

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 3
SCHEDULE TO

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

THE WILLIAMS COMPANIES, INC.
(Name of Subject Company (issuer) and Filing Person (offeror))

OPTIONS TO PURCHASE COMMON STOCK, PAR VALUE \$1.00 PER SHARE
(Title of Class of Securities)

969457100
(CUSIP Number of Class of Underlying Securities)

BRIAN K. SHORE, SECRETARY
THE WILLIAMS COMPANIES, INC.
ONE WILLIAMS CENTER
TULSA, OKLAHOMA 74172
(918) 573-2000
(Name, address and telephone number of person
authorized to receive notices and
communications on behalf of filing persons)

Copies to:

PAMELA BAKER, ESQ.
STEPHEN E. FOX, ESQ.
SONNENSCHN NATH & ROSENTHAL
8000 SEARS TOWER
CHICAGO, ILLINOIS 60606
(312) 876-7934

CALCULATION OF FILING FEE

TRANSACTION	
VALUATION(1)	
AMOUNT OF	
FILING	
FEE(2) - --	

-	
\$17,012,652	
\$1,376 - --	

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- (1) Calculated solely for purposes of determining the filing fee. This amount assumes that options to purchase an aggregate of 13,452,658 shares of common stock of The Williams Companies, Inc. having an aggregate value of \$17,012,652 as of May 16, 2003 will be exchanged pursuant to this offer. The aggregate value of such options was calculated based on the Black-Scholes option pricing model.
- (2) The amount of the filing fee, calculated in accordance with Section 13(e) of the Securities Exchange Act of 1934, as amended, equals \$80.90 for each \$1,000,000 of the value of the transaction. The filing fee was paid in connection with previous filings of this Schedule T0.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable.

Form of Registration No.: Not applicable.

Filing Party: Not applicable.

Date Filed: Not applicable.

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party tender offer subject to Rule 14d-1.

issuer tender offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

This Amendment No. 3 amends and supplements the Tender Offer Statement on Schedule T0, as amended (the "Tender Offer Statement") filed by The William Companies, Inc., a Delaware corporation ("Williams"), relating to the offer by Williams to exchange certain outstanding employee options to purchase its common shares, upon the terms and subject to the conditions set forth in the Offer to Exchange dated May 27, 2003, a copy of which was attached as Exhibit (a)(1) to the Tender Offer Statement.

ITEM 12. EXHIBITS.

- (a)(1) Offer to Exchange, dated May 27, 2003(1)
- (a)(2) E-Mail Message to Employees Announcing Exchange Offer(1)
- (a)(3) Form of Election Form, Including Statement of Employee Stock Option Holdings(1)
- (a)(4) Form of Notice of Withdrawal(1)
- (a)(5) Instructions to Participate in Offer(1)
- (a)(6) Form of Confirmation of Election and Promise of Grant of Replacement Options(1)
- (a)(7) Form of Confirmation of Ineligibility and Voided Election(1)
- (a)(8) Form of Confirmation of Election Not to Participate(1)
- (a)(9) Reminder E-Mail to Employees(1)
- (a)(10) The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2002 filed with the Securities and Exchange Commission on March 19, 2003 (Incorporated by Reference)
- (a)(11) The Company's Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2003 filed with the Securities and Exchange Commission on May 13, 2003 (Incorporated by Reference)
- (a)(12) Question and Answer about the Stock Option Exchange Program(1)
- (a)(13) Reminder E-Mail to Employees, dated June 25, 2003
- (b) Not applicable
- (d)(1) Form of Stock Option Agreement between the Company and its Employees(1)
- (d)(2) Form of Replacement Option Grant Letter between the Company and its Employees(1)

- (d)(3) The Williams Companies, Inc. 2002 Incentive Plan, as amended(1)
- (d)(4) Prospectus to The Williams Companies, Inc. 2002 Incentive Plan, as amended(1)
- (g) Not applicable
- (h) Not applicable

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(1) Previously filed.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

THE WILLIAMS COMPANIES, INC.

By: /s/ MARCIA M. MACLEOD

Name: Marcia M. MacLeod

Title: Vice President Rewards and Policy

Date: June 25, 2003

INDEX TO EXHIBITS

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TO: All Employees of the Williams Companies, Inc.
FROM: Human Resources Service Center
DATE: June 25, 2003
SUBJECT: TODAY 4:00 PM (CT) IS THE EXPIRATION OF THE ELECTION PERIOD FOR THE STOCK OPTION EXCHANGE PROGRAM

If you are eligible to participate in the stock option exchange program, you should have already received a personalized packet of information in the mail regarding this program. Please carefully review the information included or referenced in the packet and if you elect to participate, deliver your properly completed, signed and dated Election Form as described below prior to the expiration of the offer. THE EXPIRATION OF THE OFFER IS 4:00 P.M. CENTRAL TIME TODAY, JUNE 25, 2003. Delivery will be deemed made only when the Election Form is actually received (not postmarked) by Williams.

ELECTION PROCESS

If you do not submit an Election Form prior to the expiration of the program, or if you submit an incomplete or incorrectly completed Election Form, you will be considered to have rejected the offer. In that case, your options will remain outstanding until they terminate or expire according to their terms and they will retain their current exercise price.

To participate in the offer, you must properly complete, sign, date and deliver to us the Election Form by faxing to the Stock Option Exchange Program at (918) 573-0737, (918) 573-0786 or (918) 573-0828. When faxing an Election Form, you should retain the fax transmittal confirmation for your records. Mailing the Election Form is no longer an option as Williams would not receive the Election Form prior to the expiration of the program.

E-mail is not an acceptable method of delivery.

NOTICE OF WITHDRAWAL FORM

The Notice of Withdrawal Form included in your packet is to be used only if you have already submitted an Election Form to participate in the program and then you wish to withdraw your tendered options. Should you wish to withdraw your previously tendered options, you must properly complete, sign, date and deliver the Notice of Withdrawal Form to Williams prior to the expiration of the offer (4:00 P.M. CENTRAL TIME TODAY, JUNE 25, 2003). Delivery will be deemed made only when the Notice of Withdrawal Form is actually received (not postmarked) by Williams by fax as explained above.

For further information on withdrawing your previously tendered options, please see Item 31 in the Summary of Terms on page 7 in the Offer to Exchange.

CONFIRMATIONS

If you are eligible to participate in the exchange program, you will receive one of three confirmations at your home address shortly. The confirmation you receive will indicate one of the following:

- o That Williams has accepted your election to participate in the program and promises to grant the replacement options subject to the terms of the exchange program. This confirmation also includes your personal listing of the options that were cancelled and the corresponding options that Williams expects to grant on December 29, 2003; or
- o That you elected not to participate in the program and your eligible options will remain outstanding in accordance with their original terms and conditions; or
- o That you were not an active employee at the expiration of the offer; therefore, if you elected to participate in the program, your election was voided.

QUESTIONS

Questions may be directed to the Human Resources Service Center at (800) 320-8040 or (918) 573-5400.