

As filed with the Securities and Exchange Commission on August 30, 1996

Registration No. 333-_____

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
under
THE SECURITIES ACT OF 1933

THE WILLIAMS COMPANIES, INC.
(Exact name of issuer as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

73-0569878
(I.R.S. Employer
Identification No.)

One Williams Center
Tulsa, Oklahoma
(Address of principal executive offices)

74172
(Zip Code)

THE WILLIAMS COMPANIES, INC.
1996 STOCK PLAN
(Full title of plan)

DAVID M. HIGBEE, ESQ.
The Williams Companies, Inc.
One Williams Center
Tulsa, OK 74172
(918) 588-2000
(Name, address and telephone number of agent for service)

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common Stock, (\$1 par value)	2,000,000(3)	\$ 51	\$ 102,000,000	\$ 35,173

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(1) Estimated based on the reported New York Stock Exchange composite transactions closing price on August 27, 1996.

(2) Estimated solely for the purpose of calculating the filing fee.

(3) Includes an equal number of Rights issuable under The Williams Companies, Inc. Rights Plan.

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PART II

INFORMATION REQUIRED IN REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE.

The following documents are hereby incorporated by reference and made a part of this prospectus:

- (a) Williams' Annual Report on Form 10-K for the fiscal year ended December 31, 1995.
- (b) Williams' Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 1996.
- (c) Williams' Current Reports on Form 8-K dated January 21 and July 23, 1996.

All reports subsequently filed by Williams and the Plan pursuant to Sections 13, 14 and 15(d) of the Securities Exchange Act of 1934, prior to the termination of the offering, shall be deemed to be incorporated herein by reference and to be a part hereof.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

The consolidated financial statements and schedules of the Company appearing in the Company's Annual Report on Form 10-K for the year ended December 31, 1995, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon included therein and incorporated herein by reference. The financial statements and schedules referred to above are incorporated herein by reference in reliance upon such report given upon the authority of such firm as experts in auditing and accounting.

The reports of independent auditors relating to the audited consolidated financial statements and schedules of the Company in any documents filed pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date hereof and prior to the termination of the offering to the extent covered by sections thereto filed with the Securities and Exchange Commission will be incorporated by reference in reliance upon the authority of such independent auditors as experts in auditing and accounting.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Company is empowered by Section 145 of the General Corporation Law of the State of Delaware, subject to the procedures and limitations stated therein, to indemnify any person against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed action, suit or proceeding in which such person is made a party by reason of such person being or having been a director, officer, employee or agent of the Company. The statute provides that indemnification pursuant to its provisions is not exclusive of other rights of indemnification to which a person may be entitled under any by-law, agreement, vote of stockholders or disinterested directors, or otherwise. The By-laws of the Company provide for indemnification by the Company of its directors and officers to the fullest extent permitted by the General Corporation Law of the State of Delaware. In addition, the Company has entered into indemnity agreements with its directors and certain officers providing for, among other things, the indemnification of and the advancing of expenses to such individuals to the fullest extent permitted by law, and, to the extent insurance is maintained, for the continued coverage of such individuals.

Policies of insurance are maintained by the Company under which the directors and officers of the Company are insured, within the limits and subject to the limitations of the policies, against certain expenses in connection with the defense of actions, suits or proceedings, and certain liabilities which might be imposed as a result of such actions, suits or proceedings, to which they are parties by reason of being or having been such directors or officers.

ITEM 8. EXHIBITS.

- * (4.1) -- Restated Certificate of Incorporation of Williams (filed as Exhibit 4(a) to Form 8-B Registration Statement, filed August 20, 1987).
- * (4.2) -- Certificate of Designation with respect to the \$2.21 Cumulative Preferred Stock (filed as Exhibit 4.3 to the Registration Statement on Form S-3, filed August 19, 1992).
- * (4.3) -- Certificate of Increase of Authorized Number of Shares of Series A Junior Participating Preferred Stock (filed as Exhibit 3(c) to Form 10-K for the year ended December 31, 1988).
- * (4.4) -- By-laws of Williams (filed as Exhibit 3 to Form 10-Q for the quarter ended September 30, 1993).
- * (4.5) -- Form of Senior Debt Indenture between the Company and Chemical Bank, Trustee, relating to the 10 1/4% Debentures, due 2020; the 9 3/8% Debentures, due 2021; the 8 1/4% Notes, due 1998; Medium-Term Notes (8.50%-9.31%), due 1996 through 2001; the 7 1/2% Notes, due 1999, and the 8 7/8% Debentures, due 2012 (filed as Exhibit 4.1 to Form S-3 Registration Statement No. 33-33294, filed February 2, 1990).
- * (4.6) -- U.S. \$800,000,000 Credit Agreement, dated as of February 23, 1995, among Williams and certain of its subsidiaries and the banks named therein and Citibank, N.A., as agent (filed as Exhibit 4(b) to Form 10-K for the year ended December 31, 1994).
- (4.7) -- Form of Debenture representing \$360,000,000 principal amount of 6% Convertible Subordinated Debenture Due 2005.
- (4.8) -- Form of Warrant to purchase 7,537,147 shares of the Common Stock of the Company.
- * (4.9) -- Certificate of Amendment of Restated Certificate of Incorporation, dated May 20, 1994 (filed as Exhibit 3(d) to Form 10-K for the fiscal year ended December 31, 1994).
- * (4.10) -- Certificate of Designation with respect to the \$3.50 Cumulative Convertible Preferred Stock (filed as Exhibit 3.1(c) to the Prospectus and Information Statement to Amendment No. 2 to the Registration Statement on Form S-4, filed March 30, 1995).
- * (4.11) -- Certificate of Increase of Authorized Number of Shares of Series A Junior Participating Preferred Stock (filed as Exhibit 3(f) to Form 10-K for the year ended December 31, 1995).
- * (4.12) -- Rights Agreement, dated as of February 6, 1996, between Williams and First Chicago Trust Company of New York (filed as Exhibit 4 to Williams Form 8-K, dated January 21, 1996).
- (5.1) -- Opinion and Consent of David M. Higbee, Esq., Secretary and Counsel for the Company, relating to the validity of the securities.
- (23.1) -- Consent of David M. Higbee (contained in Exhibit 5.1).
- (23.2) -- Consent of Ernst & Young LLP.
- (24.1) -- Power of Attorney.
- (24.2) -- Certified copy of resolution authorizing signatures pursuant to Power of Attorney.
- * (99) -- The Williams Companies, Inc. 1996 Stock Plan (filed as Exhibit A to the Company's definitive Proxy Statement dated March 27, 1996).

 * The exhibits have heretofore been filed with the Securities and Exchange Commission as part of the filing indicated and are incorporated herein by reference.

ITEM 9. UNDERTAKINGS.

- (a) Rule 415 offering. Include the following if the securities are registered pursuant to Rule 415 under the Securities Act:

The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, That paragraphs (a)(1)(i) and (a)(1)(ii) of this Section do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or

paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

The Registrant. Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Tulsa and State of Oklahoma on the 30th day of August, 1996.

THE WILLIAMS COMPANIES, INC.
(Registrant)

By /s/David M. Higbee

(David M. Higbee,
Attorney-in-fact)

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on August 30, 1996:

SIGNATURE	TITLE
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* ----- Keith E. Bailey	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)
* ----- Jack D. McCarthy	Senior Vice President (Principal Financial Officer)
* ----- Gary R. Belitz	Controller (Principal Accounting Officer)
* ----- Glenn A. Cox	Director
* ----- Thomas H. Cruikshank	Director
* ----- Patricia L. Higgins	Director
* ----- Robert J. LaFortune	Director
* ----- James C. Lewis	Director
* ----- Jack A. MacAllister	Director

*

Director

James A. McClure

*

Director

Peter C. Meinig

*

Director

Kay A. Orr

*

Director

Gordon R. Parker

*

Director

Joseph H. Williams

*By s/David M. Higbee

(David M. Higbee, Attorney-in-fact)

INDEX TO EXHIBITS

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THE WILLIAMS COMPANIES, INC.
6% CONVERTIBLE SUBORDINATED DEBENTURES DUE 2005

No. 1 \$360,000,000 Principal Amount 6% Convertible
 Subordinated Debentures Due 2005

The Williams Companies, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the "Company"), for value received, hereby promises to pay to Williams Holdings of Delaware, Inc. ("Williams Holdings"), or registered assigns, the principal sum of THREE HUNDRED SIXTY MILLION DOLLARS (\$360,000,000) on April 15, 2005, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, and to pay interest, semiannually on October 15 and April 15 of each year, commencing October 15, 1995, on said principal sum in like coin or currency, at the rate per annum specified in the title of this Convertible Subordinated Debenture from April 15, 1995, until payment of said principal sum has been made or duly provided for; that payment of interest shall be made by check mailed to the address of Williams Holdings as such address may be indicated to the Company in writing from time to time.

The indebtedness represented by this Convertible Subordinated Debenture and the payment of principal of and interest thereon is subordinated in right of payment to the prior payment in full of senior indebtedness of the Company.

Reference is made to the further provisions of this Convertible Subordinated Debenture set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

(Reverse Side)

No reference in this Convertible Subordinated Debenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Convertible Subordinated Debenture in the manner, at the respective times, at the rate and in the coin or currency herein prescribed.

This Convertible Subordinated Debentures may be redeemed, at the option of the Company, as a whole or from time to time in part, at any time after April 15, 2000, and prior to maturity, upon the notice referred to below, at the following redemption prices (expressed in percentages of the principal amount) together with accrued interest to the date fixed for redemption:

If Redeemed during the 12-Month Period beginning April 15 -----	Percentage of Principal Amount -----
2000	103.0
2001	102.4
2002	101.8
2003	101.2
2004	100.6
2005	100.0

Notice of redemption shall be given to Williams Holdings of Convertible Subordinated Debentures to be redeemed as a whole or in part, by mailing a notice of such redemption not less than thirty nor more than sixty days prior to the date fixed for redemption.

Subject to and upon compliance with the terms hereof, at the option of Williams Holdings, any Convertible Subordinated Debenture may, at any time prior to the close of business on April 15, 2005, (unless the Convertible Subordinated Debentures have been called for redemption), be converted into duly authorized, validly issued, fully paid and nonassessable shares of Common Stock of the Company, at the rate of 25.9185 shares of Common Stock for each \$1,000 principal amount of Convertible Subordinated Debentures, or, in case an adjustment in the conversion rate has taken place, at the then applicable conversion rate as adjusted.

In order to exercise the conversion privilege, Williams Holdings shall deliver such Convertible Subordinated Debenture to the Company together with the notice of election to convert set out below.

A conversion into Common Stock shall be deemed to have been effected immediately prior to the close of business on the day on which such conversion notice shall have been received by the Company and such Convertible Subordinated Debenture shall have been delivered as aforesaid, and at such time the rights of the holder of such Convertible Subordinated Debenture shall cease, and the

person or persons in whose name or names any certificate or certificates for shares of Common Stock shall be issuable or deliverable upon conversion shall be treated for all purposes as the record holder or holders of such Common Stock at such time; provided, however, that no such delivery on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the person or persons entitled to receive shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such delivery shall be effective to constitute the person or persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes on the next succeeding day on which such stock transfer books are open. As promptly as practicable after the receipt of such conversion notice and the delivery of such Convertible Subordinated Debenture as aforesaid, the Company shall cause to be issued and delivered to Williams Holdings, a certificate or certificates for the number of duly authorized, validly issued, fully paid and nonassessable full shares of Common Stock issuable or deliverable upon conversion of such Convertible Subordinated Debenture. No payment or adjustment shall be made upon any conversion on account of any interest accrued on the Convertible Subordinated Debentures surrendered for conversion or on account of any dividends on the Common Stock issued or delivered upon conversion.

No fractional shares of Common Stock shall be issued or delivered upon conversions of Convertible Subordinated Debentures. If the conversion of any Convertible Subordinated Debentures would result in the issuance of a fractional share, an amount equal to such fraction multiplied by the closing price of the Common Stock reported as New York Stock Exchange Composite Transactions (the "Closing Price"), on the date on which conversion becomes effective shall be paid in cash by the Company which is expressly authorized to value fractional shares without actual purchase or sale on the basis of such Closing Price of the Common Stock.

The rate at which Convertible Subordinated Debentures may be converted into shares of Common Stock, in effect at any time, shall be subject to adjustment as follows:

(a) In case the Company shall (a) pay or make a dividend or other distribution on its Common Stock in stock of the Company, (b) subdivide its outstanding shares of Common Stock, (c) combine the outstanding shares of its Common Stock into a smaller number of shares, or (d) issue by reclassification of its Common Stock (whether pursuant to a merger or consolidation or otherwise) any shares of stock of the Company, then the holder of any Convertible Subordinated Debenture shall be entitled to receive, upon the conversion of such Convertible Subordinated Debenture, the number of shares of stock of the Company which he would have owned or have been entitled to receive after the happening of any of the events described above had such Convertible Subordinated Debenture been converted immediately prior to the happening of such

event. Such adjustment shall be made whenever any of the events listed above shall occur. An adjustment made pursuant to this subsection (a) shall become effective retroactively, as of immediately after the opening of business on the day following the record date for the determination of the shareholders entitled to receive such dividend or other distribution, with respect to conversions made subsequent to the record date in the case of a dividend or other distribution, and shall become effective immediately after the opening of business on the day following the effective date in the case of a subdivision, combination or reclassification.

(b) In case the Company shall issue rights or warrants to the holders of its Common Stock as such (other than pursuant to any dividend reinvestment or similar plan entitling them to subscribe for or purchase shares of Common Stock at a price per share less than the current market price per share of the Common Stock (as defined in subsection (d) below)) on the record date for determination of shareholders entitled to receive such rights or warrants, then in each such case the number of shares of Common Stock into which each \$1,000 principal amount of Convertible Subordinated Debentures shall thereafter be convertible shall be determined by multiplying the number of shares of Common Stock into which such principal amount of Convertible Subordinated Debentures was theretofore convertible by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants plus the number of additional shares of Common Stock offered for subscription or purchase, and the denominator of which shall be the number of shares of Common Stock outstanding on the date of issuance of such rights or warrants plus the number of shares which the aggregate offering price of the total number of shares so offered would purchase at such current market price per share of Common Stock. For the purposes of this subsection (b), the issuance of rights or warrants to subscribe for or purchase stock or securities convertible into shares of Common Stock shall be deemed to be the issuance of rights or warrants to purchase the shares of Common Stock into which such stock or securities are convertible at an aggregate offering price equal to the aggregate offering price of such stock or securities plus the minimum aggregate amount (if any) payable upon conversion of such stock or securities into Common Stock. Such adjustment shall be made whenever any such rights or warrants are issued, and shall become effective retroactively with respect to conversions made subsequent to the record date for determination of shareholders entitled to receive such rights or warrants. For the purposes of this subsection (b), the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of the Company but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock. The Company will not issue any rights or warrants in respect of

shares of Common Stock held in the treasury of the Company except with respect to any dividend reinvestment or similar plan.

(c) In case the Company shall distribute to holders of its Common Stock (whether pursuant to a reclassification, merger or consolidation or otherwise) evidences of its indebtedness or assets, then in each such case the number of shares of Common Stock into which each \$1,000 principal amount of Convertible Subordinated Debentures shall thereafter be convertible shall be determined by multiplying the number of shares of Common Stock into which such principal amount of Convertible Subordinated Debentures was theretofore convertible by a fraction, the numerator of which shall be the current market price per share of the Common Stock (as defined in subsection (d) below) on the record date for determination of shareholders entitled to receive such distribution, and the denominator of which shall be such current market price per share of the Common Stock less the fair value (as determined by the Board of Directors of the Company, whose determination shall be conclusive, and described in an officers certificate) of the portion of the assets or evidences of indebtedness so distributed or of such subscription rights applicable to one share of the Common Stock. Such adjustment shall be made whenever any such distribution is made. An adjustment made pursuant to this subsection (c) shall become effective retroactively, as of immediately prior to the opening of business on the day following the record date for the determination of shareholders entitled to receive such distribution, with respect to conversions made subsequent to the record date in the case of a distribution other than pursuant to a reclassification, and shall become effective immediately prior to the opening of business on the day following the effective date in the case of a reclassification.

(d) For the purposes of any computation hereunder, the current market price per share of Common Stock on any date shall be deemed to be the average of the daily Closing Prices for the 30 consecutive full trading days commencing 45 full trading days before the day in question. For the purposes of this subsection (d), the term "trading day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday, other than any day on which securities are not traded on the principal United States market for the Company's Common Stock.

(e) No adjustment in the conversion rate shall be required unless such adjustment (plus any adjustments not previously made by reason of this subsection (e)) would require an increase or decrease of at least 1 percent in such rate; provided, however, that any adjustments which by reason of this subsection (e) are not required to be made shall be carried forward and taken into account in any subsequent

adjustment. All calculations hereunder shall be made to the nearest one-hundred thousandth of a share.

(f) The certificate of any independent firm of public accountants of recognized standing selected by the Board of Directors shall be evidence of the correctness of any computation made hereunder.

(g) Anything hereunder to the contrary notwithstanding, the Company shall be entitled to make such adjustments in the conversion rate, in addition to those hereinabove required, as shall be determined by the Board of Directors to be advisable in order to avoid taxation so far as practicable of any dividend or distribution of stock or subdivision, reclassification or combination of stock, issuance of rights or warrants, or any similar transaction or any event treated as a distribution of stock or stock rights to its shareholders for United States federal income tax purposes to the recipients.

In case of any consolidation or merger of the Company with any other corporation (regardless of which corporation is the survivor of the merger), as a result of which holders of Common Stock shall be entitled to receive stock, cash, securities or property with respect to or in exchange for Common Stock, or in case of any sale or transfer of all or substantially all of the property and assets of the Company, the Company (if it is the survivor of the merger), the corporation formed by such consolidation or with which the Company shall have been merged or the person which shall have acquired by sale or transfer such property and assets, as the case may be, shall provide that the holder of each Convertible Subordinated Debenture then outstanding shall have the right, during the period such Convertible Subordinated Debenture shall be convertible as specified herein, to convert such Convertible Subordinated Debenture into the kind and amount of securities (which may continue to be Common Stock, depending on the terms of the transaction), cash or property receivable upon such consolidation, merger, sale or transfer by a holder of the number and kind of shares of Common Stock of the Company into which such Convertible Subordinated Debenture might have been converted immediately prior to such consolidation, merger, sale or transfer.

The Company covenants and agrees that it will at all times have and keep available out of its Common Stock (whether authorized but unissued shares reserved by it free from preemptive rights or issued shares which have been reacquired by it) the number of full shares of Common Stock which shall from time to time be deliverable upon the conversion of all outstanding Convertible Subordinated Debentures as provided herein; provided, however, that such number of shares of Common Stock to be kept available by the Company may be reduced by the number of shares of Common Stock no longer required as the result of the redemption of Convertible Subordinated Debentures pursuant to the terms hereof, computed as

if at the time of computation all outstanding Convertible Subordinated Debentures were held by a single holder.

The Company shall in good faith and as promptly as possible endeavor to cause all registrations with, and to obtain any approval by, any governmental authority under any Federal or state law of the United States of America that may be required before the shares of Common Stock may be lawfully issued or transferred and to list the shares of Common Stock required to be delivered upon conversion of Convertible Subordinated Debentures prior to such delivery on each United States national securities exchange on which the outstanding Common Stock is listed at the time of such delivery.

NOTICE OF ELECTION TO CONVERT

The undersigned holder of this certificate hereby irrevocably exercises the option to convert \$_____ principal amount of Convertible Subordinated Debentures evidenced by this certificate into such number of shares of Common Stock of The Williams Companies, Inc., as provided under the terms hereof, and directs that the shares deliverable upon the conversion be registered in the name of and delivered, together with a check in payment for any fractional share, to the undersigned unless a different name has been indicated below. If shares are to be registered in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. If the principal amount of Convertible Subordinated Debentures indicated above is less than the principal amount of such Convertible Subordinated Debentures evidenced by this certificate, the undersigned directs that the Company issue to the undersigned, unless a different name is indicated below, a new certificate evidencing the balance of the principal amount of the Convertible Subordinated Debentures not surrendered hereby.

Dated: Fill in for registration of Shares if to be delivered other than to and in the name of the Registered Holder:

Name (Please Print Name and Address)

Identification Number Social Security or other Taxpayer

Signature Name

Address Address

NOTE: The above signature should correspond exactly with the name on the face of this Certificate or with the name of assignee appearing in assignment form below.

The Williams Companies, Inc.

By /s/ Jack D. McCarthy Jack D. McCarthy Senior Vice President

ATTEST:

/s/ David M. Higbee David M. Higbee Secretary

THE WILLIAMS COMPANIES, INC.
WARRANTS TO PURCHASE
Common Stock, \$1 par value

VOID AFTER 5:00 P.M., NEW YORK CITY TIME, ON APRIL 15, 2000

No. 1

7,537,147 Warrants

This certifies that Williams Holdings of Delaware, Inc. or assigns (the "Holder") is the owner of the above indicated number of Warrants, each Warrant entitling such owner to purchase on April 15, 2000, on or before 5:00 P.M., New York City time (the "Exercise Date"), one share of Common Stock, \$1 par value of The Williams Companies, Inc. (the "Company"), such Common Stock being herein referred to as the "Warrant Securities". The Warrants may be surrendered by the Holder for Warrant Securities on the Exercise Date upon payment of \$46.67 for each Warrant so surrendered (the "Warrant Price"). The Holder may exercise the Warrants evidenced hereby by providing certain information set forth on the back hereof and by paying in full, in lawful money of the United States of America in immediately available funds the Warrant Price for each Warrant exercised to the Company and by surrendering this Warrant Certificate, with the form of election to purchase on the reverse hereof completed and duly executed, at the corporate offices of the Company at the address specified on the reverse hereof, and upon compliance with and subject to the conditions set forth herein.

Any whole number of Warrants evidenced by this Warrant Certificate may be exercised to purchase Warrant Securities. No fractional Warrant Securities will be issued.

The Warrant Securities to be issued and delivered upon the exercise of the Warrants evidenced by this Warrant Certificate will be, when issued, duly authorized, fully paid and nonassessable shares of the Common Stock of the Company. The Company covenants and agrees that it will at all times have and keep available out of its Common Stock (whether authorized but unissued shares reserved by it free from preemptive rights or issued shares which have been reacquired by it) the number of full shares of Common Stock which shall be deliverable upon exercise of the Warrants.

The Company shall in good faith and as promptly as possible endeavor (i) to cause all registrations with, and to obtain any approval by, any governmental authority under any Federal or state law of the United States of America that may be required before the Warrant Securities may be lawfully issued or transferred and delivered and (ii) to list the Warrant Securities required to be delivered upon exercise of the Warrants prior to such delivery on each United States national securities exchange on which the

outstanding Warrant Securities are listed at the time of such delivery.

This Warrant Certificate may be transferred only at the corporate offices of the Company by the Holder or its assigns, in person or by an attorney duly authorized in writing.

This Warrant Certificate shall not entitle the Holder hereof to any of the rights of a holder of the Warrant Securities, including, without limitation, the right to vote or to receive dividends, if any, declared and paid on the Warrant Securities.

Dated as of April 15, 1995.

THE WILLIAMS COMPANIES, INC.

[SEAL]

By /s/ Jack D. McCarthy

Jack D. McCarthy
Senior Vice President

Attest:

/s/ David M. Higbee

David M. Higbee
Secretary

[Reverse of Warrant Certificate]
Instructions for Exercise of Warrant

To exercise the Warrants evidenced hereby, the Holder must pay in full in lawful money of the United States of America in immediately available funds, the Warrant Price for Warrants exercised to the Company, One Williams Center, Tulsa, Oklahoma 74172, Attention: Treasury Department, which payment must specify the name of the Holder and the number of Warrants exercised by such Holder. In addition, the Holder must complete the information required below and present this Warrant Certificate in person or by mail (certified or registered mail is recommended) to the Company at the address set forth above. This Warrant Certificate, completed and duly executed, must be received by the Company within five business days of the payment.

To be Executed Upon Exercise of Warrant

The undersigned hereby irrevocably elects to exercise _____ Warrants, evidenced by this Warrant Certificate, to purchase shares of the Warrant Securities and represents that he/she has tendered payment for such Warrant Securities in lawful money of the United States of America in immediately available funds to the order of the Company, One Williams Center, Tulsa, Oklahoma 74172, Attention: Treasury Department, in the amount of _____ in accordance with the terms hereof. The undersigned requests that said Warrant Securities be registered in such names and delivered all as specified in accordance with the instructions set forth below.

Dated -----	Name ----- (Please Print)
----- (Insert Social Security or Other Identifying Number of Holder)	Address ----- ----- -----
	Signature -----

Assignment

(Form of Assignment to be Executed if Holder Desires to Transfer Warrants Evidenced Hereby)

FOR VALUE RECEIVED hereby sells, assigns and transfers unto

Please insert social security or other identifying number

(Please print name and address including zip code)

The Warrants represented by the within Warrant Certificate and does hereby irrevocably constitute and appoint _____ Attorney, to transfer said Warrant Certificate on the books of the Company with full power of substitution in the premises.

Dated:

Signature

(Signature must conform in all respects to name of Holder as specified on the face of this Warrant Certificate and must bear a signature guarantee by a bank, trust company or member broker of the New York, Midwest or Pacific Stock Exchanges.)

Signature Guaranteed

[THE WILLIAMS COMPANIES LETTERHEAD]

August 30, 1996

The Williams Companies, Inc.
One Williams Center
Tulsa, OK 74172

Dear Sirs:

The Williams Companies, Inc., a Delaware corporation (the "Company") contemplates filing a Registration Statement on Form S-8 under the Securities Act of 1933, as amended (the "Registration Statement"), relating to the registration of Common Stock of the Company, \$1.00 par value (the "Common Stock"), and associated Preferred Stock Purchase Rights (the "Rights"), to be issued pursuant to the terms of The Williams Companies, Inc. 1996 Stock Plan (the "Plan").

As counsel for the Company, I have examined originals or copies, certified or otherwise identified to my satisfaction, of such documents, corporate records, certificates of public officials and other instruments and legal matters as I deem relevant to the authorization and issuance of the Common Stock and the Rights under the terms of the Plan. Based on such examination, it is my opinion that the Common Stock has been duly authorized and, when issued and delivered in accordance with the terms of the Plan, will be validly issued, fully paid and nonassessable, and the Rights to which holders of Common Stock issued under the Plan will be entitled, have been duly authorized and when issued in accordance with their terms, will be validly issued.

I hereby consent to the filing of this opinion with the Securities and Exchange Commission as Exhibit 5.1 to the Registration Statement.

Very truly yours,

/s/ David M. Higbee

David M. Higbee

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm in Item 5., "Interests of Named Experts and Counsel," in the Registration Statement (Form S-8) pertaining to The Williams Companies, Inc. 1996 Stock Plan and to the incorporation by reference therein of our report dated February 9, 1996, with respect to the consolidated financial statements and schedules of The Williams Companies, Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 1995, filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP

Tulsa, Oklahoma
August 30, 1996

THE WILLIAMS COMPANIES, INC.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS that each of the undersigned individuals, in their capacity as a director or officer, or both, as hereinafter set forth below their signature, of THE WILLIAMS COMPANIES, INC., a Delaware corporation ("Williams"), does hereby constitute and appoint J. FURMAN LEWIS, BOBBY E. POTTS and DAVID M. HIGBEE their true and lawful attorneys and each of them (with full power to act without the others) their true and lawful attorneys for them and in their name and in their capacity as a director or officer, or both, of Williams, as hereinafter set forth below their signature, to sign a registration statement on Form S-8 for the registration under the Securities Act of 1933, as amended, of Common Stock of Williams issuable pursuant to the terms and provisions of The Williams Companies, Inc. 1996 Stock Plan, together with associated Preferred Stock purchase rights, and any and all amendments and post-effective amendments to said registration statement and any and all instruments necessary or incidental in connection therewith; and

THAT the undersigned Williams does hereby constitute and appoint J. FURMAN LEWIS, BOBBY E. POTTS and DAVID M. HIGBEE its true and lawful attorneys and each of them (with full power to act without the others) its true and lawful attorney for it and in its name and on its behalf to sign said registration statement and any and all amendments and post-effective amendments thereto and any and all instruments necessary or incidental in connection therewith.

Each of said attorneys shall have full power of substitution and resubstitution, and said attorneys or any of them or any substitute appointed by any of them hereunder shall have full power and authority to do and perform in the name and on behalf of each of the undersigned, in any and all capacities, every act whatsoever requisite or necessary to be done in the premises, as fully to all intents and purposes as each of the undersigned might or could do in person, the undersigned hereby ratifying and approving the acts of said attorneys or any of them or of any such substitute pursuant hereto.

IN WITNESS WHEREOF, the undersigned have executed this instrument, all as of the 21st day of January, 1996.

/s/ Keith E. Bailey

/s/ Jack D. McCarthy

Keith E. Bailey
Chairman of the Board, President
and Chief Executive Officer
(Principal Executive Officer)

Jack D. McCarthy
Senior Vice President
(Principal Financial Officer)

/s/ Gary R. Belitz

Gary R. Belitz
Controller
(Principal Accounting Officer)

/s/ Harold W. Andersen

/s/ Ralph E. Bailey

Harold W. Andersen
Director

Ralph E. Bailey
Director

/s/ Glenn A. Cox

/s/ Thomas H. Cruikshank

Glenn A. Cox
Director

Thomas H. Cruikshank
Director

/s/ Ervin S. Duggan

/s/ Patricia L. Higgins

Ervin S. Duggan
Director

Patricia L. Higgins
Director

/s/ Robert J. LaFortune

/s/ James C. Lewis

Robert J. LaFortune
Director

James C. Lewis
Director

/s/ Jack A. MacAllister

/s/ James A. McClure

Jack A. MacAllister
Director

James A. McClure
Director

/s/ Peter C. Meinig

/s/ Kay A. Orr

Peter C. Meinig
Director

Kay A. Orr
Director

/s/ Gordon R. Parker

/s/ Joseph H. Williams

Gordon R. Parker
Director

Joseph H. Williams
Director

THE WILLIAMS COMPANIES, INC.

By /s/ J. Furman Lewis

J. Furman Lewis
Senior Vice President

ATTEST:

/s/ David M. Higbee

David M. Higbee
Secretary

[THE WILLIAMS COMPANIES, INC. LETTERHEAD]

EXHIBIT 24.2

I, the undersigned, DAVID M. HIGBEE, Secretary of THE WILLIAMS COMPANIES, INC., a Delaware company (hereinafter called the "Company"), do hereby certify that at a meeting of the Board of Directors of the Company, duly convened and held on January 21, 1996, at which a quorum of said Board was present and acting throughout, the following resolutions were duly adopted:

RESOLVED that, subject to Stockholder approval, The Williams Companies, Inc. 1996 Stock Plan (the "1996 Stock Plan"), a draft of which has been presented to the meeting, be, and hereby is, approved in the form presented, with such changes therein and additions thereto as the officers of the Company may approve.

RESOLVED that authorization be, and hereby is, given for the issuance and/or sale from time to time, of up to two million (2,000,000) shares of the Company's authorized but unissued Common Stock, one dollar (\$1.00) par value, and associated Preferred Stock purchase rights, under the terms and provisions of the 1996 Stock Plan.

RESOLVED that the officers of the Company be, and they hereby are, authorized to execute and file with the Securities and Exchange Commission under the Securities Act of 1933, as amended, a Registration Statement on Form S-8 or other Securities Act registration form as may be considered appropriate, and all amendments and supplements thereto, all required exhibits and documents in connection therewith, the prospectus contained therein and all amendments or supplements thereto with respect to not more than two million (2,000,000) shares of Common Stock, one dollar (\$1.00) par value, and associated Preferred Stock purchase rights, of the Company to be issued to the employees of the Company in accordance with the terms and provisions of the 1996 Stock Plan and to make all such payments and to do or cause to be done all other acts and things as, in their opinion or in the opinion of any of them, may be necessary or desirable and proper in order to effect such filing or in order that such Registration Statement and any such amendment or amendments may become effective and may remain in effect as long as shall be required.

RESOLVED that the form of power of attorney submitted to this meeting for use in connection with the execution and filing for and on behalf of the Company of the Registration Statement referred to in the immediately preceding resolution and any amendments or supplements thereto is hereby approved and the Chairman of the Board, the President or any Vice President of the Company be, and hereby is, authorized to execute said power of attorney in the form so presented by, for and on behalf of the Company.

RESOLVED that the officers of the Company be, and they hereby are, authorized and directed in the name and on behalf of the Company to take any and all action which they may deem necessary or advisable in order to effect the registration or qualification (or exemption therefore) of such securities for issue, offer, sale or trade under the Blue Sky or securities laws of any state of the United States of America or elsewhere, and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorney to receive service of process and other papers and instruments which may be required under such applications, reports, consents to service of process, appointments of attorney to receive service of process and other papers and instruments which may be required under such laws and to take any and all further action which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law.

RESOLVED that the Chairman of the Board, the President, any Vice President, the Secretary or any Assistant Secretary of this Company be, and they hereby are, authorized to execute and deliver on behalf of this Company applications for the listing of not more than an additional two million (2,000,000) shares of Common Stock of the Company together with associated Preferred Stock purchase rights, on the New York Stock Exchange and the Pacific Stock Exchange and said officers are further authorized to take all such action and to file with such exchanges all such documents as may be necessary in order to accomplish the same.

RESOLVED that the Chairman of the Board, the President, any Vice President, the Secretary or any Assistant Secretary or any one or more of them be, and they hereby are, authorized and empowered

to appear before the New York Stock Exchange and the Pacific Stock Exchange or any committees or any representatives of such exchanges with authority to present such applications for listing and to make such changes in such applications or in any amendments relative thereto and to furnish such information in connection therewith as may be necessary or advisable to conform with the requirements for the listing of such Common Stock on said New York Stock Exchange and Pacific Stock Exchange.

RESOLVED that First Chicago Trust Company of New York, transfer agent for the Company, as agent for the transfer of certificates of the Company's Common Stock, one dollar (\$1.00) par value, be, and they hereby are, authorized: (i) to record, countersign and deliver to First Chicago Trust Company of New York as registrar, certificates for shares of Common Stock, one dollar (\$1.00) par value, of the Company to be issued as authorized by the Board of Directors under terms of the 1996 Stock Plan; (ii) to deliver such certificates when countersigned by such registrar; and (iii) from time to time to make transfers of certificates for such shares of Common Stock with the same authority and upon the terms and conditions as to such additional shares of Common Stock as are fully set forth in the resolutions previously adopted by the Board of Directors of the Company with respect to presently outstanding Common Stock of the Company.

RESOLVED that First Chicago Trust Company of New York as registrar for registration of the Company's Common Stock, one dollar (\$1.00) par value, be, and hereby is, authorized and directed to record, when presented by First Chicago Trust Company of New York, transfer agent of the Company's Common Stock, and register transfers of certificates for shares of the Company's Common Stock to be issued as authorized by the Board of Directors under the terms of the 1996 Stock Plan with the same authority and upon the same terms and conditions as to such shares of Common Stock as are fully set forth in resolutions previously adopted by the Board of Directors of the Company with respect to the presently outstanding Common Stock of the Company.

RESOLVED that the officers of this Company be, and they hereby are, authorized to take all such further action and to execute and deliver all such further instruments and documents in the

name and on behalf of the Company and under its Corporate Seal or otherwise and to pay such fees and expenses as shall be necessary, proper or advisable in order to fully carry out the intent and to accomplish the purposes of the foregoing resolutions.

I further certify that the foregoing resolutions have not been modified, revoked or rescinded and are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of THE WILLIAMS COMPANIES, INC., this 30th day of August, 1996.

/s/ David M. Higbee

David M. Higbee
Secretary

(CORPORATE SEAL)