WILLIAMS COMPANIES INC

Form 4

February 07, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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OMB APPROVAL

2005

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Check this box

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 may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(City)

(Print or Type Responses)

(State)

(Zin)

1. Name and Address of Reporting Person * HOBBS WILLIAM E		ing Person *	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) ONE WILLIAMS CENTER		, ,	3. Date of Earliest Transaction (Month/Day/Year) 02/05/2007	Director 10% Owner X Officer (give title Other (specify below) Subsidiary Sr. Vice President		
(Street)			4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person		
TULSA, OK 74172				Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Tabl	le I - Non-I	Derivative	Securi	ities Acqu	iired, Disposed of	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Pransaction Date 2A. Deemed Execution Date, if any (Month/Day/Year)			3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or			6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/05/2007		Code V M	Amount 18,334	(D)	Price \$ 9.93	(Instr. 3 and 4) 18,334	D	
Common Stock (1)	02/05/2007		S	18,334	D	\$ 26.91	0	D	
Common Stock (2)	02/05/2007		M	11,666	A	\$ 27.36	11,666	D	
Common Stock (2)	02/05/2007		F	3,974	D	\$ 27.36	7,692	D	
Common Stock (1)	02/06/2007		S	800	D	\$ 27.53	6,892	D	

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Common Stock (1)	02/06/2007	S	400	D	\$ 27.52	6,492	D	
Common Stock (1)	02/06/2007	S	300	D	\$ 27.5	6,192	D	
Common Stock (1)	02/06/2007	S	400	D	\$ 27.49	5,792	D	
Common Stock (1)	02/06/2007	S	700	D	\$ 27.48	5,092	D	
Common Stock (1)	02/06/2007	S	400	D	\$ 27.47	4,692	D	
Common Stock (1)	02/06/2007	S	700	D	\$ 27.45	3,992	D	
Common Stock (1)	02/06/2007	S	900	D	\$ 27.44	3,092	D	
Common Stock (1)	02/06/2007	S	700	D	\$ 27.43	2,392	D	
Common Stock (1)	02/06/2007	S	1,100	D	\$ 27.42	1,292	D	
Common Stock (1)	02/06/2007	S	400	D	\$ 27.39	892	D	
Common Stock (1)	02/06/2007	S	792	D	\$ 27.38	100	D	
Common Stock	02/06/2007	S	100	D	\$ 27.35	0	D	
Common Stock						4,902	I	By Trust

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 onDerivative 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
Employee Stock Options (Right to Buy)	\$ 9.93	02/05/2007	M	18,334	02/05/2005	02/05/2014	Common Stock	18,334
Restricted Stock (2)	\$ 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

HOBBS WILLIAM E ONE WILLIAMS CENTER TULSA, OK 74172

Subsidiary Sr. Vice President

Signatures

Cher S. Lawrence, Attorney-in-Fact for William E.
Hobbs
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).
- (1) Represents shares sold pursuant to a 10(b)5-1 Sales Plan entered into between Reporting Person and Broker on March 14, 2006.
- Payout of a Restricted Stock Award (formerly referred to as Deferred Stock) in transaction excempt under Rules 16b-3(d) and 16b-6(b) of 11,666 shares of common stock awarded under The Williams Companies, Inc. 2002 Incentive Plan of which 3,974 shares were withheld for taxes.
- (3) Represents total shares of the Company's common stock held in The Investment Plus Plan.
- (4) 1-for-1

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