SEC Form 4

FORM 4

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

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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[*] **BENDER JAMES J**	2. Issuer Name **and** Ticker or Trading Symbol **WILLIAMS COMPANIES INC** [**WMB**]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
(Last) (First) (Middle) **ONE WILLIAMS CENTER**	3. Date of Earliest Transaction (Month/Day/Year) 02/25/2005	Director 10% Owner X Officer (give title below) Other (specify below) Sr. Vice President & GC
(Street) **TULSAO** **OK** **74172** (City) (State) (Zip)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person 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				
Deferred Stock	$19.29	02/25/2005		A		12,023		02/25/2008	02/25/2008	Common Stock	12,023	$19.29	55,356	D	
Deferred Stock[1]	$19.29	02/25/2005		A		24,971		03/15/2008	03/15/2008	Common Stock	24,971	$19.29	80,327	D	
Employee Options (Right to Buy)	$19.29	02/25/2005		A		13,334		02/25/2006	02/25/2015	Common Stock	13,334	$19.29	68,334	D	
Employee Options (Right to Buy)	$19.29	02/25/2005		A		13,333		02/25/2007	02/25/2015	Common Stock	13,333	$19.29	81,667	D	
Employee Options (Right to Buy)	$19.29	02/25/2005		S		13,333		02/25/2008	02/25/2015	Common Stock	13,333	$19.29	95,000	D	

Explanation of Responses:

1. Vesting subject to reporting person's continued employment with the Company and compensation committee certification that the Company has met performance measures over a three year period. The committee will establish the specific performance measures in the first 90 days of each year.

Remarks:

Cher S. Lawrence, Attorney-in-Fact for James J. Bender	03/01/2005
** 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.