

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>MALCOLM STEVEN J</u>  (Last) (First) (Middle) <u>ONE WILLIAMS CENTER</u>  (Street) <u>TULSA OK 74172</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>WILLIAMS COMPANIES INC [ WMB ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <b>President &amp; CEO</b>
	3. Date of Earliest Transaction (Month/Day/Year) <u>02/05/2004</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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			

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Options (Right to Buy)	\$9.93	02/05/2004		A		100,000		02/05/2005	02/05/2014	Common Stock	100,000	\$9.93	1,177,528	D	
Employee Options (Right to Buy)	\$9.93	02/05/2004		A		100,000		02/05/2006	02/05/2014	Common Stock	100,000	\$9.93	1,277,528	D	
Employee Options (Right to Buy)	\$9.93	02/05/2004		A		100,000		02/05/2007	02/05/2014	Common Stock	100,000	\$9.93	1,377,528	D	
Deferred Stock	\$9.93	02/05/2004		A		66,667		02/05/2005	02/05/2005	Common Stock	66,667	\$9.93	225,232	D	
Deferred Stock	\$9.93	02/05/2004		A		66,667		02/05/2006	02/05/2006	Common Stock	66,667	\$9.93	291,899	D	
Deferred Stock	\$9.93	02/05/2004		A		66,666		02/05/2007	02/05/2007	Common Stock	66,666	\$9.93	358,565	D	
Deferred Stock <sup>(1)</sup>	\$9.93	02/05/2004		A	V	50,000		02/05/2009	02/05/2009	Common Stock	50,000	\$9.93	408,565	D	

**Explanation of Responses:**

1. One-third of the deferred shares reported herein shall be eligible to be earned annually upon attainment of specific targets established in the first 90 days of each calendar year. The shares have a five-year term whereby there are five opportunities to earn the deferred shares reported herein. The shares that are earned during the five years will be issued to the reporting person no earlier than at the end of the five-year term.

**Remarks:**

Cher S. Lawrence, Attorney-in-Fact for Steven J. Malcolm 02/09/2004

\*\* Signature of Reporting Person Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.