

WILLIAMS COMPANIES INC
 Form 4
 February 26, 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 *
HOBBS WILLIAM E

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)
ONE WILLIAMS CENTER
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
02/22/2007

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

TULSA, OK 74172

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

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock ⁽¹⁾ | 02/22/2007 | | M | | 11,944 | A | \$ 28.01 |
| Common Stock ⁽¹⁾ | 02/22/2007 | | F | | 3,835 | D | \$ 28.01 |
| Common Stock ⁽²⁾ | 02/26/2007 | | S | | 8,109 | D | \$ 28 |
| Common Stock | | | | | 4,902 | I | |

By company plan ⁽³⁾

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

