FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| | OMB APPRO | VAL |
|---|-------------------------|-----------|
| | OMB Number: | 3235-0287 |
| l | Estimated average burde | en |
| | hours per response: | 0.5 |

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* WILLIAMS COMPANIES INC | | | | | | 2. Issuer Name and Ticker or Trading Symbol WILLIAMS COAL SEAM GAS ROYALTY TRUST [WTU] | | | | | | | | | all app Direc | | g Perso | 10% C | wner |
|--|---|-------------------------|---------------|---------------------------------|-------------|--|-----------------------------------|--------------------------------------|---|-------|--------------------|---|--|---|---|---|---|---|--|
| (Last) (First) (Middle) ONE WILLIAMS CENTER | | | | | | 3. Date of Earliest Transaction (Month/Day/Year) 09/02/2004 | | | | | | | | | Offic belov | er (give title w) | Other (below) | | (specify |
| (Street) TULSA (City) | OF | | 74172 Zip) | | - 4. If | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | | | |
| | | Tabl | e I - N | on-Deriv | vative | Sec | uritie | s Ac | quired | d, Di | sposed o | f, or E | Benefic | cially | Owne | ed | | | |
| Date | | | | 2. Transac Date (Month/Da | Execution D | | on Date, Transaction Code (Instr. | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 a | | | and 5) Secu Bene Own | | icially d Following | 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 | | • | Reported Transaction(s) (Instr. 3 and 4) | | | | (111501.4) |
| Common Units 09/02/2 | | | | | 2004 | 004 | | | S | | 14,100 D \$1 | | \$15 | .9658 | 1,886,891 | | D | | |
| Common Units 09/03/20 | | | | | 2004 | 004 | | | S | | 20,300 | D \$15.9 | | .9869 | 9869 1,866,591 | | 591 D | | |
| | | Та | ble II | | | | | | | | osed of, convertib | | | | wned | | | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | (Month/Day/Year) if any | | tion Date, Tra | | nsaction of Deriv de (Instr. Secu Acqu (A) o Disp of (D | | r osed 3, 4 | 6. Date Exerc Expiration Do (Month/Day/\) | | ate | 7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4) | | 8. Price of Derivative Security (Instr. 5) | | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4) | Ov Fo Dii or (I) | vnership rm: rect (D) Indirect (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
| | Code V (A) | | (D) | Date Exercis | sable | Expiration Date | Title | Amoun or Numbe of Shares | | | | | | | | | | | |

Explanation of Responses:

Remarks:

Cher S. Lawrence, Attorney-in-

Fact for The Williams 09/07/2004

Companies, Inc.

** Signature of Reporting Person Date

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

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.

 $^{^{\}star}$ 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).

Know all by these presents, that the undersigned's hereby makes, constitutes and appoints _____ as the undersigned's true and lawful attorney-in-fact, with full power and authority as hereinafter described on behalf of and in the name, place and stead of the undersigned to:

- (1) prepare, execute, acknowledge, deliver and file Forms 3, 4, and 5 (including any amendments thereto) with respect to the securities of ______, a _____ corporation (the "Company"), with the United States Securities and Exchange Commission, any national securities exchanges and the Company, as considered necessary or advisable under Section 16(a) of the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder, as amended from time to time (the "Exchange Act");
- (2) seek or obtain, as the undersigned's representative and on the undersigned's behalf, information on transactions in the Company's securities from any third party, including brokers, employee benefit plan administrators and trustees, and the undersigned hereby authorizes any such person to release any such information to the undersigned and approves and ratifies any such release of information; and
- (3) perform any and all other acts which in the discretion of such attorney-in-fact are necessary or desirable for and on behalf of the undersigned in connection with the foregoing.

The undersigned acknowledges that:

- (1) this Power of Attorney authorizes, but does not require, such attorney-in-fact to act in their discretion on information provided to such attorney-in-fact without independent verification of such information;
- (2) any documents prepared and/or executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney will be in such form and will contain such information and disclosure as such attorney-in-fact, in his or her discretion, deems necessary or desirable;
- (3) neither the Company nor such attorney-in-fact assumes (i) any liability for the undersigned's responsibility to comply with the requirement of the Exchange Act, (ii) any liability of the undersigned for any failure to comply with such requirements, or (iii) any obligation or liability of the undersigned for profit disgorgement under Section 16(b) of the Exchange Act; and
- (4) this Power of Attorney does not relieve the undersigned from responsibility for compliance with the undersigned's obligations under the Exchange Act, including without limitation the reporting requirements under Section 16 of the Exchange Act.

The undersigned hereby gives and grants the foregoing attorney-in-fact full power and authority to do and perform all and every act and thing whatsoever requisite, necessary or appropriate to be done in and about the foregoing matters as fully to all intents and purposes as the undersigned might or could do if present, hereby ratifying all that such attorney-in-fact of, for and on behalf of the undersigned, shall lawfully do or cause to be done by virtue of this Limited Power of Attorney.

This Power of Attorney shall remain in full force and effect until revoked by the undersigned in a signed writing delivered to such attorney-in-fact.

| IN WITNESS W | HEREOF, | the | | | | | | | | |
|----------------------|---------|-------|----|----------|----|----|----------|----|----|------|
| undersigned has caus | ed this | Power | of | Attorney | to | be | executed | as | of | this |
| day of | | | | | | | | | | |

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| On this day of, _ personally appeared before me, and | | | | | | | | | |
| personally appeared before me, and | d acknowledged that s/he | | | | | | | | |
| executed the foregoing instrument for the purposes therein contained. | | | | | | | | | |
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| IN WITNESS WHEREOF, I have hereunto set my hand and official seal. | | | | | | | | | |
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