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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

January 14, 2008

The Williams Companies, Inc.

(Exact name of registrant as specified in its charter)

Delaware

1-4174

73-0569878

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

One Williams Center, Tulsa, Oklahoma

74172

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

918-573-2000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On January 14, 2008, The Williams Companies, Inc. ("Williams") announced that it has monetized a contractual right to a production payment on certain future international hydrocarbon production for approximately \$148 million. Williams expects to report a significant non-recurring gain in the first quarter of 2008 as a result of this transaction.

Of that amount, Williams has already received approximately \$118 million in cash proceeds. Another \$29 million has been placed into escrow, subject to certain post-closing conditions and adjustments.

A copy of the press release announcing the monetization of the international production payment contract is furnished herewith as Exhibit 99.1. The information furnished is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, is not subject to the liabilities of that section and is not deemed incorporated by reference in any filing under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

- a) None
- b) None
- c) None
- d) Exhibits

Exhibit 99.1 Press release dated January 14, 2008, announcing the monetization of the international production payment contract.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

January 15, 2008

The Williams Companies, Inc.

By: *Brian K. Shore*

Name: Brian K. Shore

Title: Corporate Secretary

Exhibit Index

| Exhibit No. | Description |
|--------------------|---|
| 99.1 | Press release dated January 14, 2008, announcing the monetization of the international production payment contract. |

NYSE: WMB

Date: Jan. 14, 2008

Williams Monetizes International Production Payment Contract

TULSA, Okla. – Williams (NYSE:WMB) today announced that it has monetized a contractual right to a production payment on certain future international hydrocarbon production for approximately \$148 million.

Of that amount, Williams has already received approximately \$118 million in cash proceeds. Another \$29 million has been placed into escrow, subject to certain post-closing conditions and adjustments. The company expects to report a significant non-recurring gain in the first quarter of 2008 as a result of this transaction.

The terminated contract was associated with Williams' prior international interests obtained from a merger with Barrett Resources Corporation in 2001.

Williams previously disposed of all of its ownership in the international development concession and retained only the contract for the production payment on future production.

With the termination of the contract, Williams has no further interests associated with the crude oil concession, which is located in Peru.

About Williams (NYSE: WMB)

Williams, through its subsidiaries, finds, produces, gathers, processes and transports natural gas. Williams' operations are concentrated in the Pacific Northwest, Rocky Mountains, Gulf Coast, and Eastern Seaboard. More information is available at <http://www.williams.com>. Go to <http://www.b2i.us/irpass.asp?BzID=630&to=ea&s=0> to join our e-mail list.

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Portions of this document may constitute "forward-looking statements" as defined by federal law. Although the company believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Any such statements are made in reliance on the "safe harbor" protections provided under the Private Securities Reform Act of 1995. Additional information about issues that could lead to material changes in performance is contained in the company's annual reports filed with the Securities and Exchange Commission.