

WILLIAMS COMPANIES INC

Form 4

February 26, 2014

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
CHAPPEL DONALD R

(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)
02/24/2014

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
X Officer (give title below) ____ Other (specify
below)

Sr. Vice President & CFO

6. Individual or Joint/Group Filing(Check
Applicable Line)
X 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock ⁽¹⁾	02/24/2014		M		60,129	A	\$ 0
							444,187
Common Stock	02/24/2014		F		25,148	D	\$ 41.77
							419,039
Common Stock ⁽¹⁾	02/24/2014		M		32,974	A	\$ 0
							452,013
Common Stock	02/24/2014		F		14,575	D	\$ 41.77
							437,438

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

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(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 Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units <u>(2)</u>	\$ 0	02/24/2014		A		27,155		02/24/2014	02/24/2014	Common Stock	27,155
Restricted Stock Units <u>(1)</u>	\$ 0	02/24/2013		M		32,974		02/24/2014	02/24/2014	Common Stock	32,974
Restricted Stock Units <u>(1)</u>	\$ 0	02/24/2014		M		60,129		02/24/2014	02/24/2014	Common Stock	60,129
Restricted Stock Units <u>(3)</u>	\$ 0	02/24/2014		A		29,189		02/24/2017	02/24/2017	Common Stock	29,189
Restricted Stock Units	\$ 0	02/24/2014		A		20,110		02/24/2017	02/24/2017	Common Stock	20,110
Employee Options (Right to Buy)	\$ 41.77	02/24/2014		A		20,279		02/24/2015	02/24/2024	Common Stock	20,279
Employee Options (Right to Buy)	\$ 41.77	02/24/2014		A		20,279		02/24/2016	02/24/2024	Common Stock	20,279
Employee Option (Right to Buy)	\$ 41.77	02/24/2014		A		20,279		02/24/2017	02/24/2024	Common Stock	20,279

Reporting Owner Name / Address	Director	10% Owner	Officer	Other
CHAPPEL DONALD R ONE WILLIAMS CENTER TULSA, OK 74172			Sr. Vice President & CFO	

Cher S. Lawrence, Attorney-in-Fact for Mr. Donald R. Chappel

02/26/2014

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) Payout of Restricted Stock Units, in a transaction exempt under Rules 16b-3(d) and 16b-6(b), of shares of common stock awarded under The Williams Companies, Inc. 2007 Incentive Plan of which a portion of the shares were withheld for taxes.
- (2) Represents restricted stock units acquired pursuant to the 2011 performance-based RSU grant agreement resulting from the performance of defined relative and absolute Total Shareholder Return ("TSR") metrics, as certified by the compensation committee.
- (3) Vesting is subject to applicable grant agreement and compensation committee certification that the Company has met the three year performance measure. The specific performance measure will be based on total shareholder return with absolute and relative dependent measures.

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.