WILLIAMS COMPANIES INC

Form 4 March 07, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB APPROVAL OMB

Number:

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SECURITIES

obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

2. Issuer Name and Ticker or Trading JOHNSON MICHAEL P Symbol

WILLIAMS COMPANIES INC

[WMB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Senior Vice President

(Last)

(First)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year)

03/03/2006

Director X_ Officer (give title

10% Owner Other (specify

ONE WILLIAMS CENTER, SUITE

(Street)

(State)

4900

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

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

below)

TULSA, OK 74172

(City)

(Instr. 3)

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if

(Month/Day/Year)

(Zip)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (Instr. 4) (Instr. 4)

Reported Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

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

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion

3. Transaction Date 3A. Deemed

5. Number of (Month/Day/Year) Execution Date, if TransactiorDerivative

(A)

or

6. Date Exercisable and **Expiration Date**

7. Title and Amount of **Underlying Securities**

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Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed o (D) (Instr. 3, 4, and 5)	(Month/Day/Year)		(Instr. 3 and 4)	
				Code V	(A) (D) Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Deferred Stock	\$ 21.67	03/03/2006		A	13,805	03/03/2009	03/03/2009	Common Stock	13,805
Deferred Stock (1)	\$ 21.67	03/03/2006		A	20,916	03/03/2009	03/03/2009	Common Stock	20,916
Employee Options (Right to Buy)	\$ 21.67	03/03/2006		A	8,045	03/03/2007	03/03/2016	Common Stock	8,045
Employee Options (Right to Buy)	\$ 21.67	03/03/2006		A	8,045	03/03/2008	03/03/2016	Common Stock	8,045
Employee Options (Right to Buy)	\$ 21.67	03/03/2006		A	8,046	03/03/2009	03/03/2016	Common Stock	8,046

Reporting Owners

Reporting Owner Name / Address	Keiationsnips					
	Director	10% Owner	Officer	Other		

JOHNSON MICHAEL P ONE WILLIAMS CENTER SUITE 4900 TULSA, OK 74172

Senior Vice President

Signatures

Cher S. Lawrence, Attorney-in-Fact for Michael P.

Johnson

03/07/2006

**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).
- Vesting subject to applicable grant agreement and compensation committee certification that the Company has met the three year

 (1) performance measure. The committee has established the specific performance measure as an improvement in the Company's Economic Value Added over the three year period.

Reporting Owners 2

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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.