WILLIAMS COMPANIES INC

Form 4

February 09, 2005

FORM 4

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

OMB 3235-0287 Number:

Estimated average

OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005

Form 4 or Form 5 obligations may continue.

See Instruction

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

burden hours per response... 0.5

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * HOBBS WILLIAM E	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) 02/07/2005	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	e I - Non-I	Derivative :	Secur	ities Acqu	iired, Disposed of	, or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securit or(A) or Dis (Instr. 3, 4)	sposed	of (D)	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 Beneficial Ownership (Instr. 4)
Common Stock (1)	02/07/2005		M	11,667	` ′	\$ 17.24	11,667	D	
Common Stock (1)	02/07/2005		F	4,020	D	\$ 17.24	7,647	D	

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

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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 ctionDerivative Securities 8) 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)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Deferred Stock (1)	\$ 17.24	02/07/2005		M		11,667	02/07/2005	02/07/2005	Common Stock	11,667
Deferred Stock (2)	\$ 17.24	02/07/2005		D		62,852	02/07/2005	02/07/2005	Common Stock	62,852

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

02/09/2005

**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 Deferred Stock Award in transaction excempt under Rules 16b-3(d) and 16b-6(b) of 11,667 shares of common stock awarded under The Williams Companies, Inc. 2002 Incentive Plan of which 4,020 shares were withheld for taxes.
- (2) This transaction represents disposition of equity securities pursuant to a domestic relations order and is exempt under Rule 16a-12.

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.

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