MALCOLM STEVEN J

Form 4 March 01, 2005

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

3235-0287 Number:

OMB APPROVAL

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if no longer subject to Section 16. Form 4 or

Check this box

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

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person * MALCOLM STEVEN J

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

WILLIAMS COMPANIES INC

(Check all applicable)

[WMB]

(Last) (First) (Middle)

(Street)

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

_X__ Director 10% Owner X_ Officer (give title Other (specify below)

6. Individual or Joint/Group Filing(Check

ONE WILLIAMS CENTER

02/25/2005

President & CEO

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

Applicable Line)

X 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 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial (T)

Ownership (Instr. 4) (Instr. 4)

(A)

Reported Transaction(s)

(Instr. 3 and 4) 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 SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Security

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount Underlying Securities (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) Disposed of ((Instr. 3, 4, an 5)	(D)				
				Code V	(A) ((D)	Date Exercisable	Expiration Date	Title	Amoun or Numbe of Shar
Deferred Stock (1)	\$ 19.29	02/25/2005		A	208,092		03/15/2008	03/15/2008	Common Stock	24,97
Employee Options (Right to Buy)	\$ 19.29	02/25/2005		A	75,000		02/25/2006	02/25/2015	Common Stock	75,00
Employee Options (Right to Buy)	\$ 19.29	02/25/2005		A	75,000		02/25/2007	02/25/2015	Common Stock	75,00
Employee Options (Right to Buy)	\$ 19.29	02/25/2005		A	75,000		02/25/2008	02/25/2015	Common Stock	75,00

Reporting Owners

Reporting Owner Name / Address	Relationships						
F-	Director	10% Owner	Officer	Other			
MALCOLM STEVEN J							
ONE WILLIAMS CENTER	X		President & CEO				
THI SA OK 74172							

Signatures

Cher S. Lawrence, Attorney-in-Fact for Steven J.
Malcolm
03/01/2005

**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).

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.

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