#### WILLIAMS COMPANIES INC

Form 4

February 27, 2008

### FORM 4

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

OMB Number: 3235-0287

**OMB APPROVAL** 

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

0.5

Form 4 or Form 5 obligations may continue.

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...

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * CHAPPEL DONALD R			2. Issuer Name and Ticker or Trading Symbol WILLIAMS COMPANIES INC [WMB]	5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)		
(Last)  ONE WILLIA	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 02/25/2008	Director 10% Owner _X_ Officer (give title Other (specify below) Sr. Vice President & CFO		
TULSA, OK	(Street) 74172		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 Form filed by More than One Reporting		
,				Person		

(City)	(State)	Zip) Table	e I - Non-D	erivative S	Securi	ties Acq	uired, Disposed o	f, or Beneficial	ly 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. Securit on(A) or Dis (Instr. 3, 4	sposed	of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
Common Stock (1)	02/25/2008		Code V M	Amount 16,647	(D)	Price \$ 36.5	(Instr. 3 and 4) 88,290	D		
Common Stock	02/25/2008		F	5,339	D	\$ 36.5	82,951	D		

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

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SEC 1474

(9-02)

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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 iorDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amo Underlying Secur (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	An or Nu of S
Restricted Stock Units (1)	\$ 36.5	02/25/2008		D		16,647	02/25/2008	02/25/2008	Common Stock	16
Restricted Stock Units	\$ 36.5	02/25/2008		A	19,911		02/25/2011	02/25/2011	Common Stock	19
Restricted Stock Units (2)	\$ 36.5	02/25/2008		A	39,822		02/25/2011	02/25/2011	Common Stock	39
Employee Options (Right to Buy)	\$ 36.5	02/25/2008		A	16,924		02/25/2009	02/25/2018	Common Stock	16
Employee Options (Right to Buy)	\$ 36.5	02/25/2008		A	16,924		02/25/2010	02/25/2018	Common Stock	16
Employee Options (Right to Buy)	\$ 36.5	02/25/2008		A	16,924		02/25/2011	02/25/2018	Common Stock	16

# **Reporting Owners**

Reporting Owner Name / Address	Relationships					
1 8	Director	10% Owner	Officer	Other		

CHAPPEL DONALD R ONE WILLIAMS CENTER TULSA, OK 74172

Sr. Vice President & CFO

## **Signatures**

Cher S. Lawrence, Attorney-in-Fact for Donald R.
Chappel 02/27/2008

\*\*Signature of Reporting Person Date

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### **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 Restricted Stock Units (formerly referred to as Deferred Stock) in transaction exempt under Rules 16b-3(d) and 16b-6(b) of (1) 16,647 shares of common stock awarded under The Williams Companies, Inc. 2002 Incentive Plan of which 5,339 shares were withheld
- Vesting subject to applicable grant agreement and compensation committee certification that the Company has met the three year
- (2) performance measure. The specific performance measure will be an improvement in the Company's Economic Value Added over the three year period.

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.