

WILLIAMS COMPANIES INC
 Form 4
 February 07, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HILL RALPH A

2. Issuer Name and Ticker or Trading Symbol
WILLIAMS COMPANIES INC [WMB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
02/05/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. Vice President E&P

ONE WILLIAMS CENTER

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

TULSA, OK 74172

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock <u>(1)</u> | 02/05/2007 | | M | 11,666 A \$ 27.36 | 11,666 | D | |
| Common Stock <u>(1)</u> | 02/05/2007 | | F | 3,976 D \$ 27.36 | 7,690 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | | S | 600 D \$ 27.53 | 7,090 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | | S | 200 D \$ 27.52 | 6,890 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | | S | 300 D \$ 27.51 | 6,590 | D | |

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| | | | | | | | | |
|-------------------------|------------|---|-------|---|----------|--------|---|---------------------|
| Common Stock <u>(2)</u> | 02/06/2007 | S | 300 | D | \$ 27.5 | 6,290 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 500 | D | \$ 27.48 | 5,790 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 300 | D | \$ 27.47 | 5,490 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 300 | D | \$ 27.46 | 5,190 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 200 | D | \$ 27.45 | 4,990 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 1,690 | D | \$ 27.44 | 3,300 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 500 | D | \$ 27.43 | 2,800 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 800 | D | \$ 27.42 | 2,000 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 600 | D | \$ 27.41 | 1,400 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 800 | D | \$ 27.37 | 600 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 200 | D | \$ 27.36 | 400 | D | |
| Common Stock <u>(2)</u> | 02/06/2007 | S | 400 | D | \$ 27.35 | 0 | D | |
| Common Stock | | | | | | 26,381 | I | By Trust <u>(3)</u> |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | | Title |

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| | | | | | Date Exercisable | Expiration Date | | Amount or Number of Shares |
|-------------------------------|----------|------------|---|--------|------------------|-----------------|--------------|----------------------------|
| Deferred Stock ⁽¹⁾ | \$ 27.36 | 02/05/2007 | M | 11,666 | 02/05/2007 | 02/05/2007 | Common Stock | 11,666 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HILL RALPH A ONE WILLIAMS CENTER TULSA, OK 74172 | | | Sr. Vice President E&P | |

Signatures

Cher S. Lawrence, Attorney-in-Fact for Ralph A. Hill 02/07/2007

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- Payout of a Restricted Stock Award (formerly referred to as Deferred Stock) in transaction exempt under Rules 16b-3(d) and 16b-6(b) of
- (1) 11,666 shares of common stock awarded under The Williams Companies, Inc. 2002 Incentive Plan of which 3,976 shares were withheld for taxes.
 - (2) Represents shares sold pursuant to a 10(b)5-1 Sales Plan entered into between Reporting Person and Broker on March 16, 2005.
 - (3) Represents total shares of the Company's common stock held in The Investment Plus Plan.
 - (4) 1-for-1

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