

WILLIAMS COMPANIES INC
 Form 4
 July 23, 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 *
WRIGHT PHILLIP D

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)

3. Date of Earliest Transaction (Month/Day/Year)
07/19/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Subsidiary Sr. Vice President

ONE WILLIAMS CENTER

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 (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 | 07/19/2007 | | M | 10,893 A \$ 21.1152 | 124,949 | D | |
| Common Stock | 07/19/2007 | | M | 75,000 A \$ 2.58 | 199,946 | D | |
| Common Stock ⁽¹⁾ | 07/19/2007 | | S | 10,893 D \$ 33.65 | 189,053 | D | |
| Common Stock ⁽¹⁾ | 07/19/2007 | | S | 10,000 D \$ 33.77 | 179,053 | D | |
| Common Stock ⁽¹⁾ | 07/19/2007 | | S | 10,000 D \$ 33.9 | 169,053 | D | |

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| | | | | | | | | |
|-----------------------------|------------|---|--------|---|----------|---------|---|------------------------------|
| Common Stock ⁽¹⁾ | 07/19/2007 | S | 40,000 | D | \$ 33.65 | 129,053 | D | |
| Common Stock ⁽¹⁾ | 07/19/2007 | S | 15,000 | D | \$ 33.85 | 114,053 | D | |
| Common Stock | | | | | | 15,062 | I | By stock plan ⁽²⁾ |

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Options (Right to Buy) | \$ 21.1152 | 07/19/2007 | | M | 10,893 | 07/26/1998 07/26/2007 | Common Stock | 10,893 | |
| Employee Options (Right to Buy) | \$ 2.58 | 07/19/2007 | | M | 75,000 | 11/27/2002 11/27/2012 | Common Stock | 75,000 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|---|
| WRIGHT PHILLIP D ONE WILLIAMS CENTER TULSA, OK 74172 | Director 10% Owner Officer Subsidiary Sr. Vice President |

Signatures

Cher S. Lawrence, Attorney-in-Fact for Phillip D.
Wright

07/23/2007

__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.

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