

WILLIAMS COMPANIES INC  
 Form 4  
 July 24, 2007

**FORM 4**

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

OMB APPROVAL

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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)  
**07/20/2007**

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock                    | 07/20/2007                           |  | M                              |   | 7,625   | A  | \$ 25.1317  |
| Common Stock                    | 07/20/2007                           |  | M                              |   | 5,446   | A  | \$ 28.976   |
| Common Stock                    | 07/20/2007                           |  | M                              |   | 5,446   | A  | \$ 27.5416  |
| Common Stock                    | 07/20/2007                           |  | M                              |   | 15,000  | A  | \$ 15.86  |
| Common Stock                    | 07/20/2007                           |  | M                              |   | 18,333  | A  | \$ 9.93   |

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|                             |            |   |        |   |          |        |   |                              |
|-----------------------------|------------|---|--------|---|----------|--------|---|------------------------------|
| Common Stock <sup>(1)</sup> | 07/20/2007 | S | 51,850 | D | \$ 35.25 | 0      | D |                              |
| Common Stock                |            |   |        |   |          | 26,554 | I | By stock plan <sup>(2)</sup> |

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 of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title   |                            |
| Employee Options (Right to Buy)            | \$ 25.1317   | 07/20/2007                           |  | M                              | 7,625   | 02/20/1998 11/20/2007                                    | Common Stock  | 7,625                      |
| Employee Options (Right to Buy)            | \$ 28.976  | 07/20/2007                           |  | M                              | 5,446   | 03/23/1999 03/30/2008                                    | Common Stock  | 5,446                      |
| Employee Options (Right to Buy)            | \$ 27.5416   | 07/20/2007                           |  | M                              | 5,446   | 03/23/1999 11/19/2008                                    | Common Stock  | 5,446                      |
| Employee Options (Right to Buy)            | \$ 15.86   | 07/20/2007                           |  | M                              | 15,000  | 02/11/2003 02/11/2012                                    | Common Stock  | 15,000                     |
| Employee Options (Right to Buy)            | \$ 9.93  | 07/20/2007                           |  | M                              | 18,333  | 02/05/2005 02/05/2014                                    | Common Stock  | 18,333                     |

## Reporting Owners

| Reporting Owner Name / Address                         | Relationships |           |                        |       |
|--|---------------|-----------|------------------------|-------|
|  | Director      | 10% Owner | Officer                | Other |
| HILL RALPH A<br>ONE WILLIAMS CENTER<br>TULSA, OK 74172 |               |           | Sr. Vice President E&P |       |

## Signatures

|   |            |
|---|------------|
| Cher S. Lawrence, Attorney-in-Fact for Ralph<br>A. Hill | 07/24/2007 |
|---|------------|

\_\_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 10b5-1 Sales Plan entered into between Reporting Person and Broker on August 14, 2006.
- (2) Represents total shares of the Company's common stock held in The Investment Plus Plan.

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.