

WILLIAMS COMPANIES INC
 Form 4
 March 07, 2006

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

(Last) (First) (Middle)
ONE WILLIAMS CENTER
 (Street)

TULSA, OK 74172

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
03/03/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

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 Ownership Indirect Beneficial Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

Edgar Filing: WILLIAMS COMPANIES INC - Form 4

(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Deferred Stock	\$ 21.67	03/03/2006	A	13,210					03/03/2009	03/03/2009	Common Stock	13,210
Deferred Stock ⁽¹⁾	\$ 21.67	03/03/2006	A	26,420					03/03/2009	03/03/2009	Common Stock	26,420
Employee Options (Right to Buy)	\$ 21.67	03/03/2006	A	10,162					03/03/2007	03/03/2016	Common Stock	10,162
Employee Options (Right to Buy)	\$ 21.67	03/03/2006	A	10,163					03/03/2008	03/03/2016	Common Stock	10,163
Employee Options (Right to Buy)	\$ 21.67	03/03/2006	A	10,163					03/03/2009	03/03/2016	Common Stock	10,163

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

03/07/2006

__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).

Vesting subject to reporting person's continued employment with the Company and compensation committee certification that the

(1) Company has met performance measures over a three year period. The committee will establish the specific performance measures in the first 90 days of each year.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.