substantially all of our property and assets;</p> <p style="padding-left: 40px;">incur liens; and</p>

enter into sale and leaseback transactions.

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Events of Default	The events of default in the indenture will be amended with respect to the notes offered hereby by increasing from \$15 million to \$100 million the amount of other indebtedness that, if defaulted upon and accelerated, could cause a default under the notes.
Use of Proceeds	We estimate that the net proceeds from the sale of the notes in this offering, after deducting underwriting discounts and commissions and the estimated expenses of this offering payable by us, will be approximately \$792 million. We anticipate using the net proceeds from this offering to repay commercial paper borrowings and for general corporate purposes.
Further Issues	We may create and issue further notes ranking equally and ratably in all respects with the notes of a particular series, so that such further notes will be consolidated and form a single series with the corresponding series of notes and will have the same terms as the corresponding series of notes.
Risk Factors	See Risk Factors and other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of factors you should carefully consider before deciding to invest in the notes.
Trustee	SunTrust Bank.

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	Three Months				
	Ended				
	March 31,		Year Ended December 31,		
	2005	2004	2004	2003	2002
(Thousand of dollars, except per share data)					
Operating Data:					
Revenues					
Operating revenues, excluding energy trading revenues	\$ 2,743,671	\$ 955,311	\$ 5,874,266	\$ 2,769,214	\$ 1,894,851
Energy trading revenues, net	9,192	75,264	113,814	229,782	209,429
Total Revenues	2,752,863	1,030,575	5,988,080	2,998,996	2,104,280
Cost of sales and fuel	2,353,298	637,817	4,743,835	1,862,518	1,128,620
Net Margin	399,565	392,758	1,244,245	1,136,478	975,660
Operating Expenses					
Operations and maintenance	129,078	130,375	498,778	463,116	401,328
Depreciation, depletion, and amortization	51,496	46,740	188,725	160,861	147,843
General taxes	19,400	20,535	66,732	66,437	55,011
Total Operating Expenses	199,974	197,650	754,235	690,414	604,182
Operating Income	199,591	195,108	490,010	446,064	371,478
Other income	5,314	7,814	17,730	8,164	12,426
Other expense	804	7,590	12,127	5,224	19,038
Interest expense	29,802	23,688	103,468	104,185	106,405
Income before Income Taxes	174,299	171,644	392,145	344,819	258,461
Income taxes	66,635	66,491	149,967	130,527	102,485
Income from Continuing Operations	107,664	105,153	242,178	214,292	155,976
Discontinued operations, net of taxes:					
Income from operations of discontinued component				2,342	10,648
Gain on sale of discontinued component					