SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE TO
(RULE 14d-100)

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

BARRETT RESOURCES CORPORATION
(NAME OF SUBJECT COMPANY (ISSUER))

RESOURCES ACQUISITION CORP.,
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.
(NAMES OF FILING PERSONS (OFFERORS))

COMMON STOCK, PAR VALUE $.01 PER SHARE
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)
(TITLE OF CLASS OF SECURITIES)

068480201

(CUSIP NUMBER OF CLASS OF SECURITIES)

WILLIAM G. VON GLAHN, ESQ.
SENIOR VICE PRESIDENT AND GENERAL COUNSEL
THE WILLIAMS COMPANIES, INC.
ONE WILLIAMS CENTER
TULSA, OKLAHOMA 74172
TELEPHONE: (918) 573-2000
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON AUTHORIZED TO RECEIVE NOTICES AND COMMUNICATIONS ON BEHALF OF FILING PERSONS)

WITH A COPY TO:

MORRIS J. KRAMER, ESQ.
RICHARD J. GROSSMAN, ESQ.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
FOUR TIMES SQUARE
NEW YORK, NY 10036
TELEPHONE: 212-735-3000

CALCULATION OF FILING FEE

TRANSACTION VALUATION*	AMOUNT OF FILING FEE
$1,221,326,646	$244,265

* Estimated for purposes of calculating the amount of the filing fee only. The amount assumes the purchase of a total of 16,730,502 shares of the outstanding common stock, par value $0.01 per share, at a price per share of $73.00 in cash. The amount of the filing fee calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, equals 1/50 of 1% of the transaction value.

[ ] 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: None — Filing party: N/A
Form or Registration No.: N/A — Date Filed: N/A

[ ] 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:

[X] 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: [ ]

ITEM 1. SUMMARY TERM SHEET

The information set forth in the section of the Offer to Purchase entitled "Summary Term Sheet" is incorporated herein by reference.

ITEM 2. SUBJECT COMPANY INFORMATION.

(a) The name of the subject company is Barrett Resources Corporation, a Delaware corporation ("Barrett Resources"), and the principal executive offices are located at 1515 Arapahoe Street, Tower 3, Suite 1000, Denver, CO 80202. Its telephone number at such offices is (303) 572-3900.

(b) This Statement relates to the offer by Resources Acquisition Corp. ("Purchaser"), a Delaware corporation and a wholly-owned subsidiary of The Williams Companies, Inc., a Delaware corporation ("Williams"), to purchase 16,730,502 shares of common stock of Barrett Resources, par value $.01 per share (including the associated preferred stock purchase rights, the "Shares"), at $73.00 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase and in the related Letter of Transmittal, copies of which are attached hereto as Exhibits (a)(l) and (a)(2) (which are herein collectively referred to as the "Offer"). The information set forth in the introduction to the Offer to Purchase (the "Introduction") and on the cover page is incorporated herein by reference.

(c) The information concerning the principal market in which the Shares are traded and certain high and low sales prices for the Shares in such principal market is set forth in Section 6, "Price Range of the Shares; Dividends" of the Offer to Purchase and is incorporated herein by reference.

ITEM 3. IDENTITY AND BACKGROUND OF THE FILING PERSON.

(a), (b), (c) The information set forth in Section 9, "Certain Information Concerning Williams and Purchaser", and Schedule I of the Offer to Purchase is incorporated herein by reference.

ITEM 4. TERMS OF THE TRANSACTION.

(a)(1)(i)-(viii), (xii) The information set forth under (a) "Introduction", (b) Section 1, "Terms of the Offer", (c) Section 5, "Material United States Federal Income Tax Consequences", (d) Section 7, "Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations", (e) Section 8, "Certain Information Concerning Barrett Resources", (f) Section 10, "Background of the Offer", (g) Section 11, "Purpose of the Offer and the Merger; the Merger Agreement; Effects of Inability to Consummate the Merger; Statutory Requirements; Appraisal Rights; Plans for Barrett Resources; Confidentiality Agreements; "Going Private" Transactions", (h) Section 12, "Source and Amount of Funds" and (i) Section 14, "Conditions of the Offer" of the Offer to Purchase is incorporated herein by reference. No subsequent offering period will be offered.

(a)(1) (x) and (xi) Not applicable.

(a)(2)(i)-(iv), (vii) The information set forth under (a) "Introduction", (b) Section 1, "Terms of the Offer", (c) Section 5, "Material United States Federal Income Tax Consequences", (d) Section 7, "Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations", (e) Section 8, "Certain Information Concerning Barrett Resources", (f) Section 10, "Background of the Offer", (g) Section 11, "Purpose of the Offer and the Merger; the Merger Agreement; Effects of Inability to Consummate the Merger; Statutory Requirements; Appraisal Rights; Plans for Barrett Resources; Confidentiality Agreements; "Going Private" Transactions", (h) Section 12, "Source and Amount of Funds" and (i) Section 14, "Conditions of the Offer" of the Offer to Purchase is incorporated herein by reference.

(a)(2) (v) and (vi) Not applicable.

ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

The information set forth in (a) Section 9, "Certain Information Concerning Williams and Purchaser", (b) Section 10, "Background of the Offer" and (c) Section 11, "Purpose of the Offer and the Merger; the Merger Agreement; Effects of Inability to Consummate the Merger; Statutory Requirements; Appraisal Rights; Plans for Barrett Resources" of the Offer to Purchase is incorporated herein by reference.

ITEM 6. PURPOSE OF THE TENDER OFFER AND PLANS OR PROPOSALS.

(a), (c)(1), (c)(3)-(7) The information set forth in (a) "Introduction", (b) Section 6, "Price Range of the Shares; Dividends", (c) Section 7, "Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations" and (d) Section 11, "Purpose of the Offer and the Merger; the Merger Agreement; Effects of Inability to Consummate the Merger; Statutory Requirements; Appraisal Rights; Plans for Barrett Resources; Confidentiality Agreements; " 'Going Private' Transactions" of the Offer to Purchase is incorporated herein by reference.

(c)(2) None.

ITEM 7. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

(a), (d) The information set forth in Section 12, "Source and Amount of Funds" of the Offer to Purchase is incorporated herein by reference.

(b) Not applicable.

ITEM 8. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

The information set forth in "Introduction", Section 8, "Certain Information Concerning Barrett Resources", and Schedule I of the Offer to Purchase is incorporated herein by reference.

ITEM 9. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

The information set forth in "Introduction" and Section 16, "Fees and Expenses" of the Offer to Purchase is incorporated herein by reference.

ITEM 10. FINANCIAL STATEMENTS.

Not applicable.

ITEM 11. ADDITIONAL INFORMATION.

The information set forth in (a) Section 7, "Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations", (b) Section 11, "Purpose of the Offer and the Merger; the Merger Agreement; Effects of Inability to Consummate the Merger; Statutory Requirements; Appraisal Rights; Plans for Barrett Resources; Confidentiality Agreements; " 'Going Private' Transactions", (c) Section 15, "Legal Matters; Required Regulatory Approvals" and (d) Section 17, "Miscellaneous" of the Offer to Purchase is incorporated herein by reference.

ITEM 12. EXHIBITS.

(a)(1) Offer to Purchase dated May 14, 2001.
(a)(2) Letter of Transmittal.
(a)(3) Notice of Guaranteed Delivery.
(a)(4) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(5) Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.

(a)(6)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.
(a)(7)	Press Release issued by Williams on May 7, 2001, incorporated herein by reference to the Pre-commencement Schedule TO filed by Williams on May 7, 2001.
(a)(8)	Summary Advertisement as published in The Wall Street Journal on May 14, 2001.
(a)(9)	Press Release issued by Williams on May 14, 2001.
(d)(1)	Agreement and Plan of Merger, dated as of May 7, 2001, by and among Williams, Purchaser and Barrett Resources.
(d)(2)	Confidentiality Agreement, dated as of March 9, 2001, by and between Williams and Barrett Resources.
(d)(3)	Nondisclosure Agreement, dated as of May 6, 2001, by and between Barrett Resources and Williams.
(g)	Not applicable.
(h)	Not applicable.

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.

RESOURCES ACQUISITION CORP.

By: /s/ RALPH A. HILL

Name: Ralph A. Hill
Title: Senior Vice President

THE WILLIAMS COMPANIES, INC.

By: /s/ KEITH E. BAILEY

Name: Keith E. Bailey
Title: Chairman, President and Chief Executive Officer

Dated: May 14, 2001

EXHIBIT INDEX

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(h)	Not applicable.....

Exhibit (a)(1)

OFFER TO PURCHASE FOR CASH

16,730,502 SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)

OF

BARRETT RESOURCES CORPORATION
AT

$73.00 NET PER SHARE

BY

RESOURCES ACQUISITION CORP.
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT
12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001,
UNLESS THE OFFER IS EXTENDED.

The Offer (as defined herein) is being made pursuant to an Agreement and Plan of Merger, dated as of May 7, 2001, by and among The Williams Companies, Inc. ("Williams"), Resources Acquisition Corp. ("Purchaser") and Barrett Resources Corporation ("Barrett Resources"). The Board of Directors of Barrett Resources has unanimously approved the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger (as defined herein), and has unanimously determined that the Offer and the Merger are advisable and fair to, and in the best interests of, Barrett Resources' stockholders and unanimously recommends that stockholders accept the Offer and tender their Shares (as defined herein) pursuant to the Offer and approve the Merger at the time of the Barrett Resources Special Meeting (as defined herein). If the Offer and the Merger are completed, Purchaser will purchase 16,730,502 Shares in the Offer at a price of $73.00 per Share and holders of the remaining Shares (including any Shares returned to tendering stockholders as a result of proration) will receive 1.767 shares of Williams Common Stock (as defined herein) for each Share in the Merger.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (1) THERE BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION DATE (AS DEFINED HEREIN) AT LEAST 16,730,502 SHARES, AND (2) THE EXPIRATION OR TERMINATION OF THE WAITING PERIOD UNDER THE HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976, AS AMENDED, AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER. THE OFFER IS ALSO SUBJECT TO THE OTHER CONDITIONS SET FORTH IN THIS OFFER TO PURCHASE. THE OFFER IS NOT SUBJECT TO A FINANCING CONDITION. SEE SECTION 14.

A summary of the principal terms of the Offer appears on pages (iii) through (viii). You should read this entire document carefully before deciding whether to tender your Shares.

The Dealer Manager for the Offer is:

MERRILL LYNCH & CO.

May 14, 2001

IMPORTANT

If you want to tender all or some of your Shares, you should either (i) complete and sign the enclosed Letter of Transmittal (or facsimile thereof) by following the Instructions in the Letter of Transmittal, have your signature on the Letter of Transmittal guaranteed (if required by Instruction 1 to the Letter of Transmittal), mail or deliver the Letter of Transmittal (or a facsimile thereof) and any other required documents to the Depositary (as defined herein) and either deliver the certificates for the Shares you are tendering to the Depositary or tender the Shares by book-entry transfer as described in Section 3 of this Offer to Purchase or (ii) request that your broker, dealer, commercial bank, trust company or other nominee tender your Shares for you. If your Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you must contact that broker, dealer, commercial bank, trust company or other nominee in order for them to tender your Shares.

If you want to tender Shares but the certificates for your Shares are not immediately available, or if you cannot tender by book-entry transfer or cannot deliver all required documents to the Depositary before the Offer expires, you can tender your Shares by following the procedures for guaranteed delivery that are described in Section 3 of this Offer to Purchase.

Questions and requests for assistance can be made to the Dealer Manager or the Information Agent at their respective address and telephone numbers on the back cover of this Offer to Purchase. Requests for additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and other tender offer materials can be made to the Dealer Manager or the Information Agent or brokers, dealers, commercial banks or trust companies.

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SUMMARY TERM SHEET

The Williams Companies, Inc. ("Williams"), through its wholly-owned subsidiary, Resources Acquisition Corp. ("Purchaser", "we" or "us"), is offering to purchase (the "Offer") 16,730,502 shares of the common stock, par value $0.01 per share (including the associated preferred stock purchase rights, the "Shares") of Barrett Resources Corporation ("Barrett Resources") for $73.00 per Share, net to you in cash, pursuant to an Agreement and Plan of Merger, dated as of May 7, 2001, by and among Williams, Purchaser and Barrett Resources (the "Merger Agreement"). The following are some of the questions you, as a stockholder of Barrett Resources, may have and answers to those questions. You should carefully read this Offer to Purchase and the accompanying Letter of Transmittal in their entirety because the information in this summary term sheet is not complete and additional important information is contained in the remainder of this Offer to Purchase and the Letter of Transmittal.

WHO IS OFFERING TO BUY MY SECURITIES? WHY?

Our name is Resources Acquisition Corp. We are a Delaware corporation formed for the purpose of making a tender offer for the Shares and consummating the acquisition of Barrett Resources. We are a wholly-owned subsidiary of The Williams Companies, Inc., a Delaware corporation whose shares of common stock are listed on the New York Stock Exchange ("NYSE"). This tender offer is the first step in Williams' plan to acquire all of the outstanding Shares of Barrett Resources on the terms provided for in the Merger Agreement. See "Introduction".

WHAT ARE THE CLASSES AND AMOUNTS OF SECURITIES SOUGHT IN THE OFFER?

We are seeking to purchase 16,730,502 of the outstanding Shares of Barrett Resources for $73.00 per Share, net to you in cash. See "Introduction".

WHAT IS THE PURPOSE OF THE OFFER?

The purpose of the Offer is to enable Williams to acquire approximately 50% of the outstanding Shares. Following the Offer, Purchaser and Williams intend to acquire the remaining capital stock of Barrett Resources that was not acquired in the Offer in a merger transaction. See "Introduction" and Section 11, "Purpose of the Offer and the Merger" and "-- Plans for Barrett Resources".

IF PURCHASER SUCCEEDS IN PURCHASING THE SHARES OF BARRETT RESOURCES IT IS SEEKING TO BUY IN THE OFFER, WHAT WILL HAPPEN TO MY REMAINING SHARES AFTER THE OFFER?

If we accept for payment and pay for 16,730,502 Shares, Barrett Resources is expected to be merged with and into us. Additionally, if we accept for payment and pay for 16,730,502 Shares, we would effectively have sufficient voting power to approve the merger without the affirmative vote of other stockholders of Barrett Resources. Barrett Resources, as a result, would become a wholly-owned subsidiary of Williams. If the merger takes place, Williams will own all of the capital stock of Barrett Resources and all remaining stockholders (other than Barrett Resources, Williams, Purchaser, or other subsidiaries of Williams) will receive shares of Williams common stock in exchange for each of their Shares.

WHAT WILL BE PAID TO STOCKHOLDERS OF BARRETT RESOURCES IN THE MERGER AND WHAT IS THE FORM OF PAYMENT?

Williams will issue 1.767 shares of its common stock in the merger in exchange for each Share. Based on the closing sale price of the Williams common stock on the NYSE on Friday, May 4, 2001, the last full trading day before the date of announcement of the execution of the Merger Agreement, the 1.767 shares of Williams common stock that would be issued for each Share in the merger had a value of $73.63. Based on the closing sale price of Williams common stock on the NYSE on Friday, May 11, 2001, the last full NYSE trading day before the date of this Offer to Purchase, the 1.767 shares of Williams common stock that would be issued for each Share in the merger had a value of $71.09.

THE MARKET VALUE OF THE SHARES OF WILLIAMS COMMON STOCK THAT YOU AS A BARRETT RESOURCES STOCKHOLDER WOULD RECEIVE IN THE MERGER WILL VARY AS A RESULT OF THE FIXED EXCHANGE RATIO AS THE WILLIAMS COMMON STOCK PRICE FLUCTUATES.

The exchange ratio of 1.767 shares of Williams common stock per Barrett Resources Share is a fixed ratio that will not be adjusted as a result of any increase or decrease in the market price of either shares of Williams common stock or Barrett Resources Shares. The market price of shares of Williams common stock at the time the merger is completed may be higher or lower than the price on the date of this document, on the date of completion of the Offer and on the date of the special meeting of stockholders of Barrett Resources to be held to vote on the merger. Various factors may affect the price of shares of Williams common stock, including:

- changes in the business, operations, or prospects of Barrett Resources or Williams;

- market assessments of the benefits of the merger and of the likelihood that the merger will be completed; and

- general market, industry and economic conditions.

To a large extent, these factors are beyond our control, Williams' control or the control of Barrett Resources.

Because the merger will be completed only after the special meeting of Barrett Resources stockholders, there is no way to be sure that the price of the shares of Williams common stock now, at the time of the completion of the Offer or on the date of the special meeting, will be indicative of its price when the merger is completed. The market price of Williams common stock may increase and decrease significantly before and after completion of the merger. As a result, the Williams common stock you as a Barrett Resources stockholder receive in the merger may be worth more or less than the price being offered for the Shares in the Offer. WE URGE YOU TO OBTAIN CURRENT MARKET QUOTATIONS FOR BOTH BARRETT RESOURCES SHARES AND SHARES OF WILLIAMS COMMON STOCK BEFORE DECIDING WHETHER TO TENDER YOUR SHARES.

WHAT WILL HAPPEN IF MORE THAN 16,730,502 SHARES ARE VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION DATE OF THE OFFER?

If more than 16,730,502 Shares are validly tendered and not withdrawn prior to the expiration date of the Offer (the "Expiration Date"), we will accept for payment and pay for only 16,730,502 Shares on a pro rata basis (with appropriate adjustments to avoid purchase of fractional Shares) based on the number of Shares properly tendered by each stockholder prior to or on the Expiration Date.

HOW MUCH ARE YOU OFFERING TO PAY FOR MY SHARES IN THE OFFER AND WHAT IS THE FORM OF PAYMENT? WILL I HAVE TO PAY ANY FEES OR COMMISSIONS?

We are offering to pay $73.00 per Share in the Offer, net to you in cash. If you tender your Shares to us in the Offer, you will not have to pay brokerage fees, commissions or similar expenses. However, if you own your Shares through a broker or other nominee, and your broker tenders your Shares on your behalf, your broker or nominee may charge you a fee for doing so. You should consult your broker or nominee to determine whether any charges will apply.

WHAT ARE THE TAX CONSEQUENCES OF THE SALE OF SHARES TO PURCHASER THROUGH THE OFFER?

The sale of Shares to Purchaser through the Offer is a taxable transaction for United States federal income tax purposes, and may also be taxable under applicable state, local and other tax laws. If you sell all of your Shares to Purchaser through the Offer, you will recognize a gain or loss equal to the difference between the amount of cash that you receive from Purchaser for the Shares and your tax basis in such Shares.

Even if you tender all of your Shares in the Offer, you may have some but not all of your tendered Shares accepted for purchase by us pursuant to the terms of the Offer, as a result of proration. Where you sell some of your Shares to us through the Offer and exchange the rest of your Shares for Williams common stock pursuant to the merger of Barrett Resources with and into us, you will recognize gain (but not loss) equal to the lesser of (i) the amount of cash you receive pursuant to the Offer and (ii) an amount equal to the excess, if any, of (a) the sum of the amount of cash you receive pursuant to the Offer and the fair market value of the Williams common stock you receive pursuant to the merger over (b) the tax basis of your Shares.

If certain conditions relating to the United States federal income tax treatment of the Offer and the merger of Barrett Resources with and into us are not met, then we may, at Williams' reasonable discretion, be merged with and into Barrett Resources. In this case, instead of the tax consequences described in the immediately preceding paragraph, you will recognize all of your gain or loss on the disposition of your Shares in the Offer and/or such a reverse merger.

We encourage you to consult your own tax advisor about the effect the Offer will have on you. See Section 5, "Material United States Federal Income Tax Consequences".

WHAT ARE THE TAX CONSEQUENCES OF THE MERGER?

In general, if you do not sell any of your Shares to us through the Offer and exchange all of your Shares for Williams common stock pursuant to the merger of Barrett Resources with and into us, you will not recognize any gain or loss on the exchange except with respect to any cash you receive in lieu of a fractional share of Williams common stock. If you sell some of your Shares to us through the Offer and exchange the rest of your Shares for Williams common stock pursuant to the merger of Barrett Resources with and into us, you will recognize gain (but not loss) equal to the lesser of (i) the amount of cash you receive pursuant to the Offer and (ii) an amount equal to the excess, if any, of (a) the sum of the amount of cash you receive pursuant to the Offer and the fair market value of the Williams common stock you receive pursuant to the merger over (b) the tax basis of your Shares.

If certain conditions relating to the United States federal income tax treatment of the Offer and the merger of Barrett Resources with and into us are not met, then Purchaser may, at Williams' reasonable discretion, be merged with and into Barrett Resources. In this case, instead of the tax consequences described in the immediately preceding paragraph, you will recognize all of your gain or loss on the disposition of your Shares in the Offer and/or such a reverse merger.

We encourage you to consult your own tax advisor about the effect the merger will have on you. See Section 5, "Material United States Federal Income Tax Consequences".

DOES PURCHASER HAVE THE FINANCIAL RESOURCES TO MAKE PAYMENT?

Yes. We will need approximately $1.23 billion to purchase the 16,730,502 Shares we are seeking to buy in the Offer and to pay related fees and expenses. In addition, Barrett Resources has agreed in the Merger Agreement to seek the consent of the bank lenders under its credit agreement to permit it to consummate the transactions contemplated by the Merger Agreement without repaying the indebtedness under its credit agreement. If such bank consents are not obtained, Williams would need approximately $145 million of additional funds to repay the indebtedness under the credit agreement. It is anticipated that such funds will be obtained by Williams under its existing commercial paper program and revolving credit agreements. If we are unable to utilize the foregoing financing arrangements, Williams will seek alternative financing. See Section 12, "Source and Amount of Funds".

IS WILLIAMS' FINANCIAL CONDITION RELEVANT TO MY DECISION TO TENDER IN THE OFFER?

Because the form of payment in the Offer consists solely of cash and the Offer is not subject to a financing condition, we do not think Williams' financial condition is material to your decision as to whether to tender in the Offer. However, as noted above, if the Offer is completed you would receive, for

each Share you continue to hold after the Offer, 1.767 shares of Williams common stock in the subsequent merger, which may have a market value higher or lower than $73.00 at the time of the merger. If you would like additional information about Williams' financial condition, please see Section 9, "Certain Information Concerning Williams and Purchaser".

HAS THE BOARD OF DIRECTORS OF BARRETT RESOURCES APPROVED THE MERGER?

Yes. The Board of Directors of Barrett Resources convened a meeting on May 7, 2001 and unanimously approved the Offer and merger on the terms set forth in the Merger Agreement. Barrett Resources' financial advisors, Goldman, Sachs & Co. and Petrie Parkman & Co., Inc., each delivered a written opinion dated May 7, 2001 to the Board of Directors that, as of that date and on the basis of and subject to the matters described in such opinion, the consideration to be received by Barrett Resources' stockholders in the Offer and merger, taken together, was fair from a financial point of view to those stockholders.

HOW LONG DO I HAVE TO DECIDE WHETHER TO TENDER IN THE OFFER?

You have until at least 12:00 midnight, eastern time, on Monday, June 11, 2001, to tender your Shares in the Offer. If you cannot deliver everything required to make a valid tender to EquiServe Trust Company, N.A. ("EquiServe"), the depositary for the Offer, prior to such time, you may be able to use a guaranteed delivery procedure, which is described in Section 3, "Procedures for Accepting this Offer and Tendering Shares".

CAN THE OFFER BE EXTENDED AND, IF SO, UNDER WHAT CIRCUMSTANCES?

Unless the Merger Agreement is previously terminated in accordance with its terms, if the conditions to the Offer are not satisfied on the scheduled Expiration Date of the Offer, the Expiration Date would be extended to a later date, but in no event later than August 31, 2001. See Section 14, "Conditions of the Offer". Such conditions include that (i) there be validly tendered and not withdrawn at least 16,730,502 Shares (we call this condition the "Minimum Condition") and (ii) the waiting period under applicable antitrust laws shall have expired or been terminated.

HOW WILL I BE NOTIFIED IF THE OFFER IS EXTENDED?

If we decide to extend the Offer, at the time the Offer is currently scheduled to expire we will inform EquiServe, the depositary for the Offer, of that fact and will make a public announcement of the extension not later than 9:00 a.m., eastern time, on the next business day after the day on which the Offer was previously scheduled to expire.

WHAT ARE THE MOST SIGNIFICANT CONDITIONS TO THE OFFER?

We are not obligated to purchase any Shares which are validly tendered unless at least 16,730,502 Shares are validly tendered and not withdrawn. In addition, our obligation to purchase Shares in the Offer is conditioned upon, among other things, the expiration or termination of the applicable waiting period under applicable antitrust laws. See Section 14, "Conditions of the Offer".

HOW DO I TENDER MY SHARES?

To tender Shares, you must deliver the certificates representing your Shares, together with a completed Letter of Transmittal, to EquiServe, the depositary for the Offer, not later than the Expiration Date. If your Shares are held in street name by your broker, dealer, bank, commercial bank, trust company or other nominee, such nominee can tender your Shares for you. If you cannot deliver everything required to make a valid tender to the depositary prior to the Expiration Date, you may have a limited amount of additional time to tender by having a broker, a bank or other fiduciary which is a member of the Securities Transfer Agents Medallion Program or other eligible institution guarantee that the missing items will be received by the depositary within three NYSE trading days. However, the depositary must

receive the missing items within that three trading day period. See Section 3, "Procedure for Tendering Shares".

UNTIL WHAT TIME CAN I WITHDRAW TENDERED SHARES?

You can withdraw tendered Shares at any time until the Offer has expired and, if we have not agreed to accept your Shares for payment by Friday, July 13, 2001, you can withdraw your tendered Shares at any time after July 13, 2001 until we accept Shares for payment. See Section 4, "Withdrawal Rights".

HOW DO I WITHDRAW TENDERED SHARES?

To withdraw Shares, you must deliver a written notice of withdrawal, or a facsimile of one, with the required information to EquiServe, the depositary, while you have the right to withdraw the Shares.

WHEN AND HOW WILL I BE PAID FOR MY TENDERED SHARES?

Subject to the terms and conditions of the Offer, we will pay for 16,730,502 Shares tendered and not withdrawn as soon as practicable after the Expiration Date, subject to the satisfaction or waiver of the conditions to the Offer, as set forth in Section 14, "Conditions of the Offer". We do, however, reserve the right, in our sole discretion and subject to applicable law, to delay payment for Shares in order to comply with applicable law. All Shares not purchased in the Offer, including as a result of proration, will be returned to their respective holders.

In all cases, payment for tendered Shares will be made only after timely receipt by EquiServe of certificates for such Shares (or of a confirmation of a book-entry transfer of such shares as described in Section 3, "Procedures for Accepting the Offer and Tendering Shares"), a properly completed and duly executed Letter of Transmittal (or an Agent's Message (as defined in Section 3) in connection with a book-entry transfer) and any other required documents for such Shares.

We will pay for 16,730,502 Shares validly tendered and not withdrawn by depositing the aggregate purchase price for such Shares with EquiServe, the depositary, which will act as your agent for the purpose of receiving payments from us and transmitting such payments to you.

As noted earlier, if more than 16,730,502 Shares are validly tendered and not withdrawn, we will accept for payment and pay for only 16,730,502 Shares on a pro rata basis (with appropriate adjustments to avoid purchase of fractional Shares) based on the number of Shares properly tendered by each stockholder. Because of the difficulty of determining the precise number of Shares properly tendered and not withdrawn (due in part to the guaranteed delivery procedures described in Section 3), Williams does not expect that it will be able to announce the final results of proration or pay for any Shares until at least five NYSE trading days after the Expiration Date. Preliminary results of proration will be announced by press release as promptly as practicable after the Expiration Date. You may obtain such preliminary information from the Information Agent and may be able to obtain such information from your broker.

HAVE ANY STOCKHOLDERS OF BARRETT RESOURCES AGREED TO VOTE IN FAVOR OF THE MERGER?

No. However, if the Offer is completed, Barrett Resources will hold a special meeting of its stockholders to vote on the approval of the merger. At that special meeting, we will vote the Shares purchased by us in the Offer in favor of the merger and the adoption of the Merger Agreement.

IF 16,730,502 SHARES ARE TENDERED AND ACCEPTED FOR PAYMENT, WHAT WILL HAPPEN TO BARRETT RESOURCES AFTER THE OFFER?

The Merger Agreement provides for Barrett Resources to merge with and into us, unless certain conditions relating to the United States federal income tax treatment of the Offer and the merger of Barrett Resources with and into us are not met, in which case Purchaser may, at Williams' reasonable discretion, be merged with and into Barrett Resources. The merger is dependent on Barrett Resources stockholders that own at least a majority of the Shares outstanding on the record date (set to determine those persons entitled to vote on the merger) voting in favor of the merger. If the Offer is successful, Williams will beneficially own at least 16,730,502 Shares, which amount of Shares is expected to constitute approximately 50% of the outstanding Shares, which would effectively give us the voting power to approve the merger without the affirmative vote of other stockholders. We have agreed to vote all these Shares in favor of the merger.

Therefore, if we acquire 16,730,502 Shares pursuant to the Offer or otherwise, Barrett Resources and Purchaser will merge. Once the merger takes place, Barrett Resources will no longer be publicly owned and will instead become a wholly-owned subsidiary of Williams and Shares of Barrett Resources will no longer be traded through the NYSE or on any other securities exchange. See "Introduction" and Section 7, "Possible Effects of the Offer on the Market for the Shares; NYSE Listing; Exchange Act Registration; Margin Regulations".

IF I DECIDE NOT TO TENDER AND THE OFFER IS COMPLETED, HOW WILL MY SHARES BE AFFECTED?

If the Offer is completed and the merger takes place, stockholders not tendering in the Offer (other than Barrett Resources, Williams, Purchaser, and any other subsidiary of Williams) will receive, for each Share they hold, 1.767 shares of Williams common stock. Therefore, if the Offer is completed and the merger takes place, the difference to you between tendering your Shares and not tendering your Shares is that (i) if you tender you will be paid cash for at least half (or more, depending on proration) of the Shares that you tender in the Offer and (ii) if you do not tender you will receive only shares of Williams common stock in exchange for your Shares that you do not tender in the Offer.

WHAT IS THE MARKET VALUE OF MY SHARES AS OF A RECENT DATE?

On May 4, 2001, the last full NYSE trading day before we announced the execution of the Merger Agreement, the closing price of the Shares of Barrett Resources reported on the NYSE was $67.30 per Share. On May 11, 2001, the last full trading day before the date of this Offer to Purchase, the closing price of the Shares reported on the NYSE was $71.08 and on March 6, 2001, the last full trading day before Shell Oil Company disclosed its unsolicited bid for Barrett Resources, the closing price of the Shares reported on the NYSE was $45.62. We advise you to obtain a recent quotation for Shares before deciding whether to tender your Shares.

WHAT HAPPENED TO THE SHELL OFFER?

On May 7, 2001, the day Williams and Barrett Resources announced that they had executed the Merger Agreement, Shell Oil Company and its subsidiary, SRM Acquisition Company, terminated their offer to acquire Barrett Resources.

WHO CAN I TALK TO IF I HAVE QUESTIONS ABOUT THE OFFER?

You can call Georgeson Shareholder Communications, Inc., the information agent for the Offer, at (800) 223-2064 (toll free) or banks and brokers can call (212) 440-9800 (call collect) or Merrill Lynch & Co., the dealer manager for the Offer, at (212) 236-3790 (call collect).

To: All Holders of Shares of Common Stock
of Barrett Resources Corporation:

INTRODUCTION

Resources Acquisition Corp. ("Purchaser", "we" or "us"), a wholly-owned subsidiary of The Williams Companies, Inc. ("Williams"), hereby offers to purchase a total of 16,730,502 shares of common stock, par value $0.01 per share (including the associated Barrett Resources Rights (as defined herein), the "Shares"), of Barrett Resources Corporation ("Barrett Resources") at a purchase price of $73.00 per Share, net to the seller in cash, without interest (the "Offer Price"), on the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer").

Tendering stockholders whose Shares are registered in their own name and who tender directly to the Depositary (as described below) will not be required to pay brokerage fees or commissions or, except as described in Instruction 6 of the Letter of Transmittal, stock transfer taxes on the sale of Shares in the Offer. However, if you do not complete and sign the Substitute Form W-9 that is included in the Letter of Transmittal, you may be subject to a required backup federal income tax withholding of 31% of the gross proceeds payable to you. See Section 3. We will pay all charges and expenses of Merrill Lynch & Co. ("Merrill Lynch"), as dealer manager (the "Dealer Manager"), EquiServe Trust Company, N.A., as depositary (the "Depositary"), and Georgeson Shareholder Communications, Inc., as information agent (the "Information Agent"), incurred in connection with the Offer. See Section 16.

THE BOARD OF DIRECTORS OF BARRETT RESOURCES HAS UNANIMOUSLY APPROVED THE OFFER, THE MERGER (AS DEFINED HEREIN) AND THE MERGER AGREEMENT (AS DEFINED HEREIN), HAS DETERMINED THAT THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER, ARE ADVISABLE AND ARE FAIR TO AND IN THE BEST INTERESTS OF THE STOCKHOLDERS OF BARRETT RESOURCES AND RECOMMENDS THAT STOCKHOLDERS OF BARRETT RESOURCES ACCEPT THE OFFER, TENDER THEIR SHARES PURSUANT TO THE OFFER AND APPROVE AND ADOPT THE MERGER AGREEMENT AND THE MERGER AT THE TIME OF THE BARRETT RESOURCES SPECIAL MEETING (AS DEFINED HEREIN).

For a discussion of the Barrett Resources Board's recommendation, see Item 4, "The Solicitation or Recommendation" set forth in Barrett Resources' Solicitation/Recommendation Statement on Schedule 14D-9 (the "Schedule 14D-9"), which is being mailed to stockholders with this Offer to Purchase.

To the extent that more than 16,730,502 Shares are tendered in the Offer, Purchaser will purchase 16,730,502 Shares in the Offer on a pro rata basis (with appropriate adjustments to avoid purchase of fractional Shares) based on the number of Shares properly tendered by each stockholder prior to or on the Expiration Date (as defined below) and not withdrawn. See Sections 2 and 3.

We are not required to purchase any Shares unless at least 16,730,502 Shares are validly tendered and not withdrawn prior to the expiration of the Offer (the "Minimum Condition"). Unless Barrett Resources consents, we may not waive or reduce the Minimum Condition or elect to purchase all tendered Shares if the Minimum Condition is not met. See Sections 1, 14 and 15.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, THE WAITING PERIOD UNDER THE HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976, AS AMENDED, APPLICABLE TO THE PURCHASE OF SHARES PURSUANT TO THE OFFER HAVING EXPIRED OR BEEN TERMINATED. THE OFFER IS NOT SUBJECT TO A FINANCING CONDITION. THE OFFER IS ALSO SUBJECT TO CERTAIN OTHER TERMS AND CONDITIONS SET FORTH IN THIS OFFER TO PURCHASE. SEE SECTIONS 1, 14 AND 15.

We are making the Offer pursuant to an Agreement and Plan of Merger (the "Merger Agreement"), dated as of May 7, 2001, by and among Williams, Purchaser and Barrett Resources. Following the consummation of the Offer and the satisfaction or waiver of the conditions set forth in the Merger Agreement, Barrett Resources will merge with and into Purchaser with Purchaser continuing as the surviving corporation, unless certain conditions related to the United States federal income tax treatment of the Offer and the merger of Barrett Resources with and into Purchaser are not satisfied, in which case Purchaser may, at Williams' reasonable discretion, merge with and into Barrett Resources with Barrett Resources continuing as the surviving corporation. Whichever merger shall occur, as described above, is referred to herein as the "Merger". In the Merger, stockholders of Barrett Resources will have each of their Shares (other than Shares held by Barrett Resources, Williams, Purchaser or any other subsidiary of Williams) converted into 1.767 shares of Williams common stock, par value $1.00 per share (including the associated Williams Rights (as defined herein), the "Williams Common Stock"), with cash in lieu of fractional shares. Section 11 contains a more detailed description of the Merger Agreement and the consideration payable in the Merger in respect of the Shares. Section 5 describes the principal United States federal income tax consequences of the sale or exchange of Shares in the Offer and the Merger. As used herein, "Williams Rights" means the Series A Junior Participating Preferred Stock purchase rights issued pursuant to the Rights Agreement dated as of February 6, 1996, between Williams and First Chicago Trust Company of New York, as amended.

As noted above, each Share will be converted into 1.767 shares of Williams Common Stock in the Merger. Based on the closing sale price of the Williams Common Stock reported on the New York Stock Exchange ("NYSE") on Friday, May 4, 2001, the last full trading day before the date of announcement of the execution of the Merger Agreement, the 1.767 shares of Williams Common Stock that would be issued for each Share in the Merger had a value of $73.63. Based on the closing sale price of Williams Common Stock reported on the NYSE on Friday, May 11, 2001, the last full trading day before the date of this Offer to Purchase, the 1.767 shares of Williams Common Stock that would be issued for each Share in the Merger had a value of $71.09.

THE MARKET VALUE OF THE SHARES OF WILLIAMS COMMON STOCK THAT BARRETT RESOURCES STOCKHOLDERS WILL RECEIVE IN THE MERGER WILL VARY AS A RESULT OF THE FIXED EXCHANGE RATIO AS THE WILLIAMS COMMON STOCK PRICE FLUCTUATES.

The exchange ratio of 1.767 shares of Williams Common Stock per Barrett Resources Share is a fixed ratio that will not be adjusted as a result of any increase or decrease in the market price of either shares of Williams Common Stock or the Shares. The market price of shares of Williams Common Stock at the time the Merger is completed may be higher or lower than the price on the date of the Merger Agreement, the date of this Offer, the date of completion of this Offer or the date of the Barrett Resources Special Meeting to be held to vote on the Merger. If the market price of Williams Common Stock decreases before the Merger, no additional shares of Williams Common Stock will be received by Barrett Resources' stockholders to make up for the decrease in the market value of the Williams Common Stock, and accordingly, the market value of the Williams Common Stock to be received by Barrett Resources' stockholders would decrease. Various factors may affect the prices of shares of Williams Common Stock, including:

- changes in the business, operations, or prospects of Barrett Resources or Williams;

- market assessments of the benefits of the Merger and of the likelihood that the Merger will be completed; and

- general market, industry and economic conditions.

To a large extent, these factors are beyond our control, Williams' control or the control of Barrett Resources.

Because the Merger will be completed only after the Barrett Resources Special Meeting, there is no way to be sure that the price of the shares of Williams Common Stock now, or at the time of the completion of the Offer, will be indicative of its price on the date the Merger is completed. The market price of Williams Common Stock may increase and decrease significantly before and after completion of the Merger. As a result, the $73.00 per Share that a Barrett Resources stockholder receives in the Offer may be worth more or less than the shares of Williams Common Stock to be received in the Merger. WE URGE YOU TO OBTAIN CURRENT MARKET QUOTATIONS FOR BOTH THE SHARES AND THE WILLIAMS COMMON STOCK BEFORE DECIDING WHETHER TO TENDER YOUR SHARES IN THE OFFER.

THE OFFER DOES NOT CONSTITUTE A SOLICITATION OF PROXIES FOR ANY MEETING OF THE STOCKHOLDERS OF BARRETT RESOURCES OR ANY OFFER TO SELL OR SOLICITATION OF OFFERS TO BUY WILLIAMS COMMON STOCK OR OTHER SECURITIES. ANY SUCH SOLICITATION WILL BE MADE ONLY PURSUANT TO SEPARATE PROXY MATERIALS PURSUANT TO THE REQUIREMENTS OF SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "EXCHANGE ACT"), AND ANY SUCH OFFER WILL BE MADE ONLY THROUGH A REGISTRATION STATEMENT AND PROSPECTUS PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), WHICH PROSPECTUS WILL ALSO CONSTITUTE A PROXY STATEMENT FOR THE BARRETT RESOURCES SPECIAL MEETING OF STOCKHOLDERS TO BE HELD TO VOTE UPON THE MERGER AND THE MERGER AGREEMENT.

Goldman, Sachs & Co. ("Goldman Sachs") and Petrie Parkman & Co., Inc. ("Petrie Parkman"), Barrett Resources' financial advisors, each delivered to the Board of Directors of Barrett Resources its written opinion, dated May 7, 2001, that as of that date and on the basis of and subject to the matters described in such opinion, the consideration to be received by holders of Shares in the Offer and the Merger, taken together, was fair from a financial point of view to such holders. Copies of the Goldman Sachs and Petrie Parkman opinions are included with Barrett Resources' Solicitation/Recommendation Statement on Schedule 14D-9, which is being mailed with this Offer to Purchase. Stockholders are urged to read both opinions in their entirety, each of which sets forth the procedures followed, matters reviewed and assumptions made by Goldman Sachs and Petrie Parkman in preparing their respective opinions.

The consummation of the Merger is subject to the satisfaction of certain conditions, including the approval and adoption of the Merger Agreement and the Merger by the affirmative vote of a majority of the outstanding Shares (the "Barrett Resources Stockholder Approval"). Barrett Resources has agreed to convene a special meeting of its stockholders for such purpose (the "Barrett Resources Special Meeting") as promptly as practicable after the consummation of the Offer and after the registration statement for the Williams Common Stock to be exchanged for Shares pursuant to the Merger becomes effective. If Purchaser acquires (pursuant to the Offer or otherwise) approximately 50% of the outstanding Shares (which is expected to occur if the Minimum Condition is met), Purchaser will effectively have sufficient voting power to approve and adopt the Merger Agreement and the Merger without the vote of other stockholders of Barrett Resources.

The Merger Agreement provides that, promptly upon the purchase of Shares by Purchaser pursuant to the Offer, we will be entitled to designate a number of directors to the Barrett Resources Board, rounded up to the next whole number, which equals the product obtained by multiplying the total number of directors on Barrett Resources' Board (giving effect to the directors designated by us pursuant to the provisions of the Merger Agreement) by the percentage that the number of Shares accepted for payment pursuant to the Offer bears to the total number of Shares then outstanding. In the Merger Agreement, Barrett Resources has agreed to increase the size of its Board or exercise its best efforts to secure the resignations of incumbent directors or both as is necessary to enable Williams' designees to be elected to the Barrett Resources Board. Following the Offer, it is anticipated that representatives of Williams will constitute at least one-half of the members of the Barrett Resources Board of Directors.

Barrett Resources has informed us that, as of May 3, 2001, there were (a) 33,461,004 Shares issued and outstanding and (b) 2,302,073 Shares subject to issuance under outstanding options.

Pursuant to the Merger Agreement, Barrett Resources has amended the Rights Agreement, dated as of August 5, 1997, as amended (the "Barrett Resources Rights Agreement"), between Barrett Resources and Fleet National Bank, as successor to BankBoston, N.A., as Rights Agent, in accordance with the terms of the Barrett Resources Rights Agreement to provide that neither Williams nor Purchaser, individually or collectively, shall be deemed an "Acquiring Person" and no "Distribution Date" (as such terms are defined in the Barrett Resources Rights Agreement) shall be deemed to occur solely as a result of (i) the announcement, approval, execution or delivery of the Merger Agreement, (ii) the consummation of the Offer and/or the Merger or (iii) the consummation of the other transactions contemplated by the Merger Agreement. As used herein, the term "Barrett Resources Rights" means the Series A Junior Participating Preferred Stock purchase rights issued pursuant to the Barrett Resources Rights Agreement.

THE OFFER IS CONDITIONED UPON THE FULFILLMENT OF ALL OF THE CONDITIONS DESCRIBED IN SECTION 14 BELOW. THE OFFER WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001, UNLESS WE EXTEND IT.

THIS OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH YOU SHOULD READ CAREFULLY BEFORE YOU MAKE ANY DECISION WITH RESPECT TO THE OFFER.

1. TERMS OF THE OFFER.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any extension or amendment), we will purchase 16,730,502 Shares validly tendered and not withdrawn in accordance with the procedures set forth in Section 4 of this Offer to Purchase on or prior to the Expiration Date. To the extent more than 16,730,502 Shares are validly tendered and not withdrawn in the Offer, we will purchase 16,730,502 Shares in the Offer on a pro rata basis (with appropriate adjustments to avoid the purchase of fractional Shares) based on the number of Shares properly tendered and not withdrawn by each stockholder prior to or on the Expiration Date. In the event that proration of tendered Shares is required, because of the difficulty of determining the precise number of Shares properly tendered and not withdrawn (due in part to the guaranteed delivery procedure described under Section 3), Purchaser does not expect that it will be able to announce the final results of such proration or pay for any Shares until at least five NYSE trading days after the Expiration Date. Preliminary results of the proration will be announced by a press release as promptly as practicable after the Expiration Date. Stockholders may obtain preliminary proration information from the Information Agent and may also be able to obtain such proration information from their brokers. Tendering stockholders will not receive payment for Shares accepted for payment pursuant to the Offer, or Share certificates for Shares returned as a result of proration or otherwise, until the final proration factor is known. Because we are only offering to purchase a fixed number of Shares in the Offer, there will be no subsequent offering period.

Williams and Purchaser have agreed with Barrett Resources that we will not terminate the Offer between scheduled Expiration Dates and that, in the event that we would otherwise be entitled to terminate the Offer at any scheduled Expiration Date due to the failure of one or more of the conditions to the Offer, unless the Merger Agreement shall have been terminated pursuant to its terms, Purchaser will, and Williams will cause Purchaser to, extend the Offer for such period or periods as may be determined by Purchaser until such date as the conditions to the Offer have been satisfied or such later date as required by applicable law; provided, however, that Purchaser will not be required to extend the Offer beyond August 31, 2001. Each of Williams and Barrett Resources may also terminate the Merger Agreement if any or all of such conditions are not satisfied on or before August 31, 2001, unless the failure to consummate the Offer is the result of a willful and material breach of the Merger Agreement by the party seeking to terminate the Merger Agreement. We may also extend the Offer for any period required

by applicable rules, regulations, interpretations or positions of the Securities and Exchange Commission ("SEC") or its staff applicable to the Offer or for any period required by applicable law. If we extend the Offer under any circumstances, the term "Expiration Date" will mean the time and date on which the Offer, as so extended, will expire.

If at the Expiration Date any or all the conditions to the Offer described in Section 14 have not been satisfied or waived, then, subject to the provisions of the Merger Agreement, unless the Merger Agreement is terminated, we will extend the Expiration Date for an additional period or periods of time, by giving oral or written notice of the extension to the Depositary. However, there can be no assurance that we will exercise our right to extend the Offer (other than as may be required by the Merger Agreement or by applicable law). During any such extension, all Shares previously tendered and not withdrawn will remain subject to the Offer and subject to your right to withdraw Shares previously tendered. See Section 4.

Subject to the applicable regulations of the SEC and the terms of the Merger Agreement, we also reserve the right, in our sole discretion, at any time or from time to time, to: (a) delay purchase of, or payment for, any Shares pending receipt of any regulatory or governmental approvals specified in Section 15; (b) terminate the Offer if any condition referred to in Section 14 has not been satisfied or upon the occurrence of any event specified in Section 14; and (c) except as set forth in the Merger Agreement, waive any condition or otherwise amend the Offer in any respect, in each case, by giving oral or written notice of the delay, termination, waiver or amendment to the Depositary by making a public announcement thereof. We acknowledge (i) that Rule 14e-1(c) under the Exchange Act requires us to pay the consideration offered or return the Shares tendered promptly after the termination or withdrawal of the Offer and (ii) that we may not delay purchase of, or payment for, any Shares upon the occurrence of any event specified in Section 14 without extending the period of time during which the Offer is open.

The rights we reserve in the preceding paragraph are in addition to our rights described in Section 14. Any extension, delay, termination or amendment of the Offer will be followed as promptly as practicable by a public announcement. An announcement in the case of an extension will be made no later than 9:00 a.m., eastern time, on the next business day after the previously scheduled Expiration Date. Without limiting the manner in which we may choose to make any public announcement, subject to applicable law (including Rules 14d-4(d) and 14d-6(c) under the Exchange Act, which require that material changes be promptly disseminated to holders of Shares), we will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a release to the Dow Jones News Service.

In the Merger Agreement, we have agreed that, without the prior written consent of Barrett Resources, we will not (a) decrease the Offer Price or change the form of consideration payable in the Offer; (b) seek to purchase fewer than 16,730,502 Shares; (c) impose additional conditions to the Offer; or (d) amend any other term or condition of the Offer in any manner materially adverse to the holders of Shares.

If we make a material change in the terms of the Offer or if we waive a material condition to the Offer, we will extend the Offer and disseminate additional tender offer materials to the extent required by Rules 14d-4(d), 14d-6(c) and 14e-1 under the Exchange Act. The minimum period during which a tender offer must remain open following material changes in the terms of the Offer, other than a change in price or a change in percentage of securities sought, depends upon the facts and circumstances, including the materiality of the changes. In the SEC's view, an offer should remain open for a minimum of five business days from the date the material change is first published, sent or given to stockholders, and, if material changes are made with respect to information that approaches the significance of price and the percentage of securities sought, a minimum of ten business days may be required to allow for adequate dissemination and investor response. With respect to a change in price, a minimum of ten business days from the date of the change is generally required to allow for adequate dissemination to stockholders. Accordingly, if, prior to the Expiration Date, we increase or decrease the number of Shares being sought, or increase or decrease the consideration offered pursuant to the Offer, and if the Offer is scheduled to

expire at any time earlier than the period ending on the tenth business day from the date that notice of the increase or decrease is first published, sent or given to holders of Shares, we will extend the Offer at least until the expiration of such period of ten business days. For purposes of the Offer, a "business day" means any day other than a Saturday, Sunday or a federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, eastern time.

The Offer is conditioned upon, among other things, the satisfaction of the Minimum Condition. Consummation of the Offer is also conditioned upon expiration or termination of all waiting periods imposed by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations thereunder (the "HSR Act"), and the other conditions set forth in Section 14. Subject to the terms of the Merger Agreement, we reserve the right (but are not obligated), in accordance with applicable rules and regulations of the SEC, to waive any or all of those conditions. If, by the Expiration Date, any or all of those conditions have not been satisfied, we may, without the consent of Barrett Resources, elect to (a) extend the Offer and, subject to applicable withdrawal rights, retain all tendered Shares until the expiration of the Offer, as extended, subject to the terms of the Offer and the Merger Agreement; (b) waive all of the unsatisfied conditions, subject to the terms of the Offer and the Merger Agreement and, subject to complying with the applicable rules and regulations of the SEC, and accept for payment the 16,730,502 Shares so tendered; or (c) subject to our obligations to extend the Offer until August 31, 2001 unless the Merger Agreement has been terminated in accordance with its terms, terminate the Offer and not accept for payment any Shares and return all tendered Shares to tendering stockholders. See Section 11. In the event that we waive any condition set forth in Section 14, the SEC may, if the waiver is deemed to constitute a material change to the information previously provided to the stockholders, require that the Offer remain open for an additional period of time and/or that we disseminate information concerning such waiver.

Barrett Resources has provided us with its stockholder lists and security position listings for the purpose of disseminating the Offer to holders of Shares. We will mail this Offer to Purchase, the related Letter of Transmittal and other relevant materials to record holders of Shares and we will furnish the materials to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the securityholder lists or, if applicable, who are listed as participants in a clearing agency's security position listing, for forwarding to beneficial owners of Shares.

2. ACCEPTANCE FOR PAYMENT AND PAYMENT FOR SHARES; PRORATION.

Upon the terms and subject to the conditions of the Offer (including, if we extend or amend the Offer, the terms and conditions of the Offer as so extended or amended), we will purchase, by accepting for payment, and will pay for 16,730,502 Shares validly tendered and not withdrawn (as permitted by Section 4) prior to the Expiration Date promptly after the later of (a) the Expiration Date and (b) the satisfaction or waiver of all the conditions to the Offer set forth in Section 14. In addition, subject to applicable rules of the SEC, we reserve the right to delay acceptance for payment of or payment for Shares pending receipt of any regulatory or governmental approvals specified in Section 15. For information with respect to regulatory approvals that we are required to obtain prior to the completion of the Offer, see Section 15.

In all cases, we will pay for Shares purchased in the Offer only after timely receipt by the Depositary of (a) certificates representing the Shares ("Share Certificates") or timely confirmation (a "Book-Entry Confirmation") of the book-entry transfer of the Shares into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in Section 3; (b) the Letter of Transmittal (or a facsimile), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined herein) in connection with a book-entry transfer; and (c) any other documents that the Letter of Transmittal requires.

The term "Agent's Message" means a message transmitted by the Book-Entry Transfer Facility to, and received by, the Depositary and forming a part of a Book-Entry Confirmation, which states that the Book-Entry Transfer Facility has received an express acknowledgment from the participant in the Book-

Entry Transfer Facility tendering the Shares which are the subject of the Book-Entry Confirmation that the participant has received and agrees to be bound by the terms of the Letter of Transmittal and that we may enforce that agreement against the participant.

For purposes of the Offer, we will be deemed to have accepted for payment, and purchased, Shares validly tendered and not withdrawn if and when we give oral or written notice to the Depositary of our acceptance of the Shares for payment pursuant to the Offer. In all cases, upon the terms and subject to the conditions of the Offer, payment for Shares purchased pursuant to the Offer will be made by deposit of the aggregate purchase price for the Shares with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payment from us and transmitting payment to validly tendering stockholders.

UNDER NO CIRCUMSTANCES WILL WE PAY INTEREST ON THE PURCHASE PRICE FOR SHARES, REGARDLESS OF ANY EXTENSION OF THE OFFER OR ANY DELAY IN MAKING SUCH PAYMENT.

If we do not purchase any tendered Shares pursuant to the Offer for any reason, including proration, or if you submit Share Certificates representing more Shares than you wish to tender, we will return Share Certificates representing unpurchased or untendered Shares, without expense to you (or, in the case of Shares delivered by book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility pursuant to the procedures set forth in Section 3, the Shares will be credited to an account maintained within the Book-Entry Transfer Facility), as promptly as practicable following the expiration, termination or withdrawal of the Offer.

IF, PRIOR TO THE EXPIRATION DATE, WE INCREASE THE PRICE OFFERED TO HOLDERS OF SHARES IN THE OFFER, WE WILL PAY THE INCREASED PRICE TO ALL HOLDERS OF SHARES THAT WE PURCHASE IN THE OFFER, WHETHER OR NOT THE SHARES WERE TENDERED BEFORE THE INCREASE IN PRICE.

We reserve the right, subject to the provisions of the Merger Agreement, to transfer or assign, in whole or from time to time in part, to one or more of Williams' wholly-owned subsidiaries the right to purchase all or any portion of the Shares tendered in the Offer, but any such transfer or assignment will not relieve us of our obligations under the Offer or prejudice your rights to receive payment for Shares validly tendered and accepted for payment in the Offer.

If more than 16,730,502 Shares are validly tendered prior to the Expiration Date and are not properly withdrawn, we will, upon the terms and subject to the conditions of the Offer, accept for payment and pay for only 16,730,502 Shares, on a pro rata basis, with adjustments to avoid purchases of fractional Shares, based upon the number of Shares validly tendered prior to the Expiration Date and not properly withdrawn. Because of the difficulty of determining precisely the number of Shares validly tendered and not withdrawn, Purchaser would not expect to be able to announce the final results of proration or pay for Shares until at least five NYSE trading days after the Expiration Date. Preliminary results of proration will be announced by press release as promptly as practicable after the Expiration Date. Holders of Shares may obtain such preliminary information from the Information Agent and may also be able to obtain such preliminary information from their brokers.

3. PROCEDURES FOR ACCEPTING THE OFFER AND TENDERING SHARES.

VALID TENDER OF SHARES. Except as set forth below, in order for you to tender Shares in the Offer, the Depositary must receive the Letter of Transmittal (or a facsimile), properly completed and signed, together with any required signature guarantees, or an Agent's Message in connection with a book-entry delivery of Shares, and any other documents that the Letter of Transmittal requires at one of the Depositary's addresses set forth on the back cover of this Offer to Purchase on or prior to the Expiration Date and either (a) you must deliver Share Certificates representing tendered Shares to the Depositary or you must cause your Shares to be tendered pursuant to the procedure for book-entry transfer set forth

below and the Depositary must receive Book-Entry Confirmation, in each case on or prior to the Expiration Date, or (b) you must comply with the guaranteed delivery procedures set forth below.

THE METHOD OF DELIVERY OF SHARE CERTIFICATES, THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT YOUR OPTION AND SOLE RISK, AND DELIVERY WILL BE CONSIDERED MADE ONLY WHEN THE DEPOSITARY ACTUALLY RECEIVES THE SHARE CERTIFICATES OR CONFIRMATION OF A BOOK-ENTRY TRANSFER OF THE SHARES TENDERED. IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, YOU SHOULD ALLOW SUFFICIENT TIME TO ENSURE TIMELY DELIVERY.

BOOK-ENTRY TRANSFER. The Depositary will establish an account with respect to the Shares at the Book-Entry Transfer Facility for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the system of the Book-Entry Transfer Facility may make book-entry delivery of Shares by causing the Book-Entry Transfer Facility to transfer the Shares into the Depositary's account at the Book-Entry Transfer Facility in accordance with the Book-Entry Transfer Facility's procedures. However, although Shares may be delivered through book-entry transfer into the Depositary's account at the Book-Entry Transfer Facility, the Depositary must receive the Letter of Transmittal (or facsimile), properly completed and signed, with any required signature guarantees, or an Agent's Message, and any other required documents, at one of its addresses set forth on the back cover of this Offer to Purchase on or before the Expiration Date, or you must comply with the guaranteed delivery procedure set forth below.

DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY IN ACCORDANCE WITH THE BOOK-ENTRY TRANSFER FACILITY'S PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

SIGNATURE GUARANTEES. A bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of the Securities Transfer Agents Medallion Program (an "Eligible Institution") must guarantee signatures on all Letters of Transmittal, unless the Shares tendered are tendered (a) by a registered holder of Shares who has not completed either the box labeled "Special Payment Instructions" or the box labeled "Special Delivery Instructions" on the Letter of Transmittal or (b) for the account of an Eligible Institution. See Instruction 1 of the Letter of Transmittal.

If the Share Certificates are registered in the name of a person other than the signer of the Letter of Transmittal, or if payment is to be made to, or Share Certificates for unpurchased Shares are to be issued or returned to, a person other than the registered holder, then the tendered certificates must be endorsed or accompanied by appropriate stock powers, signed exactly as the name or names of the registered holder or holders appear on the Share Certificates, with the signatures on the Share Certificates or stock powers guaranteed by an Eligible Institution as provided in the Letter of Transmittal. See Instructions 1 and 5 of the Letter of Transmittal.

If the Share Certificates are forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal (or facsimile) must accompany each delivery of Share Certificates.

GUARANTEED DELIVERY. If you want to tender Shares in the Offer and your Share Certificates are not immediately available or time will not permit all required documents to reach the Depositary on or before the Expiration Date or the procedures for book-entry transfer cannot be completed on time, your

Shares may nevertheless be tendered if you comply with all of the following guaranteed delivery procedures:

(1) your tender must be made by or through an Eligible Institution;

(2) the Depositary must receive, as described below, a properly completed and signed Notice of Guaranteed Delivery, substantially in the form made available by us, on or before the Expiration Date; and

(3) the Depositary must receive the Share Certificates (or a Book-Entry Confirmation of transfer of the Shares tendered) representing all tendered Shares, in proper form for transfer together with a properly completed and duly executed Letter of Transmittal (or facsimile), with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by the Letter of Transmittal within three trading days after the date of execution of the Notice of Guaranteed Delivery. A "trading day" is any day on which the NYSE is open for business.

You may deliver the Notice of Guaranteed Delivery by hand, mail or facsimile transmission to the Depositary. The Notice of Guaranteed Delivery must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery.

Notwithstanding any other provision of the Offer, we will pay for Shares only after timely receipt by the Depositary of Share Certificates for, or of Book-Entry Confirmation with respect to, the Shares tendered, a properly completed and duly executed Letter of Transmittal (or facsimile thereof) together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by the Letter of Transmittal. Accordingly, payment might not be made to all tendering stockholders at the same time, and will depend upon when the Depositary receives Share Certificates or Book-Entry Confirmation that the Shares have been transferred into the Depositary's account at the Book-Entry Transfer Facility.

BACKUP FEDERAL INCOME TAX WITHHOLDING. Under the backup federal income tax withholding laws applicable to certain stockholders (other than certain exempt stockholders, including, among others, all corporations and certain foreign individuals), the Depositary may be required to withhold 31% of the amount of any payments made to those stockholders pursuant to the Offer. To prevent backup federal income tax withholding, you must provide the Depositary with your correct taxpayer identification number and certify that you are not subject to backup federal income tax withholding by completing the Substitute Form W-9 included in the Letter of Transmittal (or, if you are a foreign stockholder, an appropriate Form W-8). See Instruction 11 of the Letter of Transmittal.

TENDERING STOCKHOLDER'S REPRESENTATION AND WARRANTY; PURCHASER'S ACCEPTANCE CONSTITUTES AN AGREEMENT. A tender of Shares pursuant to any of the procedures described above will constitute the tendering stockholder's acceptance of the terms and conditions of the Offer, as well as the tendering stockholder's representation and warranty to Purchaser that (a) such stockholder has a net long position in the Shares being tendered within the meaning of Rule 14e-4 promulgated by the SEC under the Exchange Act and (b) the tender of such Shares complies with Rule 14e-4. It is a violation of Rule 14e-4 for a person acting alone or in concert with others, directly or indirectly, to tender Shares for such person's own account unless at the time of tender and at the Expiration Date such person has a "net long position" equal to or greater than the amount tendered in (i) Shares and will deliver or cause to be delivered such Shares for the purpose of tendering to Purchaser within the period specified in the Offer, or (ii) other securities immediately convertible into, exercisable for or exchangeable into Shares ("Equivalent Securities") and, upon the acceptance of such tender, will acquire such Shares by conversion, exchange or exercise of such Equivalent Securities to the extent required by the terms of the Offer and will deliver or cause to be delivered such Shares so acquired for the purpose of tender to Purchaser within the period specified in the Offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person. Purchaser's acceptance for payment of Shares tendered pursuant to the

Offer will constitute a binding agreement between the tendering stockholder and Purchaser upon the terms and subject to the conditions of the Offer.

APPOINTMENT AS PROXY. By executing the Letter of Transmittal (including through delivery of an Agent's Message), you irrevocably appoint our designees, and each of them, as your agents, attorneys-in-fact and proxies, with full power of substitution, in the manner set forth in the Letter of Transmittal, to the full extent of your rights with respect to the Shares that you tender and that we accept for payment and with respect to any and all other Shares and other securities or rights issued or issuable in respect of those Shares on or after the date of this Offer to Purchase. All such powers of attorney and proxies will be considered irrevocable and coupled with an interest in the tendered Shares. This appointment will be effective when we accept your Shares for payment in accordance with the terms of the Offer. Upon such acceptance for payment, all other powers of attorney and proxies given by you with respect to your Shares and such other securities or rights prior to such payment will be revoked, without further action, and no subsequent powers of attorney and proxies may be given by you (and, if given, will not be deemed effective). Our designees will, with respect to the Shares and such other securities and rights for which the appointment is effective, be empowered to exercise all your voting and other rights as they in their sole discretion may deem proper at any annual or special meeting of Barrett Resources' stockholders, or any adjournment or postponement thereof, or by consent in lieu of any such meeting or otherwise. In order for Shares to be deemed validly tendered, immediately upon the acceptance for payment of such Shares, we or our designees must be able to exercise full voting, consent and other rights with respect to such Shares and other securities, including voting at any meeting of stockholders.

DETERMINATION OF VALIDITY. All questions as to the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by us, in our sole discretion, which determination will be final and binding on all parties. We reserve the absolute right to reject any or all tenders determined by us not to be in proper form or the acceptance of or payment for which may, in the opinion of our counsel, be unlawful. Subject to the terms of the Merger Agreement and applicable law, we also reserve the absolute right to waive any of the conditions of the Offer or any defect or irregularity in any tender of Shares of any particular stockholder whether or not similar defects or irregularities are waived in the case of other stockholders.

Our interpretation of the terms and conditions of the Offer will be final and binding. No tender of Shares will be deemed to have been validly made until all defects and irregularities with respect to the tender have been cured or waived by us. None of Barrett Resources, Williams, Purchaser or any of their affiliates or assigns, the Dealer Manager, the Depositary, the Information Agent or any other person or entity will be under any duty to give any notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

BINDING AGREEMENT. Our acceptance for payment of Shares tendered pursuant to any of the procedures described above will constitute a binding agreement between us and you upon the terms and subject to the conditions of the Offer.

If you have any questions about the procedure for tendering Shares or need additional copies of the Offer to Purchase, the Letter of Transmittal or other documents, please telephone the Information Agent at (800) 223-2064 (banks and brokers can call (212) 440-9800, collect).

4. WITHDRAWAL RIGHTS.

Except as described in this Section 4, tenders of Shares made in the Offer are irrevocable. You may withdraw Shares that you have previously tendered in the Offer at any time on or before the Expiration Date only as described in this Section 4.

If, for any reason, acceptance for payment of any Shares tendered in the Offer is delayed, or we are unable to accept for payment or pay for Shares tendered in the Offer, then, without prejudice to our rights set forth in this document, the Depositary may, nevertheless, on our behalf, retain Shares that you have tendered, and you may not withdraw your Shares except to the extent that you are entitled to and duly

exercise withdrawal rights as described in this Section 4. Any such delay will be by an extension of the Offer to the extent required by applicable law.

In order for your withdrawal to be effective, you must deliver a written or facsimile transmission notice of withdrawal to the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase. Any such notice of withdrawal must specify your name, the number of Shares that you want to withdraw, and (if Share Certificates have been tendered) the name of the registered holder of the Shares as shown on the Share Certificate, if different from your name. If Share Certificates have been delivered or otherwise identified to the Depositary, then prior to the physical release of such Share Certificates, you must submit the serial numbers shown on the particular Share Certificates evidencing the Shares to be withdrawn and an Eligible Institution must guarantee the signature on the notice of withdrawal, except in the case of Shares tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer set forth in Section 3, the notice of withdrawal must also specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares, in which case a notice of withdrawal will be effective if delivered to the Depositary by any method of delivery described in the first sentence of this paragraph. You may not rescind a withdrawal of Shares. Any Shares that you withdraw will be considered not validly tendered for purposes of the Offer; however, you may tender your Shares again at any time before the Expiration Date by following any of the procedures described in Section 3 of this document.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by us, in our sole discretion, which determination will be final and binding. None of Barrett Resources, Williams, Purchaser or any of their affiliates or assigns, the Dealer Manager, the Depositary, the Information Agent or any other person or entity will be under any duty to give any notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

5. MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES.

The following is a summary of the material United States federal income tax consequences of the Offer and the Merger. This discussion is based upon the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations, judicial authorities, published positions of the Internal Revenue Service ("IRS") and other applicable authorities, all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). This discussion is limited to United States persons that hold their Shares as capital assets for United States federal income tax purposes (generally, assets held for investment). This discussion does not address all of the tax consequences that may be relevant to a particular holder of Shares or to a holder of Shares that is subject to special treatment under United States federal income tax laws. If a holder of Shares has differing tax bases and/or holding periods in respect of its Shares, it should consult its own tax advisor prior to tendering in the Offer or voting on the Merger about possibly identifying the particular Shares to be tendered pursuant to the Offer and exchanged in the Merger and the tax bases and/or holding periods of the particular Williams Common Stock that it receives pursuant to the Merger. No ruling has been or will be sought from the IRS regarding any matter discussed herein. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax aspects set forth below. HOLDERS OF SHARES MUST CONSULT THEIR OWN TAX ADVISORS AS TO THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE OFFER AND THE MERGER, AS WELL AS THE EFFECTS OF STATE, LOCAL AND NON-UNITED STATES TAX LAWS.

Purchaser expects that the Offer and the Merger will be treated as a single integrated transaction for United States federal income tax purposes. If the Offer and the Merger are so treated and assuming that the Merger is effected as a merger of Barrett Resources with and into Purchaser ("Forward Merger"), then the Offer and the Forward Merger will be treated as a "reorganization" within the

meaning of Section 368(a) of the Code. As such a "reorganization", the United States federal income tax consequences of the Offer and the Forward Merger can be generally summarized as follows:

Exchange of Shares Solely for Cash. A holder of Shares that tenders all of its Shares and has all of its Shares accepted for tender in the Offer will recognize capital gain or loss in an amount equal to the difference between the amount of cash received pursuant to the Offer and the holder's tax basis in such Shares. The capital gain or loss will be long-term capital gain or loss if the holder has held the Shares sold pursuant to the Offer for more than one year at the time such Shares are sold in the Offer.

Exchange of Shares Solely for Williams Common Stock. A holder of Shares that exchanges all of its Shares for Williams Common Stock pursuant to the Forward Merger will not recognize any gain or loss except with respect to cash received in lieu of a fractional share of Williams Common Stock (as described below).

Exchange of Shares for Cash and Williams Common Stock. A holder of Shares that has some of its Shares accepted for tender in the Offer and exchanges some of its Shares for Williams Common Stock pursuant to the Forward Merger will recognize gain (but not loss) in an amount equal to the lesser of (i) the amount of cash received pursuant to the Offer and (ii) an amount equal to the excess, if any, of (a) the sum of the amount of cash received pursuant to the Offer and the fair market value of the Williams Common Stock received pursuant to the Forward Merger over (b) the holder's tax basis in its Shares. The gain recognized will be capital gain unless the receipt of cash by the holder has the effect of a distribution of a dividend, in which case such gain will be treated as ordinary dividend income to the extent of the holder's ratable share of accumulated earnings and profits as calculated for United States federal income tax purposes. For purposes of determining whether the receipt of cash by the holder has the effect of the distribution of a dividend, a holder will be treated as if the holder first exchanged all of its Shares solely for Williams Common Stock and then Williams immediately redeemed a portion of such stock for the cash that such holder actually received pursuant to the Offer. The IRS has indicated in rulings that any reduction in the interest of a minority stockholder that owns a small number of shares in a publicly and widely held corporation and that exercises no control over corporate affairs would receive capital gain (as opposed to dividend) treatment. In determining whether the receipt of cash has the effect of a distribution of a dividend, certain constructive ownership rules must be taken into account. Holders that exchange Shares for cash pursuant to the Offer and Williams Common Stock pursuant to the Forward Merger must consult their own tax advisors as to the character of any gain recognized.

Tax Basis for Williams Common Stock. A holder of Shares will have an aggregate tax basis in Williams Common Stock received pursuant to the Forward Merger equal to the holder's aggregate tax basis in its Shares surrendered pursuant to the Offer and the Forward Merger, (i) reduced by (a) the portion of the holder's tax basis in its Shares surrendered in the Forward Merger that is allocable to a fractional share of Williams Common Stock for which cash is received and (b) the amount of cash, if any, received by the holder pursuant to the Offer, and (ii) increased by the amount of gain (including any portion of such gain that is treated as a dividend as described above), if any, recognized by the holder in the Offer (but not by gain recognized upon the receipt of cash in lieu of a fractional share of Williams Common Stock pursuant to the Forward Merger).

Holding Period for Williams Common Stock. The holding period for Williams Common Stock received by a holder of Shares pursuant to the Forward Merger will include the holding period for the Shares surrendered in the Offer and the Forward Merger.

Cash Received in Lieu of a Fractional Share of Williams Common Stock. If a holder of Shares receives cash in lieu of a fractional share of Williams Common Stock in the Forward Merger, the holder will generally recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share and the portion of the holder's tax basis in its Shares surrendered in the Forward Merger that is allocable to the fractional share. The capital

gain or loss will be long-term capital gain or loss if the holder's holding period for the portion of the Shares deemed exchanged for the fractional share is more than one year at the Effective Time (as defined in the Merger Agreement) of the Forward Merger.

Treatment of the Entities. No gain or loss will be recognized by Williams, Purchaser or Barrett Resources as a result of the Offer or the Merger.

Under the Merger Agreement, Williams has agreed to use its reasonable best efforts to obtain an opinion ("Tax Opinion") of Skadden, Arps, Slate, Meagher & Flom, LLP (which includes its affiliated law practice entities) or another nationally recognized United States federal income tax counsel or "Big Five" accounting firm that, based on the facts and customary representations and assumptions, the Offer and the Forward Merger will be treated as a "reorganization" within the meaning of Section 368(a) of the Code. Williams expects to be able to obtain the Tax Opinion if (i) the Offer is consummated and, as expected, the proposed Forward Merger occurs in the ordinary course after consummation of the Offer, (ii) Williams and Barrett Resources are able to deliver customary representations to such counsel or "Big Five" accounting firm, (iii) there is no adverse change in United States federal income tax law and (iv) at the Effective Time of the Forward Merger, the aggregate fair market value of the Williams Common Stock delivered as consideration pursuant to the Forward Merger is greater than 40% of the sum of (a) the aggregate fair market value of such Williams Common Stock and (b) the aggregate amount of cash paid pursuant to the Offer and the Forward Merger.

The Tax Opinion is not a condition to consummating the Offer or the Merger. If Williams obtains the Tax Opinion, then the Merger will be effected as a Forward Merger (and the United States federal income tax consequences will be as summarized above). An opinion of counsel or "Big Five" accounting firm is not binding on the IRS or any court. If Williams is not able to obtain the Tax Opinion, then Williams may, at its reasonable discretion, change the Merger in form from a Forward Merger to a merger of Purchaser (or another direct or indirect wholly-owned subsidiary of Williams) with and into Barrett Resources ("Reverse Merger"), which, as summarized below, will be a fully taxable transaction for all holders of Shares (but not for Williams, Purchaser or Barrett Resources). It is anticipated that Williams will exercise its discretion to change the Merger to a Reverse Merger from a Forward Merger if Williams is unable to obtain the Tax Opinion.

In the event of the Reverse Merger, the tax consequences to holders of Shares would differ materially from those summarized above. In particular, although a holder of Shares that has all of its Shares accepted for tender in the Offer will recognize gain or loss for United States federal income tax purposes (as summarized above) regardless of whether the Merger is effected as a Forward Merger or a Reverse Merger or is otherwise treated as part of a "reorganization", all other holders of Shares would be taxed as follows: Each holder of Shares that has any of its tendered Shares accepted for tender in the Offer will recognize capital gain or loss in an amount equal to the difference between the amount of cash received and the holder's tax basis in such Shares. The capital gain or loss will be long-term capital gain or loss if the holder has held such Shares for more than one year at the time such Shares are purchased in the Offer. Each holder of Shares that exchanges any of its Shares for Williams Common Stock pursuant to the Reverse Merger will recognize capital gain or loss in an amount equal to the difference between the fair market value of the Williams Common Stock received pursuant to the Reverse Merger (including any cash received in lieu of a fractional share of Williams Common Stock) and the holder's tax basis in such Shares. The capital gain or loss will be long-term capital gain or loss if the holder has held the Shares surrendered in the Reverse Merger for more than one year at the Effective Time of the Reverse Merger.

The determination by counsel or a "Big Five" accounting firm as to whether the Offer and the proposed Forward Merger will be treated as a "reorganization" within the meaning of Section 368(a) of the Code will depend upon the facts and law existing at the Effective Time of the proposed Forward Merger. It is possible that Williams will not be able to obtain the Tax Opinion. THUS, NO ASSURANCE CAN BE GIVEN THAT THE FORM OF THE MERGER WILL BE A FORWARD MERGER AS OPPOSED TO A FULLY TAXABLE REVERSE MERGER.

6. PRICE RANGE OF THE SHARES; DIVIDENDS.

According to Barrett Resources' Annual Report on Form 10-K for the fiscal year ended December 31, 2000 (the "Barrett Resources 10-K"), the Shares are principally traded on the NYSE under the symbol "BRR." The following table sets forth, for the periods indicated, the reported high and low sale prices for the Shares on the NYSE as reported in the Barrett Resources 10-K with respect to periods occurring in fiscal 1999 and 2000, and as reported by published financial sources with respect to the first fiscal quarter in 2001 and the current fiscal quarter.

QUARTER ENDED	HIGH	LOW
March 31, 1999	$28.00	$15.44
June 30, 1999	$39.81	$24.31
September 30, 1999	$41.25	$32.25
December 31, 1999	$37.31	$23.06
March 31, 2000	$34.31	$19.19
June 30, 2000	$41.63	$27.31
September 30, 2000	$39.19	$26.69
December 31, 2000	$59.81	$35.63
March 31, 2001	$63.00	$42.75
June 30, 2001 (through May 11, 2001)	$72.00	$59.41

According to the Barrett Resources 10-K, Barrett Resources has not paid any cash dividends since its inception. Under the terms of the Merger Agreement, Barrett Resources is not permitted to declare or pay dividends with respect to the Shares, without the prior written consent of Williams and Purchaser.

On May 4, 2001, the last full day of trading of Shares prior to the announcement of the execution of the Merger Agreement, the reported closing price per Share on the NYSE was $67.30 and on March 6, 2001, the last full trading day before Shell Oil Company disclosed its unsolicited offer for Barrett Resources, the reported closing price per Share on the NYSE was $45.62. On May 11, 2001, the last full day of trading of Shares prior to the commencement of the Offer, the reported closing price per Share on the NYSE was $71.08.

STOCKHOLDERS ARE URGED TO OBTAIN CURRENT MARKET QUOTATIONS FOR THE SHARES.

7. POSSIBLE EFFECTS OF THE OFFER ON THE MARKET FOR THE SHARES; NYSE LISTING; EXCHANGE ACT REGISTRATION; MARGIN REGULATIONS.

POSSIBLE EFFECTS OF THE OFFER ON THE MARKET FOR THE SHARES. The purchase of Shares pursuant to the Offer will reduce the number of Shares that might otherwise trade publicly and could adversely affect the liquidity and market value of the remaining Shares held by the public. The purchase of Shares pursuant to the Offer can also be expected to reduce the number of holders of Shares. We cannot predict whether the reduction in the number of Shares that might otherwise trade publicly would have an adverse or beneficial effect on the market price for, or marketability of, the Shares or whether it would cause future market prices to be more than or less than the Offer Price.

As discussed earlier, if the Offer is completed and the Barrett Resources' stockholders approve and adopt the Merger Agreement and the Merger, Williams will issue 1.767 shares of Williams Common Stock in the Merger upon the exchange of each then remaining Share of Barrett Resources (other than Shares held by Barrett Resources, Williams, Purchaser or any other subsidiary of Williams), including Shares not purchased as a result of proration. The exchange ratio of 1.767 shares of Williams Common Stock per Share is a fixed ratio that will not be adjusted as a result of any increase or decrease in the price of either the shares of Williams Common Stock or the Shares. AS A RESULT OF THE FIXED EXCHANGE RATIO, FLUCTUATIONS IN THE MARKET VALUE OF THE WILLIAMS COMMON STOCK WILL LIKELY AFFECT THE MARKET VALUE OF THE BARRETT RESOURCES SHARES OUTSTANDING AFTER COMPLETION OF THE OFFER.

As described above, various factors may affect the market price of shares of Williams Common Stock, including changes in the business, operations, or prospects of Barrett Resources or Williams and general market and economic conditions. To a large extent, these factors are beyond our control or that of Williams or Barrett Resources. See "Introduction".

NYSE LISTING. We do not anticipate that the Shares would be subject to delisting by the NYSE as a result of completion of the Offer. According to the NYSE's published guidelines, the NYSE would consider delisting the Shares if, among other things, (a) the number of record holders of 100 or more Shares should fall below 1,200; (b) the number of publicly held Shares (exclusive of holdings of Purchaser and Williams and any other subsidiaries or affiliates of Barrett Resources and of officers or directors of Barrett Resources or their immediate families or other concentrated holdings of 10% or more ("Excluded Holdings")) should fall below 600,000; or (c) the aggregate market value of such publicly held Shares (exclusive of Excluded Holdings) should fall below $5,000,000. If, as a result of the purchase of Shares pursuant to the Offer or otherwise, the Shares no longer meet the requirements of the NYSE for continued listing and the listing of the Shares is discontinued, the market for the Shares could be adversely affected.

If the NYSE were to delist the Shares, it is possible that the Shares would trade on one or more securities exchanges or in the over-the-counter market and that price or other quotations would be reported by such exchanges or through the Nasdaq National Market ("NASDAQ") or other sources. The extent of the public market for the Shares and the availability of such quotations would depend upon such factors as (i) the number of stockholders and/or the aggregate market value of the publicly traded Shares remaining at such time, (ii) the interest in maintaining a market in the Shares on the part of securities firms, (iii) the possible termination of registration under the Exchange Act, as described below, and (iv) other factors. We cannot predict whether the reduction in the number of Shares that might otherwise trade publicly would have an adverse or beneficial effect on the market price for, or marketability, of the Shares or whether it would cause future market prices to be greater or less than the Offer Price.

EXCHANGE ACT REGISTRATION. The Shares are currently registered under the Exchange Act. Purchaser does not anticipate that such registration will be subject to termination as a result of completion of the Offer. Registration of the Shares may be terminated upon application by Barrett Resources to the SEC if the Shares are not listed on a "national securities exchange" and there are fewer than 300 record holders of Shares. Termination of registration of the Shares under the Exchange Act would substantially reduce the information that Barrett Resources would be required to furnish to its stockholders and the SEC and would make certain provisions of the Exchange Act, such as the short-swing profit recovery provisions of Section 16(b) and the requirements of furnishing a proxy statement in connection with stockholders' meetings pursuant to Section 14(a) or 14(c) and the related requirement of an annual report to stockholders, no longer applicable to Barrett Resources. If the Shares were no longer registered under the Exchange Act, the requirements of Rule 13e-3 under the Exchange Act with respect to "going private" transactions would no longer be applicable to Barrett Resources. In addition, the ability of "affiliates" of Barrett Resources and persons holding "restricted securities" of Barrett Resources to dispose of such securities pursuant to Rule 144 promulgated under the Securities Act may be impaired or, with respect to certain persons, eliminated. If registration of the Shares under the Exchange Act were terminated, the Shares would no longer be "margin securities" or eligible for stock exchange listing or NASDAQ reporting.

If registration of the Shares is not terminated prior to the Merger, then the registration of the Shares under the Exchange Act and the listing of the Shares on the NYSE will be terminated following the completion of the Merger.

MARGIN REGULATIONS. The Shares are currently "margin securities" under the regulations of the Board of Governors of the Federal Reserve System, which have the effect, among other things, of allowing brokers to extend credit on the collateral of the Shares for the purpose of buying, carrying or trading in securities ("Purpose Loans"). Depending upon factors such as the number of record holders of the Shares and the number and market value of publicly held Shares, following the purchase of Shares pursuant to

the Offer, the Shares may no longer constitute "margin securities" for purposes of the Federal Reserve Board's margin regulations and, therefore, could no longer be used as collateral for Purpose Loans made by brokers. In addition, if registration of the Shares under the Exchange Act were terminated, the Shares would no longer constitute "margin securities". Purchaser does not anticipate that the Shares would not constitute "margin securities" as a result of the completion of the Offer.

8. CERTAIN INFORMATION CONCERNING BARRETT RESOURCES.

Barrett Resources' principal executive offices are located at 1515 Arapahoe Street, Tower 3, Suite 1000, Denver, CO 80202. Its telephone number at such offices is (303) 572-3900. The following description of Barrett Resources and its business and the selected financial information set forth below have been taken from the Barrett Resources 10-K and are qualified in their respective entireties by reference to the Barrett Resources 10-K. None of Purchaser, Williams, the Dealer Manager or the Information Agent assumes any responsibility for the accuracy or completeness of the information concerning Barrett Resources contained in such documents and records or for any failure by Barrett Resources to disclose events that may have occurred or may affect the significance or accuracy of any such information.

Barrett Resources is an independent gas and oil exploration and production company. Barrett Resources' core areas of activity are in the Rocky Mountain Region of Colorado, Wyoming and Utah and the Mid-Continent Region of Kansas and Oklahoma. At December 31, 2000, Barrett Resources' estimated proved reserves were 1,372 billion cubic feet of natural gas equivalent ("Bcfe") (96% natural gas and 4% crude oil) with an implied reserve life of 11.6 years based on total production in 2000 of 117.6 Bcfe. On April 24, 2001, Barrett Resources issued a press release announcing that, after a review by independent reservoir engineers, the estimate of Barrett Resources' proved gas and oil reserves had been raised from 1,372 Bcfe to approximately 2,100 Bcfe. See "-- Certain Financial Projections And Other Information (Unaudited) -- Gas and Oil Reserve Information", below. Barrett Resources' net daily production averaged 321 million cubic feet of gas equivalent ("Mcfe") per day for the year ended December 31, 2000. As of December 31, 2000, Barrett Resources owned an interest in 4,284 wells, of which 3,441 were producing. Of these producing wells, 2,680 were operated by Barrett Resources. These operated wells contributed approximately 91% of Barrett Resources' natural gas and oil production for the year ended December 31, 2000. Barrett Resources also owns and operates a natural gas gathering system, a 27-mile pipeline and a natural gas processing plant in the Piceance Basin. Barrett Resources markets all of its own natural gas and oil production from wells that it operates. In addition, Barrett Resources engages in natural gas trading activities, which involve purchasing natural gas from third parties and selling natural gas to other parties at prices and volumes that management anticipates will result in profits to Barrett Resources.

SELECTED FINANCIAL INFORMATION

Set forth below is certain selected consolidated financial information relating to Barrett Resources and its subsidiaries with respect to the twelve months ended December 31, 2000, 1999, and 1998 that has been excerpted or derived from the financial statements contained in the Barrett Resources 10-K. Also set forth below is certain unaudited consolidated summary information relating to Barrett Resources and its subsidiaries with respect to the three months ended March 31, 2001 that has been excerpted or derived from the financial statements contained in the soliciting material on Schedule 14A filed by Barrett Resources on May 1, 2001 pursuant to Rule 14a-12 under the Exchange Act and certain unaudited consolidated summary information with respect to the three months ended March 31, 2000 that has been excerpted or derived from the financial statements contained in the Form 10-Q filed by Barrett Resources on May 15, 2000. More comprehensive information is included in the Barrett Resources 10-K and other documents filed by Barrett Resources with the SEC. The financial information that follows is qualified in its entirety by reference to such reports and other documents, including the financial statements and related notes contained therein. Such reports and other documents may be examined and copies may be obtained from the SEC in the manner set forth below.

BARRETT RESOURCES CORPORATION

CONSOLIDATED INCOME STATEMENT

	THREE MONTHS ENDED MARCH 31, (UNAUDITED)		YEAR ENDED DECEMBER 31,		
	2001	2000	2000	1999	1998
	(IN THOUSANDS, EXCEPT PER SHARE DATA)				
Operating Revenues	$ 164,983	$ 69,111	$ 376,432	$215,000	$211,768
Net income (loss)	$ 57,012	$ 7,826	$ 27,674	$ 20,828	$(93,743)
Net income (loss) per share	$ 1.67	$ 0.24	$ 0.83	$ 0.64	$ (2.95)
Total assets at the end of each period	$1,162,770	$967,358	$1,253,833	$884,301	$838,879
Long-term debt at the end of each period	$ 295,005	$384,595	$ 406,269	$355,250	$334,067

CONSOLIDATED BALANCE SHEET

	MARCH 31, 2001	DECEMBER 31, 2000	DECEMBER 31, 1999
	(UNAUDITED)		
	(IN THOUSANDS, EXCEPT SHARE DATA)		
ASSETS			
Current assets:			
Cash and cash equivalents	$ 22,830	$ 25,454	$ 20,634
Receivables, net	177,519	297,766	99,906
Gas inventory held for sale, at market	855	27,418	19,907
Deferred income tax assets	26,372	--	--
Other current assets	18,436	29,042	14,075
Total current assets	246,012	379,680	154,522
Other assets:			
Net property and equipment (full cost method)	907,494	869,606	726,489
Other assets, net	9,264	4,547	3,290
Total Assets	$1,162,770	$1,253,833	$884,301
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	$ 147,352	$ 234,739	$ 94,293
Amounts payable to oil and gas property owners	13,144	18,672	5,879
Production taxes payable	44,039	39,229	22,981
Accrued and other liabilities	20,571	20,917	16,610
Unrealized mark to market transactions	81,793	47,745	--
Total current liabilities	306,899	361,302	139,763
Long term debt	295,005	406,269	355,250
Deferred income taxes	52,560	39,003	25,640
Unrealized mark to market transactions	87,779	31,446	--
Other long-term liabilities	20,000	--	--
Total liabilities	762,243	838,020	520,653
Commitments and contingencies			
Stockholders' equity:			
Common stock, $.01 par value: 45,000,000 shares authorized and 33,461,004 shares issued and outstanding at March 15, 2001 (33,394,063 at December 31, 2000)	335	334	326
Additional paid-in capital	298,534	296,043	271,560
Retained earnings	176,446	119,436	91,762
Accumulated other comprehensive loss	(74,525)	--	--
Treasury Stock, at cost	(263)	--	--
Total stockholders' equity	400,527	415,813	363,648
Total liabilities and stockholders' equity	$1,162,770	$1,253,833	$884,301

Barrett Resources files annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information filed at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549, or at the SEC's public reference rooms in New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Barrett Resources' SEC filings are also available to

the public from commercial document retrieval services and at the Internet world wide web site maintained by the SEC at http://www.sec.gov.

Although we have no knowledge that any such information is untrue, we take no responsibility for the accuracy or completeness of information contained in this Offer to Purchase with respect to Barrett Resources or any of its subsidiaries or affiliates or for any failure by Barrett Resources to disclose events which may occur or may have occurred or may affect the significance or accuracy of any such information.

CERTAIN FINANCIAL PROJECTIONS AND OTHER INFORMATION (UNAUDITED)

In the course of Williams' due diligence review of Barrett Resources, Barrett Resources provided to Williams a Five-Year Strategic Projection as part of Barrett Resources' March 2001 plan detailing Barrett Resources' forecasts for certain operational and financial items (the "Projections"). The Projections were based on numerous assumptions and management estimates. The Projections also assumed a reserve development scenario contained in an internal reserve report which included Barrett Resources' estimates of proved and unproved gas and oil reserves. The actual results may vary materially from the Projections. Certain information derived from the Projections has been set forth below for the limited purpose of giving stockholders access to certain projections and other information provided by Barrett Resources' management to Williams in connection with its due diligence review of Barrett Resources. In addition, in connection with Williams' due diligence review of Barrett Resources, Barrett Resources also provided Williams access in its data room to a set of projections prepared by Barrett Resources in February 2001, which projections were less optimistic than the projections included in the Projections described below.

THE PROJECTED FINANCIAL, GAS AND OIL RESERVE AND OTHER INFORMATION SET FORTH BELOW NECESSARILY REFLECTS NUMEROUS ASSUMPTIONS WITH RESPECT TO GENERAL BUSINESS AND ECONOMIC CONDITIONS AND OTHER MATTERS, INCLUDING ESTIMATES OF FUTURE PRICES AND GAS AND OIL RESERVES, MANY OF WHICH ARE INHERENTLY UNCERTAIN OR BEYOND BARRETT RESOURCES', WILLIAMS' OR PURCHASER'S CONTROL, AND DOES NOT TAKE INTO ACCOUNT ANY CHANGES IN BARRETT RESOURCES' OPERATIONS OR CAPITAL STRUCTURE WHICH MAY RESULT FROM THE OFFER AND THE MERGER. IT IS NOT POSSIBLE TO PREDICT WHETHER THE ASSUMPTIONS MADE IN PREPARING THE PROJECTIONS WILL BE VALID, AND ACTUAL PRICES, GAS AND OIL RESERVE AMOUNTS AND RESULTS MAY PROVE TO BE MATERIALLY HIGHER OR LOWER THAN THOSE CONTAINED IN THE PROJECTIONS. THE INCLUSION OF INFORMATION FROM THE PROJECTIONS SHOULD NOT BE REGARDED AS AN INDICATION THAT WILLIAMS OR BARRETT RESOURCES CONSIDERED IT A RELIABLE PREDICTOR OF FUTURE EVENTS, AND THIS INFORMATION SHOULD NOT BE RELIED ON AS SUCH BY BARRETT RESOURCES' STOCKHOLDERS. NONE OF BARRETT RESOURCES, PURCHASER, WILLIAMS, THE DEALER MANAGER, THE INFORMATION AGENT OR ANY OF THEIR RESPECTIVE REPRESENTATIVES ASSUMES ANY RESPONSIBILITY FOR THE VALIDITY, REASONABLENESS, ACCURACY OR COMPLETENESS OF THE PROJECTIONS, AND BARRETT RESOURCES HAS MADE NO REPRESENTATIONS OR WARRANTIES TO WILLIAMS OR PURCHASER REGARDING SUCH INFORMATION.

Financial Projections.

BARRETT RESOURCES CORPORATION

SELECTED INCOME STATEMENT INFORMATION

	2001	2002	2003	2004	2005
	(THOUSANDS OF DOLLARS)				
Revenue	$420,890	$657,847	$1,012,964	$1,285,639	$1,541,345
Production costs	231,846	317,075	446,187	569,970	686,634
Operating profit	189,044	340,773	566,776	715,669	854,711
Net income before taxes	208,361	315,479	551,683	708,794	855,211
Net income	129,184	195,597	342,044	439,452	530,231

SELECTED BALANCE SHEET INFORMATION

	2001	2002	2003	2004	2005
	(THOUSANDS OF DOLLARS)				
ASSETS					
Current Assets	$ 388,157	$ 393,023	$ 401,289	$ 565,288	$1,087,212
Property and equipment, net	1,037,083	1,303,675	1,534,218	1,627,375	1,639,533
Other assets	4,547	4,547	4,547	4,547	4,547
Total assets	$1,429,787	$1,701,245	$1,940,054	$2,197,210	$2,731,293
LIABILITIES AND STOCKHOLDERS EQUITY					
Current Liabilities	$ 331,568	$ 326,494	$ 326,494	$ 326,494	$ 326,495
Long-term debt	405,000	405,000	210,000	--	--
Deferred income taxes payable	116,777	217,711	309,477	337,181	341,032
Other long-term liabilities	31,446	11,446	11,446	11,446	11,446
Total stockholders' equity	544,997	740,593	1,082,637	1,522,089	2,052,320
Total liabilities and stockholder's equity	$1,429,787	$1,701,245	$1,940,054	$2,197,210	$2,731,293

PROJECTED SELECTED ITEMS

	2001	2002	2003	2004	2005
Production (Bcfe)	129	188	257	326	393
Reserve additions (Bcfe)	381	1138	703	713	787
Capital investment ($ millions)	273	413	417	327	285
Production taxes (% of revenue)	9.0%	9.6%	9.6%	9.9%	10.0%
Total revenue ($ millions)	421	658	1,013	1,286	1,541
EBITDA ($ millions)	294	488	753	950	1,128

Financial Assumptions.

In preparing the Projections, Barrett Resources made numerous assumptions, including, without limitation, those assumptions set forth in the following table. Such assumptions were based upon Barrett Resources' management's forecasts and estimates of future conditions. In addition to estimating items such as gas prices, costs, tax rates and depletion, depreciation and amortization, Barrett Resources' management also relied on production estimates based on development drilling at higher rates than that currently taking place, as well as other projects that Williams may or may not choose to pursue. It is not possible to

predict whether these assumptions made in preparing the Projections will be valid, and actual items assumed may prove to be materially different than those contained in these assumptions.

CERTAIN FINANCIAL ASSUMPTIONS

	2001	2002	2003	2004	2005
NYMEX gas price per Mcf	$ 4.50	$ 4.50	$ 4.50	$ 4.50	$ 4.50
Realized gas sales price per Mcf	$ 3.22	$ 3.46	$ 3.93	$ 3.94	$ 3.92
Realized oil sales price per bbl	$24.00	$24.00	$24.00	$24.00	$24.00
Average lease operating expenses per Mcf (including transportation & gathering)	$ 0.48	$ 0.47	$ 0.45	$ 0.47	$ 0.49
Average production tax rate	9.00%	9.60%	9.60%	9.90%	10.00%
Average total production costs per Mcfe	$ 0.83	$ 0.84	$ 0.84	$ 0.86	$ 0.89
Depletion, depreciation & amortization rate per Mcfe	$ 0.82	$ 0.78	$ 0.72	$ 0.72	$ 0.70

Gas and Oil Reserve Information.

As part of the due diligence process, Barrett Resources provided Williams with certain information related to its "booked/proved" gas and oil reserves, as well as certain estimates of "unbooked/unproved" reserves. Barrett Resources indicated in information provided during the due diligence process that it had booked/proved gas and oil reserves of 1,372 Bcfe and 8,008 Bcfe in unbooked/unproved reserves. Of the 8,008 Bcfe of unbooked/unproved reserves, approximately 5,385 Bcfe of the unbooked/unproved reserves were attributable to the Piceance and Powder River Basins, and approximately 1,629 Bcfe of the unbooked/unproved reserves were attributable to exploration activities. On April 24, 2001 and subsequent to Williams' receipt of the foregoing reserve estimates, Barrett Resources issued a press release announcing that, after a review by independent reservoir engineers, the estimate of Barrett Resources' proved gas and oil reserves had been raised from 1,372 Bcfe to approximately 2,100 Bcfe; no further information was provided to Williams by Barrett Resources regarding how and to what extent the booking of these additional proved reserves would affect the estimates of unbooked/unproven reserves. According to Barrett Resources, the estimates of "unbooked/unproved" reserves that Barrett Resources provided to Williams were attributable to Barrett Resources' belief in the potential for significant growth in its natural gas reserves and production due to, among other things, its large acreage position in the Piceance Basin (134,000 net acres) and the Powder River Basin (476,000 net acres), geological and reservoir engineering data, increases in production and its exploration activities.

Proved reserves are the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Proved reserves are limited to those quantities of oil and gas which can be expected, with little doubt, to be recoverable commercially at current prices and costs, under existing regulatory practices and with existing conventional equipment and operating methods. Estimates of unbooked/unproved reserves are based upon analysis of geological and engineering data which does not demonstrate such reserves to be proved under existing economic and operating conditions, but indicates where such analysis suggests some likelihood of their existence and future recovery. ESTIMATES OF UNPROVED RESERVES ARE HIGHLY SPECULATIVE, SHOULD NOT BE REGARDED AS AN INDICATION THAT WILLIAMS OR BARRETT RESOURCES CONSIDERS THEM A RELIABLE PREDICTOR OF FUTURE PROVED RESERVES AND THIS INFORMATION SHOULD NOT BE RELIED ON AS SUCH. IN ADDITION, IT MAY NOT BE ECONOMICAL TO RECOVER UNBOOKED/UNPROVED RESERVES IF THERE IS A DECLINE IN THE MARKET PRICE IN OIL AND GAS. THE ABILITY TO PRODUCE UNBOOKED/UNPROVED RESERVES IS ALSO HIGHLY DEPENDENT ON GOVERNMENTAL REGULATIONS RELATING TO DRILLING OF OIL AND GAS WELLS.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS. Certain matters discussed herein, including without limitation, the Projections and the reserve information, are forward-looking statements that involve risks and uncertainties. Such information has been included in this Offer to Purchase for the limited purpose of giving Barrett Resources' stockholders access to projections and other information prepared by Barrett Resources' management that were made available to Williams. The Projections were based on assumptions concerning Barrett Resources' operations and business prospects in 2001 through 2005, including the assumption that Barrett Resources would continue to operate under the same ownership structure as existed at the time the Projections were prepared. The Projections were also based on other revenue, expense and operating assumptions. Information of this type is based on estimates and assumptions that are inherently subject to significant economic and competitive uncertainties and contingencies, all of which are also difficult to predict and many of which are beyond Barrett Resources' and Williams' control. Such uncertainties and contingencies include, but are not limited to, the following factors: changes in the economic conditions in which Barrett Resources operates, including fluctuations in demand, seasonally and otherwise; greater than anticipated competition or price pressures; changes in market prices for gas and oil; new or alternative product offerings; better or worse than expected customer consumption resulting in the need to expand operations and make capital investments; the availability of resources to recover gas and oil reserves and the impact of investments required to enter new markets or remain competitive in established markets. Accordingly, there can be no assurance that the projected results would be realized or that actual results would not be significantly higher or lower than those set forth above. In addition, the Projections and other forward-looking information were not prepared with a view to public disclosure or compliance with the published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants regarding projections and forecasts, and are included in this Offer to Purchase only because such information was made available to Williams by Barrett Resources. Neither Williams', Purchaser's nor Barrett Resources' independent accountants or independent reservoir engineers have examined, compiled or applied any agreed upon procedures to this information, and, accordingly, do not express an opinion or any form of assurance with respect thereto and assume no responsibility for this information. Neither Williams, Purchaser nor Barrett Resources intends to provide any updated information with respect to the Projections, reserve information or any forward-looking statements.

9. CERTAIN INFORMATION CONCERNING WILLIAMS AND PURCHASER

Williams is a Delaware corporation with its principal executive offices located at One Williams Center, Tulsa, OK 74172. Its telephone number at such offices is (918) 573-2000. Williams, together with its subsidiaries, is a leading company in the energy sector. Williams and its subsidiaries are principally dedicated to energy-related activities, including transportation and storage of natural gas and related activities; exploration and production of oil and gas; natural gas gathering, processing and treating activities; natural gas liquids transportation; transportation of petroleum products and related terminal services; light hydrocarbon/olefin transportation; ethylene production; production and marketing of ethanol and bio-products; refining of petroleum products; retail marketing; and energy commodity marketing and trading. The name, business address, citizenship, present principal occupation and employment history for the past five years of each of the directors and executive officers of Williams are set forth in Schedule I.

Purchaser is a Delaware corporation with its principal executive offices located at One Williams Center, Tulsa, OK 74172. Its telephone number at such offices is (918) 573-2000. Purchaser is a wholly-owned subsidiary of Williams. Purchaser has not carried on any activities other than in connection with the Offer and the Merger. The name, business address, citizenship, present principal occupation and employment history for the past five years of each of the directors and executive officers of Purchaser are set forth in Schedule I.

On April 23, 2001, Williams completed the spinoff (the "Spinoff") of Williams Communications Group, Inc. ("WCG"), Williams' former telecommunications business, through a tax-free distribution of 398.5 million WCG shares to Williams' stockholders. This distribution amounted to approximately 95 percent of the WCG shares held by Williams. After the close of market on April 23, 2001, Williams

stockholders were issued 0.822399 of a share of WCG common stock for each share of Williams Common Stock held, with cash in lieu of fractional shares. On or before May 15, 2001, Williams expects to file with the SEC its Quarterly Report on Form 10-Q for the quarter ended March 31, 2001, which will contain financial disclosure and other information regarding the Spinoff.

Williams is subject to the information and reporting requirements of the Exchange Act and is required to file periodic reports, proxy statements and other information with the SEC relating to its business, financial condition and other matters. Certain information, as of particular dates, concerning Williams' business, principal physical properties, capital structure, material pending legal proceedings, operating results, financial condition, directors and officers (including their remuneration and stock options granted to them), the principal holders of Williams' securities, any material interests of such persons in transactions with Williams and certain other matters is required to be disclosed in proxy statements and annual reports distributed to Williams' stockholders and filed with the SEC. You may inspect or copy these reports, proxy statements and other information at the SEC's public reference facilities and they should also be available for inspection in the same manner as set forth above with respect to Barrett Resources in Section 8 of this document.

Except as set forth elsewhere in this Offer to Purchase or Schedule I hereto: (a) neither Williams, Purchaser nor, to our knowledge, any of the persons listed in Schedule I hereto or any associate or majority-owned subsidiary of ours or of any of the persons so listed, beneficially owns or has a right to acquire any Shares or any other equity securities of Barrett Resources; (b) neither Williams, Purchaser, nor, to our knowledge, any of the persons or entities referred to in clause (a) above or any of their executive officers, directors or subsidiaries has effected any transaction in the Shares or any other equity securities of Barrett Resources during the past 60 days; (c) neither Williams, Purchaser nor, to our knowledge, any of the persons listed in Schedule I hereto, has any contract, arrangement, understanding or relationship with any other person with respect to any securities of Barrett Resources (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any such securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies, consents or authorizations); (d) since May 7, 1999, there have been no transactions which would require reporting under the rules and regulations of the SEC between Williams or any of its subsidiaries or, to our knowledge, any of the persons listed in Schedule I hereto, on the one hand, and Barrett Resources or any of its executive officers, directors or affiliates, on the other hand; and (e) since May 7, 1999, there have been no contacts, negotiations or transactions between Williams or any of its subsidiaries or, to our knowledge, any of the persons listed in Schedule I hereto, on the one hand, and Barrett Resources or any of its subsidiaries or affiliates, on the other hand, concerning a merger, consolidation or acquisition, a tender offer or other acquisition of securities, an election of directors or a sale or other transfer of a material amount of assets.

10. BACKGROUND OF THE OFFER.

As a part of ongoing business development activities, for several months prior to mid-March 2001, a strategic team within Williams evaluated several natural gas exploration and production companies as possible acquisition candidates to complement Williams' other business activities. Barrett Resources was one of the potential acquisition candidates identified in that process.

On March 7, 2001, Shell Oil Company ("Shell") issued a press release announcing an unsolicited proposal to acquire Barrett Resources for $55 per Share in cash. On March 8, 2001, Barrett Resources issued a press release announcing that its Board of Directors had reviewed and rejected Shell's unsolicited proposal and that the Board had authorized management of Barrett Resources to pursue strategic alternatives, including seeking acquisition proposals from qualified parties.

On March 8, 2001, following Shell's announcement of its unsolicited proposal to acquire Barrett Resources, representatives of Williams contacted a senior officer of Barrett Resources to indicate Williams' interest in acquiring Barrett Resources. Thereafter, Barrett Resources' financial advisors, Goldman Sachs

and Petrie Parkman, contacted representatives of Williams in regards to Williams' participation in Barrett Resources' process.

On March 9, 2001, Williams entered into a Confidentiality Agreement with Barrett Resources (the "Confidentiality Agreement") which provided, among other things, that Williams would keep confidential information it received from Barrett Resources and would abide by certain "standstill" restrictions until May 11, 2001.

On March 12, 2001, Shell and a wholly-owned subsidiary of Shell commenced a cash tender offer for all outstanding Shares at $55 per Share (the "Shell Offer"). Also on March 12, 2001, Shell filed with the SEC preliminary consent solicitation materials, pursuant to which Shell stated it would seek to remove all of Barrett Resources' directors without cause and replace them with three nominees selected by Shell (the "Shell Consent Solicitation"). A record date of April 19, 2001 was eventually set by Barrett Resources' Board for the proposed Shell Consent Solicitation.

On March 22, 2001, Barrett Resources' Board held a special meeting at which the Board reviewed the Shell Offer and unanimously concluded that the Shell Offer was inadequate and not in the best interests of Barrett Resources' stockholders.

Commencing in mid-March 2001 and continuing through May 6, 2001, Williams and its representatives conducted a due diligence review of the business and financial condition of Barrett Resources. During such period, representatives of Williams held several discussions with representatives of Barrett Resources about Williams' interest in Barrett Resources and Barrett Resources' strategic fit with Williams, including, among others, a few conversations held prior to the May 2, 2001 bid deadline between Mr. Keith Bailey, Chairman, President and Chief Executive Officer of Williams, and C. Robert Buford, a director of Barrett Resources and an acquaintance of Mr. Bailey.

On or about April 11, 2001, Barrett Resources sent to each party (including Williams) who signed a confidentiality agreement and visited the data room (i) a detailed instruction letter for submitting binding proposals to acquire or merge with Barrett Resources and (ii) two forms of merger agreement (one for cash proposals and one for stock proposals). The letter indicated that each party's proposal was due on May 2, 2001 along with any comments and revisions that each party required to the relevant form(s) of merger agreement.

On April 26, 2001, Shell announced that it was increasing the price offered in the Shell Offer from $55 to $60 per Share (the "Revised Shell Offer"). On April 30, 2001, Barrett Resources announced that it had rejected the Revised Shell Offer as inadequate and reiterated that Barrett Resources had invited competing offers as part of a process to review its strategic alternatives. In response to Shell's request that Barrett Resources consider Shell's Revised Offer on an equal basis with any other offers, Barrett Resources invited Shell to participate in the auction process and submit its "best and final" offer by 12:00 noon, on Wednesday, May 2, 2001, the deadline which Barrett Resources had established for other interested parties participating in the "auction process". Barrett Resources also furnished Shell's financial advisors with the forms of merger agreements it had furnished to other potential bidders, and advised Shell of the "ground rules" which were also applicable to other potential bidders.

On May 1, 2001, the Williams Board of Directors, together with Williams' financial advisors, held a telephonic meeting for the purpose of considering the authorization of an acquisition proposal for Barrett Resources. At the beginning of the telephonic meeting, outside individuals were mistakenly connected by a conference call vendor. Before this error was discovered, officers of Williams stated that the Board meeting had been called to consider Williams' potential proposal to acquire Barrett Resources. As a result of this non-intentional, inadvertent disclosure, Williams filed a Form 8-K disclosing this event on May 1, 2001.

Following approval by the Williams Board of Directors to submit a proposal to acquire Barrett Resources in accordance with the bid procedures established by Barrett Resources, Williams sent a proposal letter to Barrett Resources' financial advisors on May 2, 2001, the form of which is set forth below:

May 2, 2001

VIA OVERNIGHT MAIL and FACSIMILE

Ray Strong
Vice President
Goldman, Sachs & Co.
85 Broad Street, 19th Floor
New York, NY 10004
Fax: 212-346-3895

Jon Hughes
Principal
Petrie Parkman & Co.
600 Travis St., Suite 7400
Houston, TX 77002
Fax: 713-650-8461

Re: Proposal to Acquire all of the outstanding equity securities of Barrett Resources Corporation ("Company")

Dear Messrs. Strong and Hughes:

In response to your invitation to bid dated April 11, 2001, The Williams Companies, Inc. ("Williams") hereby submits this bid proposal to acquire 100% of the outstanding common stock of Barrett Resources Corporation ("Shares") on the terms set forth in this letter. Except as set forth in that certain confidentiality agreement dated March 9, 2001 between Williams and Barrett Resources, neither Williams nor any of its affiliates have any obligation to Barrett Resources based on this letter or otherwise unless and until each of the conditions set forth below has been satisfied.

The material terms and conditions of Williams' proposal are as follows:

1. SHARE PRICE. Williams will pay a price per Share equivalent to $71.00 for each outstanding Share.

2. STRUCTURE. The consideration for the Shares will be composed of 50% Williams common stock and 50% cash. If desired by Barrett's Board of Directors, Williams will increase the common stock component of its offer up to 100% of the consideration. The exchange ratio will be fixed at the time of the execution of the definitive agreements and be determined by the market price of Williams common stock, such market price to be the average closing price of Williams stock on the New York Stock Exchange ("NYSE") for 10 consecutive days preceding the execution of the definitive agreements. Williams believes that an exchange of stock not only provides the potential for significant value appreciation but also an attractive tax deferral to Barrett stockholders. In the event that Barrett Resources desires a combination of cash and Williams common stock, we would propose to structure the transaction as a cash tender offer followed by a stock for stock merger. The transaction is intended to qualify as a tax-free reorganization.

3. SOURCE OF FUNDS. Williams has committed lines of capital and/or cash on hand in amount sufficient to pay any cash portion of the consideration at the closing.

4. COMPANY EMPLOYEES. Williams admires Barrett and realizes that Barrett Resources' success is a direct result of its dedicated, highly competent employees. Williams plans on retaining a substantial majority of Barrett's employees and maintaining Barrett's offices in Denver. We also expect that Williams' northern Rocky Mountain assets, including interests in the prolific Jonah Field, will be integrated with Barrett's assets and operated out of Denver. Since there is very little

overlap between Barrett's and Williams' core properties, most of Barrett's employees can expect to continue in the same capacity in which they currently act, with expanded opportunities for future advancement.

5. CONDITIONS. Williams' proposal contained herein is subject to the following conditions:

a. DEFINITIVE AGREEMENT. Williams and Barrett Resources shall have entered into a mutually acceptable definitive merger agreement containing the terms set forth in this letter and in the attached form of merger agreement, as revised.

b. APPROVALS. The proposal provided herein has been approved by the Williams Board of Directors. The following additional approvals shall have been obtained: (i) the approval of the board of directors of Barrett Resources, (ii) the applicable waiting period under the Hart-Scott-Rodino Act shall have expired or been terminated, (iii) the Williams common stock to be issued in connection with this proposal shall have been registered by the SEC and approved for listing on the NYSE, and (iv) the stockholders of Barrett Resources shall have tendered at least 50% of the Shares.

6. CONFIDENTIALITY. This Proposal and the price, terms and conditions herein are subject to Barrett Resources' agreement that the proposal and the price, terms and conditions herein will not be made public or otherwise disclosed without the prior consent of Williams.

7. NO SOLICITATION; TERMINATION FEE. Barrett Resources will agree to customary non-solicitation of acquisition proposals, including notice provisions of third party offers and proposed termination of the merger agreement. The merger agreement will provide for a termination fee equal to three percent of the value of 100% of the Shares, payable to Williams if, among other things, Barrett Resources accepts a "superior" proposal, Barrett Resources' board withdraws its recommendation, there is a change in the majority of Barrett Resources' board or the minimum tender condition is not met and a competing acquisition proposal has been made.

8. MANAGEMENT PRESENTATION. Williams would be pleased to meet as soon as practical with the Barrett Board of Directors to describe Williams' plans and expectations for the future, the compelling value inherent in our common stock, and the reasons we expect our stock to continue to perform well relative to the market and industry as a whole.

We appreciate your consideration of this proposal. In order to help you understand the upside value of Williams common stock as consideration in an exchange offer, we have included some backup material to this letter containing recent analyst comments, earnings estimates, recommendations on Williams, and a graph showing Williams as a compelling stock value in relation to other comparable stocks. Williams common stock (ticker: WMB) achieved a total return of 1345% from January 1, 1990 to April 30, 2001, a compound annual return of 28%. We are including this material solely for informational purposes, and we assume no responsibility for the accuracy of the factual information contained therein. As a matter of policy, we do not generally comment on analysts' projections or estimates and our inclusion of this material should not in any matter be viewed as agreement or acquiescence on our part with the projections or opinions set forth in such material.

Please direct any questions or comments regarding this proposal to Mark Wilson, Vice President of Corporate Development, at the office at (918) 573-9236, facsimile number (918) 573-2334, at home at . . ., or cell phone at . . . We have engaged Skadden, Arps, Slate, Meagher & Flom, LLP as our legal advisors and Merrill Lynch & Co., Inc. as our financial advisors in connection with this process.

We would like to begin negotiation of definitive agreements immediately and be in a position to sign a definitive merger agreement within one week. This offer will remain in effect until 5:00 p.m. Central

Time on May 9, 2001, whereupon it will automatically expire unless extended by Williams in its sole discretion.

Sincerely,

THE WILLIAMS COMPANIES, INC.

By: /s/ KEITH E. BAILEY

Keith E. Bailey
Chairman of the Board, President and CEO

The proposal letter was accompanied by proposed changes to the form of merger agreement relating to a stock proposal furnished by Barrett Resources to Williams during the "auction process".

On May 2, 2001, Shell announced that it would maintain its revised offer price for the Shares at $60 per Share and that is was prepared to negotiate all terms of its proposal, including price. Shell also announced that it was submitting a merger agreement to Barrett Resources' financial advisors and that such merger agreement did not include a "breakup fee."

On the afternoon of May 4, 2001, representatives of Barrett Resources advised representatives of Williams that Williams was one of two final bidders in Barrett Resources' auction process and requested that Williams submit an amended proposal, if it chose to do so, by 2:00 p.m. (Denver time) on Saturday, May 5, 2001, and that Williams consider providing more certainty as to value with respect to the stock portion of its proposal. Commencing on the evening of May 4, 2001, counsel for Barrett Resources provided to Williams and counsel for Williams a revised form of merger agreement and related schedules. The revised merger agreement reflected Barrett Resources' response to the form of merger agreement which had been submitted by Williams with its May 2(nd) proposal letter.

On Saturday, May 5, 2001, representatives of Williams advised Barrett Resources that Williams was increasing its proposal from $71 to $73 per Share, while maintaining the structure and other terms set forth in its May 2(nd) proposal letter, and accepting Barrett Resources' proposed maximum expense reimbursement amount of $15 million. In addition, counsel for Williams provided Barrett Resources and its counsel a revised form of merger agreement that responded to the May 4(th) draft of the merger agreement. During the evening of May 5, 2001, representatives of Barrett Resources advised Williams that it was the prevailing bidder in Barrett Resources' auction process. Negotiations with respect to the draft merger agreement continued through May 6, 2001 and the early morning hours of May 7.

On May 6, 2001, representatives of Barrett Resources and its legal and financial advisors traveled to Williams' headquarters in Tulsa, Oklahoma and conducted an on-site due diligence review of Williams.

On the evening of May 6, 2001, the Board of Directors of Williams held a telephonic meeting at which the Merger Agreement and the transactions contemplated thereby were approved. At such meeting, Merrill Lynch, financial advisor to Williams, rendered an oral opinion (which was subsequently confirmed in writing) that as of the date of the opinion the consideration to be paid in the Offer and Merger, taken together, was fair from a financial point of view to Williams. Barrett Resources' Board of Directors held a meeting early in the morning of May 7, 2001 at which the Merger Agreement and related transactions were approved. The Merger Agreement was executed on the morning of May 7, 2001 and separate press releases announcing the transaction were issued by each of Williams and Barrett Resources.

On May 7, 2001, Shell publicly announced that it was withdrawing its offer to acquire Barrett Resources.

On May 14, 2001, Williams and Purchaser commenced the Offer.

11. PURPOSE OF THE OFFER AND THE MERGER; THE MERGER AGREEMENT; EFFECTS OF INABILITY TO CONSUMMATE THE MERGER; STATUTORY REQUIREMENTS; APPRAISAL RIGHTS; PLANS FOR BARRETT RESOURCES; CONFIDENTIALITY AGREEMENTS; "GOING PRIVATE" TRANSACTIONS.

Purpose of the Offer

The purpose of the Offer and the Merger is to acquire control of, and the entire equity interest in, Barrett Resources. The Offer, as the first step in the acquisition of Barrett Resources, is intended to facilitate the transaction by permitting Williams, through Purchaser, to acquire 50% of the Shares on an expeditious basis. The purpose of the Merger is to acquire all capital stock of Barrett Resources not purchased pursuant to the Offer or otherwise. Assuming that all the conditions to the Merger are satisfied, Barrett Resources will merge with and into Purchaser with Purchaser continuing as the surviving corporation, unless certain conditions related to the United States federal income tax treatment of the Offer and the merger of Barrett Resources with and into Purchaser are not satisfied, in which case Purchaser may, in Williams' reasonable discretion, merge with and into Barrett Resources with Barrett Resources as the surviving corporation (whichever shall survive the Merger in accordance with the foregoing, the "Surviving Corporation"). The Offer is being made pursuant to the Merger Agreement.

Under the Delaware General Corporation Law (the "DGCL"), the approval of Barrett Resources' Board and the affirmative vote of the holders of a majority of the outstanding Shares are required to approve and adopt the Merger Agreement and the transactions contemplated thereby, including the Merger. The Board of Directors of Barrett Resources has unanimously approved the Merger Agreement and the transactions contemplated thereby and determined that the Merger Agreement and the terms contemplated thereby, including the Offer and the Merger, are advisable and are fair to and in the best interests of, Barrett Resources and its stockholders. The only remaining required corporate action of Barrett Resources is the Barrett Resources Stockholder Approval. In the Merger Agreement, Barrett Resources has agreed to convene the Barrett Resources Special Meeting to seek Barrett Resources Stockholder Approval and the adoption of the Merger Agreement and the transactions contemplated thereby as promptly as practicable after the consummation of the Offer and such time as the registration statement for the conversion of Williams Common Stock for Shares pursuant to the Merger becomes effective. If Purchaser has acquired (pursuant to the Offer or otherwise) 50% of the outstanding Shares (which is expected to occur if the Minimum Condition is met), Purchaser will effectively have sufficient voting power to approve and adopt the Merger Agreement and the Merger.

Purchaser has agreed that all Shares owned by it and any of its affiliates will be voted in favor of the Merger at the Barrett Resources Special Meeting.

If Purchaser purchases Shares pursuant to the Offer, the Merger Agreement provides that Purchaser will be entitled to designate representatives to serve on the Board of Barrett Resources substantially in proportion to Purchaser's ownership of Shares following such purchases. See "The Merger Agreement", below. If Purchaser purchases 16,730,502 Shares in the Offer, Purchaser expects that such representation would permit Williams to appoint at least one-half of the members of the Barrett Resources Board.

The Merger Agreement

The following summary description of the Merger Agreement is qualified in its entirety by reference to the Merger Agreement itself, filed as an exhibit to the Tender Offer Statement on Schedule TO that we filed with the SEC, which you may examine and copy at the offices of the SEC as set forth in Section 8 (except that it will not be available at the regional offices of the SEC).

THE OFFER. The Merger Agreement provides for the making of the Offer. Our obligation to accept for payment and pay for Shares tendered pursuant to the Offer is subject to the satisfaction or waiver of the Minimum Condition and certain other conditions that are described in Section 14 (collectively, the "Offer Conditions"). Subject to the provisions of the Merger Agreement, we may waive any Offer Condition; however, without the prior written consent of Barrett Resources we can not waive the

Minimum Condition. We reserve the right to modify the terms of the Offer, except that, without the prior written consent of Barrett Resources, we may not (i) reduce the number of Shares sought in the Offer, (ii) decrease the price per Share, (iii) impose any conditions to the Offer in addition to the Offer Conditions or modify the Offer Conditions in a manner adverse to the holders of Shares (other than to waive any Offer Conditions to the extent permitted by the Merger Agreement), (iv) except as expressly provided in the Merger Agreement extend the Offer, (v) change the form of consideration payable in the Offer (other than by adding consideration) or (vi) make any other change or modification in any of the terms of the Offer in any manner that is adverse to the holders of Shares. See Section 14, "Conditions of the Offer".

On the date of commencement of the Offer, Williams and Purchaser will file with the SEC a Tender Offer Statement on Schedule TO (the "Schedule TO") with respect to the Offer and the related Letter of Transmittal, and Williams and Purchaser will disseminate the Offer Documents (as defined herein) to holders of Shares. On the date the Offer Documents are filed with the SEC, Barrett Resources will file with the SEC the Schedule 14D-9 containing the Recommendations (as defined herein) (subject to the right of the Board of Directors of Barrett Resources to make a Subsequent Determination (as defined herein)) and Barrett Resources will disseminate the Schedule 14D-9 to its stockholders. This Offer to Purchase, the Letter of Transmittal, a Notice of Guaranteed Delivery and certain related documents are referred to herein as the "Offer Documents."

RECOMMENDATION. The Board of Directors of Barrett Resources duly adopted resolutions by unanimous vote (i) determining that the Merger Agreement and the transactions contemplated thereby are advisable and fair to and in the best interest of Barrett Resources' stockholders, (ii) approving the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, (iii) waiving the application of Barrett Resources' bylaws (the "Bylaws") with respect to the Merger Agreement, the Offer and the Merger and (iv) resolving to recommend acceptance of the Offer and that stockholders of Barrett Resources tender their Shares in the Offer (collectively, the "Recommendations").

THE MERGER. The Merger Agreement provides that the purchase of Shares in the Offer will be followed by a merger of Barrett Resources with and into Purchaser in the Forward Merger. However, if Williams is unable (using its reasonable best efforts) to obtain a written opinion of its legal counsel, or another nationally recognized United States federal income tax counsel or "Big Five" accounting firm, that the Offer and the Forward Merger will be treated as a "reorganization" within the meaning of Section 368(a) of the Code, then in Williams' reasonable discretion the Merger may be accomplished through the merger of Purchaser (or another direct or indirect wholly-owned subsidiary of Williams, as determined by Williams in its reasonable discretion) with and into Barrett Resources in the Reverse Merger. In each case the Surviving Corporation of the Merger will become a direct or indirect wholly-owned subsidiary of Williams.

If the Forward Merger is effected, then following the Effective Time, the separate existence of Barrett Resources will cease and Purchaser will continue as the Surviving Corporation. If the Reverse Merger is effected, then, following the Effective Time, the separate existence of Purchaser will cease and Barrett Resources will continue as the Surviving Corporation. The Surviving Corporation will succeed to and assume all the rights and obligations of Purchaser and Barrett Resources in accordance with the DGCL.

The Merger Agreement provides that (i) in the event of the Forward Merger, each issued and outstanding share of capital stock of Purchaser will remain as one validly issued, fully paid and nonassessable share of common stock, no par value, of the Surviving Corporation and (ii) in the event of the Reverse Merger, each issued and outstanding share of capital stock of Purchaser will be converted into and become one validly issued, fully paid and non-assessable share of common stock of the Surviving Corporation.

As of the Effective Time, each Share (other than Shares held directly or indirectly by Williams or Barrett Resources or their subsidiaries or by Purchaser) will be converted into the right to receive 1.767 (the "Exchange Ratio") duly authorized, validly issued, fully paid and non-assessable shares of Williams

Common Stock (the "Merger Consideration"). As of the Effective Time, all such Shares, when converted, shall no longer be outstanding and will automatically be cancelled and retired, and each holder of a certificate representing any such Shares will cease to have any rights with respect thereto, except (upon the surrender of certificates for such Shares or book-entry transfer of such Shares) (i) the right to receive dividends paid to holders of Williams Common Stock after the Effective Time, (ii) certificates representing the Williams Common Stock into which such Shares are converted, and (iii) any cash, without interest, in lieu of fractional shares of Williams Common Stock to be issued or paid in consideration therefor.

No fractional shares of Williams Common Stock will be issued, nor shall dividends or interest be paid on fractional shares of Williams Common Stock. Instead of any fractional share of Williams Common Stock that would otherwise be issuable, cash adjustments will be paid to holders in respect of any fractional share of Williams Common Stock, and the amount of such cash adjustment will be equal to the product of (x) such stockholder's fractional share of Williams Common Stock that would otherwise be issuable to such holder and (y) the closing price per share of Williams Common Stock on the NYSE on the Closing Date (as defined in the Merger Agreement) of the Merger.

REPRESENTATIONS AND WARRANTIES. Pursuant to the Merger Agreement, Barrett Resources has made customary representations and warranties to Purchaser and Williams, including representations relating to its organization and qualification and subsidiaries; its certificate of incorporation and bylaws; capital structure; corporate authorizations; absence of conflicts; required filings and consents; compliance with laws; information supplied; SEC filings; voting requirements; absence of certain changes or events; absence of undisclosed liabilities; litigation; employee benefit plans; tax matters; intellectual property; environmental matters; conditions of assets; and other matters.

Pursuant to the Merger Agreement, Purchaser and Williams have made customary representations and warranties to Barrett Resources, including representations relating to corporate organization; absence of certain changes or events; capital structure; SEC filings; corporate authorizations; Williams Common Stock; information supplied; compliance with laws; absence of conflicts; financial statements; litigation; and other matters.

Certain of the representations and warranties contained in the Merger Agreement are qualified as to "materiality", "Material Adverse Change" or "Material Adverse Effect". When used in connection with Barrett Resources or Williams, as the case may be, "Material Adverse Change" or "Material Adverse Effect" means any change or effect (or any development that, insofar as can reasonably be foreseen, is likely to result in any change or effect) that is materially adverse to the business, properties, assets, condition (financial or otherwise) or results of operations of Barrett Resources and its subsidiaries taken as a whole, or Williams and its subsidiaries taken as a whole, as the case may be; provided, however, that (i) any adverse change, effect or development that is caused by or results from conditions affecting the United States economy generally or the economy of any nation or region in which Barrett Resources or Williams, as the case may be, or their respective subsidiaries, conducts business that is material to the business of Barrett Resources or Williams, as the case may be, and their respective subsidiaries, taken as a whole, shall not be taken into account in determining whether there has been (or whether there could reasonably be foreseen) a "Material Adverse Change" or "Material Adverse Effect" with respect to Barrett Resources or Williams, as the case may be, (ii) any adverse change, effect or development that is caused by or results from conditions generally affecting the industries (including the oil and gas industry) in which Barrett Resources or Williams, as the case may be, conducts its business shall not be taken into account in determining whether there has been (or whether there could be reasonably be foreseen) a "Material Adverse Change" or "Material Adverse Effect" with respect to Barrett Resources or Williams, as the case may be, and (iii) any adverse change, effect or development that is caused by or results from the announcement or pendency of the Merger Agreement, the Offer, the Merger or the transactions contemplated thereby will not be taken into account in determining whether there has been (or whether there could reasonably be foreseen) a "Material Adverse Change" or "Material Adverse Effect" with respect to Barrett Resources or Williams, as the case may be.

COVENANTS OF WILLIAMS. Pursuant to the Merger Agreement, Williams has agreed to comply with various covenants, including:

Williams' Conduct of Business. During the period from the date of the Merger Agreement until the Effective Time, Williams will, and will cause each of its subsidiaries to, in all material respects, except as contemplated by the Merger Agreement, carry on its business in the ordinary course as currently conducted. During such period, Williams will not, and will not permit any of its subsidiaries to, without the prior written consent of Barrett Resources (which consent will not be unreasonably withheld or delayed):

(i) amend Williams' certificate of incorporation in a manner that changes any material term or provision of the Williams Common Stock;

(ii) materially amend Purchaser's certificate of incorporation;

(iii) engage in any material repurchase at a premium, recapitalization, restructuring or reorganization with respect to Williams' capital stock;

(iv) acquire in any manner any person or any business or division of any person, or otherwise acquire any assets, unless such acquisition or the entering into of a definitive agreement relating to or the consummation of such transaction would not (a) impose any material delay in the obtaining of, or materially increase the risk of not obtaining, any authorizations, consents, orders, declarations or approvals of any Governmental Entity (as defined in the Merger Agreement) necessary to consummate the Offer, the Merger or the expiration or termination of any applicable waiting period, (b) materially increase the risk of any Governmental Entity entering an order prohibiting the consummation of the Offer or the Merger or (c) increase the risk of not being able to remove any such order on appeal or otherwise; or

(v) enter into any contract or agreement to do any of the foregoing.

Purchaser's Conduct of Business Pending the Merger. Through the Effective Time, Purchaser will not engage in any activity of any nature except as provided in or contemplated by the Merger Agreement.

Voting of Shares. Williams has agreed to vote all Shares beneficially owned by it or its subsidiaries, including Purchaser, and including Shares purchased in the Offer, in favor of approval and adoption of the Merger.

COVENANTS OF BARRETT RESOURCES. Pursuant to the Merger Agreement, Barrett Resources has agreed to comply with various covenants, including:

Conduct of Business. Prior to the earlier of (i) the Effective Time or (ii) such time as Williams' designees constitute a majority of the Board of Directors of Barrett Resources, Barrett Resources will, and will cause each of its subsidiaries to, except as contemplated by the Merger Agreement, carry on its business in the ordinary course. During such period, except as otherwise contemplated by the Merger Agreement, Barrett Resources will not, and will not permit any of its subsidiaries to, among other things, without the prior written consent of Williams (which consent shall not be unreasonably withheld or delayed):

(i) (a) pay any dividends on, or make any other distributions in respect of, any of its capital stock, except for dividends by a subsidiary of Barrett Resources to its parent or (b) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;

(ii) issue, deliver, sell, pledge or otherwise encumber any shares of its capital stock, any other voting securities or any securities convertible into, or any rights, warrants or options to acquire, any such shares, voting securities or convertible securities, other than (a) the issuance of Shares upon exercise of Company Stock Options (as defined in the

Merger Agreement) outstanding on the date hereof or (b) purchase, redeem or otherwise acquire any shares of capital stock of Barrett Resources or any of its subsidiaries or any other securities thereof or any rights, warrants or options to acquire any such shares or other securities;

(iii) amend its organizational documents;

(iv) except in accordance with certain pre-existing obligations, acquire, or agree to acquire any business or assets, other than transactions that are in the ordinary course of business, or which involve assets having a purchase price not in excess of $5 million individually or $10 million in the aggregate;

(v) make or agree to make any new capital expenditure other than expenditures approved by the Board of Directors of Barrett Resources and within Barrett Resources' capital budget for fiscal 2001; provided, however, that no individual capital expenditure pursuant to a single authority for expenditure may exceed $2.5 million;

(vi) except in accordance with certain pre-existing obligations, sell, lease, license, encumber or otherwise dispose of, or agree to sell, lease, license, encumber or otherwise dispose of, any of its assets, other than transactions that are in the ordinary course of business or which involve assets having a current value not in excess of $1 million individually or $5 million in the aggregate;

(vii) except as required by applicable law or as provided in the Merger Agreement, materially alter the terms of employment of any director, officer or employee;

(viii) except as may be required as a result of a change in law or in generally accepted accounting principles, make any material change in its method of accounting;

(x) make any material Tax (as defined in the Merger Agreement) election (unless required by law) or enter into any settlement or compromise of any material Tax liability that could reasonably be expected to have a Material Adverse Effect on Barrett Resources;

(xi) except in the ordinary course of business consistent with past practice or pursuant to existing contracts or commitments (a) mortgage or otherwise encumber or subject to any Lien (as defined in the Merger Agreement) Barrett Resources' or its subsidiaries', properties or assets, or (b) license any of Barrett Resources' Intellectual Property (as defined in the Merger Agreement);

(xii) except in the ordinary course of business consistent with past practice and for certain liabilities set forth in the Merger Agreement, pay, discharge or satisfy any claims, liabilities or obligations;

(xii) (a) incur any Indebtedness (as defined in the Merger Agreement) or guarantee any Indebtedness or debt securities of another Person (as defined in the Merger Agreement), issue or sell any debt securities or warrants or other rights to acquire any debt securities of Barrett Resources or any of its subsidiaries, enter into any "Keep Well" or other agreement to maintain any financial statement condition of another Person or enter into any arrangement having the economic effect of any of the foregoing, except for borrowings incurred in the ordinary course of business (or to refund existing or maturing indebtedness) consistent with past practice and except for intercompany indebtedness between Barrett Resources and any of its wholly-owned subsidiaries or between such subsidiaries and except for Indebtedness, guarantees and similar commitments which do not exceed $10 million in the aggregate, or (b) make any loans, advances or capital contributions to, or investments in, any other Person, except in the ordinary course of business or pursuant to an agreement existing on the date hereof or loans, advances, capital contributions or investments which do not exceed $10 million in the aggregate; or

(xiii) enter into or authorize any contract, agreement or binding commitment to do any of the foregoing.

Barrett Resources Shareholder Meeting and Shareholder Approval. Barrett Resources will call and hold the Barrett Resources Special Meeting for the purpose of voting on the approval and adoption of the Merger Agreement and the Merger. Barrett Resources will use its reasonable best efforts to solicit proxies in favor of the Merger Agreement and the Merger and will take all other actions reasonably necessary to secure the vote or consent of stockholders to effect the Merger.

No Solicitation; Acquisition Proposals. Until the Effective Time or the termination of the Merger Agreement, (a) Barrett Resources will, and will cause its subsidiaries to, immediately cease and terminate any existing solicitation, initiation, knowing encouragement, discussion or negotiation with any Third Party (as defined in the Merger Agreement) conducted by Barrett Resources, its Subsidiaries or their respective representatives with respect to any Acquisition Proposal (as defined below) and (b) Barrett Resources will not, and Barrett Resources will cause and its subsidiaries' not to, directly or indirectly, (i) solicit, initiate or knowingly encourage, or knowingly take any other action to facilitate, any inquiries or the making or submission of any proposal that constitutes, or may reasonably be expected to lead to, any Acquisition Proposal; (ii) enter into any agreement with respect to any Acquisition Proposal or enter into any agreement requiring Barrett Resources to abandon, terminate or fail to consummate the acquisition of Shares; (iii) participate or engage in any discussions or negotiations with, or disclose or provide any non-public information relating to Barrett Resources or its subsidiaries to any Third Party relating to an Acquisition Proposal (except as required by legal process), or knowingly facilitate any effort to make an Acquisition Proposal or accept an Acquisition Proposal; or (iv) enter into any letter of intent, agreement or similar document relating to any Acquisition Proposal.

Notwithstanding the immediately preceding paragraph, if, prior to the acquisition of Shares pursuant to the Offer, (a) Barrett Resources has received an unsolicited proposal from a Third Party relating to an Acquisition Proposal (under circumstances in which Barrett Resources has complied in all material respects with its obligations) and (b) the Board of Directors of Barrett Resources concludes in good faith (after consultation with a financial advisor, and on advice of counsel) (i) that such Acquisition Proposal may reasonably constitute a Superior Proposal (as defined below) and (ii) that the failure to provide such information or participate in such negotiations or discussions would result in a breach of its fiduciary duties, Barrett Resources may, subject to its giving Williams 24 hours prior written notice of the identity of such Third Party and, to the extent known, the terms and conditions of such Acquisition Proposal and of Barrett Resources intention to furnish nonpublic information to, or enter into discussions or negotiations with, such Third Party, (x) furnish information with respect to Barrett Resources and its subsidiaries to any Third Party pursuant to a customary confidentiality agreement containing terms not materially less restrictive than the terms of the Confidentiality Agreement between Barrett Resources and Williams and (y) participate in discussions or negotiations regarding such proposal or take certain actions described in the Merger Agreement.

Barrett Resources shall within 24 hours notify and advise Williams of any Acquisition Proposal and the terms and conditions of such Acquisition Proposal. Barrett Resources will inform Williams on a prompt and current basis of the status of any discussions with a Third Party and, as promptly as practicable, of any change in the price, structure or form of the consideration or material terms of and conditions regarding such Acquisition Proposal.

For purposes of the Merger Agreement, "Acquisition Proposal" means any inquiry, offer, proposal, indication of interest, signed agreement or completed action, as the case may be, by any Third Party which relates to a transaction or series of transactions involving Barrett Resources or the issuance or acquisition of 20% or more of the outstanding Shares or any tender or exchange offer that if consummated would result in any Person, together with all affiliates thereof, beneficially owning 20% or more of the outstanding Shares, or the acquisition, license, purchase or other

disposition of a substantial portion of the business or assets of Barrett Resources outside the ordinary course of business.

For purposes of the Merger Agreement, "Superior Proposal" means any bona fide written Acquisition Proposal (provided that for the purposes of this definition, the applicable percentages in the definition of Acquisition Proposal shall be fifty percent (50%) as opposed to twenty percent (20%)), on its most recently amended or modified terms, which the Board of Directors of Barrett Resources determines in its good faith judgment, (i) would, if consummated, result in a transaction that is more favorable to Barrett Resources' stockholders, from a financial point of view, than the transactions contemplated by the Merger Agreement and (ii) is reasonably capable of being completed.

Modification to Recommendations. Except as expressly permitted in Section 6.6 of the Merger Agreement, neither the Board of Directors of Barrett Resources nor any committee thereof will (i) withdraw, qualify, modify or amend, in a manner adverse to Williams, the Recommendations described above or make any public statement, filing or release inconsistent with such Recommendations (provided, however, that following the Barrett Resources Board of Directors' consideration and evaluation of an Acquisition Proposal, it is understood that for the purposes of the Merger Agreement, if Barrett Resources adopts a neutral position or no position with respect to the Acquisition Proposal, it will be considered an adverse modification of the Recommendations), (ii) approve or recommend, or propose publicly to approve or recommend, any Acquisition Proposal or (iii) cause Barrett Resources to enter into any acquisition agreement or other similar agreement related to any Acquisition Proposal (each, a "Subsequent Determination"), provided that if prior to the consummation of the Offer the Board of Directors of Barrett Resources determines in good faith (after it has received a Superior Proposal and after receipt of advice from its counsel) that the failure to make a Subsequent Determination would result in a breach by the Board of Directors of Barrett Resources of its fiduciary duties to its stockholders, the Board of Directors of Barrett Resources may inform Barrett Resources' stockholders that it no longer believes that the Offer and the Merger and the other transactions contemplated by the Merger Agreement are advisable, but only after 72 hours after delivery by Barrett Resources to Williams of a written notice (a "Subsequent Determination Notice") (i) advising Williams that the Board of Directors of Barrett Resources has received a Superior Proposal, (ii) specifying the terms and conditions of such Superior Proposal, (iii) identifying the person making such Superior Proposal and (iv) stating that Barrett Resources intends to make a Subsequent Determination. After providing such notice, Barrett Resources will provide a reasonable opportunity to Williams to make such adjustments in the terms and conditions of the Merger Agreement as would enable Barrett Resources to proceed with its Recommendations to its stockholders without a Subsequent Determination.

Standstill Agreements. Through the Effective Time, Barrett Resources will enforce and will not terminate, amend, modify or waive any standstill provision of any confidentiality or standstill agreement between Barrett Resources and other parties entered into prior to the date of the Merger Agreement in connection with the process to solicit acquisition proposals for Barrett Resources.

Rights Plan. Except as expressly required by the Merger Agreement or in order to delay the occurrence of a Distribution Date (as defined in the Barrett Resources Rights Agreement) in response to the public announcement of an Acquisition Proposal, Barrett Resources will not, without the prior written consent of Williams, amend the Barrett Resources Rights Agreement or take any other action with respect to, or make any determination under, the Barrett Resources Rights Agreement.

Bank Debt. Barrett Resources has agreed to use its reasonable best efforts to seek the consent of its bank lenders and the issuers of letters of credit to Barrett Resources to permit the consummation of the transactions contemplated by the Merger Agreement, without requiring repayment of Barrett Resources' indebtedness to such lenders or replacement of the letters of credit.

MUTUAL COVENANTS. Pursuant to the Merger Agreement, Barrett Resources, Williams and Purchaser have agreed to comply with various mutual covenants, including:

Notice of Certain Matters. Williams and Barrett Resources have agreed to notify each other promptly of any notices or communications received from any governmental or regulatory agency or authority in connection with the transactions contemplated by the Merger Agreement and of certain other events. Additionally, the parties will provide one another with copies of all filings made by them with any Governmental Entity in connection with the Merger Agreement and the transactions contemplated thereby.

Preparation of Form S-4 and Proxy Statement/Prospectus. Williams and Barrett Resources will, as soon as practicable following the acceptance of Shares pursuant to the Offer, prepare and Barrett Resources will file with the SEC a Proxy Statement (as defined in the Merger Agreement). Williams and Barrett Resources will also prepare and Williams will file with the SEC a registration statement on Form S-4 (the "Form S-4") for the offer and sale of the Williams Common Stock pursuant to the Merger. Barrett Resources and Williams will use all reasonable efforts to have the Form S-4 declared effective. Williams will also take any action (other than qualifying to do business in any jurisdiction in which it is not currently qualified or filing a general consent to service of process) required to be taken under any applicable state securities laws in connection with the issuance of Williams Common Stock in the Merger and Barrett Resources will furnish all information concerning itself and the holders of its capital stock as may be reasonably requested in connection with any such action and the preparation, filing and distribution of the Proxy Statement.

Access. Upon reasonable notice and subject to the Confidentiality Agreement between Barrett Resources and Williams, Barrett Resources and Williams will, and will cause their subsidiaries to, afford to the other party and its representatives reasonable access, during normal business hours to properties, books, contracts, commitments, records and representatives.

Public Announcements. Except as may be required by applicable law or a listing agreement with a securities exchange, Barrett Resources and Williams have agreed to consult with each other regarding the timing and content of any press release and public statements with respect to the Merger Agreement.

Antitrust Filings. Williams and Barrett Resources will (i) promptly make or cause to be made the filings required under the HSR Act and any other antitrust laws with respect to the Offer, the Merger and the other transactions contemplated by the Merger Agreement, (ii) comply at the earliest practicable date with any request under the HSR Act or such other antitrust laws for additional information, documents, or other, and (iii) cooperate with the other party in connection with any such filing and in connection with resolving any investigation or other inquiry of any governmental entity under any antitrust laws with respect to any such filing, the Offer, the Merger or such other transactions. Williams and Barrett Resources will promptly inform each other of any communication with, and any proposed understanding, undertaking, or agreement with, any governmental entity regarding any such filings, the Offer, the Merger or such other transactions.

CONDITIONS TO THE MERGER. The Merger Agreement provides that the respective obligations of Williams, Purchaser and Barrett Resources to effect the Merger will be subject to the fulfillment at or prior to the Effective Time of the following conditions:

(i) the Barrett Resources Stockholder Approval will have been obtained; provided, however that Williams and Purchaser will vote all of their Shares in favor of the Merger;

(ii) no statute, rule, regulation, executive order, decree, temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other Governmental Entity preventing the consummation of the Merger will be in effect; provided, however, that each of the parties will have used their reasonable best efforts to prevent the entry of any such temporary restraining order, injunction or other order and to appeal any injunction or other order that may be entered;

(iii) Purchaser will have previously accepted for payment and paid for Shares pursuant to the Offer; provided, however, that this condition will be deemed satisfied if Williams or Purchaser fails to accept for payment and pay for Shares pursuant to the Offer in violation of the terms of the Merger Agreement and/or the Offer;

(iv) the Form S-4 will have become effective under the Securities Act and will not be the subject of any stop order or proceedings seeking a stop order; and

(v) the shares of Williams Common Stock to be issued in the Merger will have been approved for listing on the NYSE.

TERMINATION. The Merger Agreement may be terminated at any time prior to the Effective Time:

(i) by mutual written consent of Williams and Barrett Resources; or

(ii) by either of Williams or Barrett Resources:

(a) if the Offer has expired or been terminated in accordance with the terms of the Merger Agreement without Williams or Purchaser having accepted for payment any Shares pursuant to the Offer, unless the failure to consummate the Offer is the result of a willful and material breach of the Merger Agreement by the party seeking to terminate the Merger Agreement; or

(b) if the Offer has not been consummated on or before August 31, 2001, unless the failure to consummate the Offer is the result of a willful and material breach of the Merger Agreement by the party seeking to terminate the Merger Agreement; or

(c) if the Merger has not been consummated as a result of any Offer Conditions being incapable of being satisfied; or

(d) if any statute, rule, regulation, injunction or decree having the effects imposing certain specified material restrictions on the Offer or the Merger is in effect and has become final and nonappealable; or

(iii) by Williams, if Barrett Resources has provided Williams with a Subsequent Determination Notice, or the Board of Directors of Barrett has made a Subsequent Determination or has modified its Recommendations in a manner adverse to Williams or has resolved to do any of the foregoing; or

(iv) by Barrett Resources, if Barrett Resources makes a Subsequent Determination in compliance with the terms of the Merger Agreement, provided Barrett Resources has paid or concurrently pays Williams the sums required by the Merger Agreement; or

(v) by Barrett Resources (a) if Purchaser or Williams has breached in any material respect any of their respective covenants, obligations or other agreements under the Merger Agreement, or (b) if the representations and warranties of Williams and Purchaser set forth in the Merger Agreement are not true and correct as of the date of the Merger Agreement and as of the expiration of the date of termination of the Merger Agreement, except to the extent expressly made as of an earlier date, in which case as of such date (subject to limitations regarding the materiality of such breach); provided, that the breach of the covenant, obligation, agreement, representation or warranty is incapable of being or has not been cured by Williams or Purchaser within 10 calendar days following written notice by Barrett Resources to Williams of such breach or failure to perform; or

(vi) by Williams (a) if Barrett Resources has breached in any material respect any of its covenants, obligations or other agreements under the Agreement, or (b) if Barrett Resources' representations and warranties in the Merger Agreement are not true and correct as of the date of the Merger Agreement and as of the expiration of the date of termination of the Merger Agreement, except to the extent expressly made as of an earlier date, in which case as of such date

(subject to limitations regarding the materiality of such breach); provided, that the breach of the covenant, obligation, agreement, representation or warranty is incapable of being or has not been cured by Barrett Resources within 10 calendar days following written notice by Williams to Barrett Resources of such breach or failure to perform.

EMPLOYEE BENEFITS. The Merger Agreement provides that employees of Barrett Resources and its subsidiaries will remain employed immediately following the consummation of the Merger, generally will receive credit for co-payments, deductible, unused vacation and unused sick leave and generally will receive service credit for purposes of eligibility and vesting under each benefit plan (and for purposes of determination of benefits under certain benefit plans) in which they are eligible to participate following consummation of the Offer. With respect to welfare plans, Williams generally will waive or cause to be waived limitations as to pre-existing conditions exclusions and waiting periods with respect to such employees. Williams will honor or cause to be honored all employment agreements, bonus agreements, severance agreements, severance plans and non-competition agreements with the directors, officers and employees of Barrett Resources and its subsidiaries.

OPTIONS. The Merger Agreement provides that, subject to certain exceptions described below, each option to acquire Barrett Resources common stock (a "Barrett Resources Stock Option") that is outstanding immediately prior to the consummation of the Offer (the "Offer Consummation Date") will vest and become fully exercisable at such time. On the Offer Consummation Date (with respect to Barrett Resources Stock Options held by persons who are not subject to the reporting requirements of Section 16(a) of the Exchange Act) and at the Effective Time (with respect to Barrett Resources Stock Options held by persons who are subject to the reporting requirements of Section 16(a) of the Exchange Act), each Barrett Resources Stock Option will be adjusted to represent an option to purchase the number of shares of Barrett Resources common stock (a "Barrett Resources Adjusted Option") (rounded down to the nearest full share) determined by multiplying (i) the number of shares of Barrett Resources Common Stock subject to such Barrett Resources Stock Option immediately prior to the Offer Consummation Date (with respect to Barrett Resources Stock Options held by persons who are not subject to the reporting requirements of Section 16(a) of the Exchange Act) and immediately prior to the Effective Time (with respect to Barrett Resources Stock Options held by persons who are subject to the reporting requirements of Section 16(a) of the Exchange Act) by (ii) 0.5, at an exercise price per share of Barrett Resources common stock equal to the exercise price per share of Barrett Resources common stock immediately prior to the Offer Consummation Date.

In addition, promptly following the Offer Consummation Date (with respect to holders of Barrett Resources Stock Options who are not subject to the reporting requirements of Section 16(a) of the Exchange Act), and promptly following the Effective Time (with respect to holders of Barrett Resources Stock Options who are subject to the reporting requirements of Section 16(a) of the Exchange Act), Williams will pay to the holder of each Barrett Resources Stock Option an amount of cash (rounded up to the nearest cent) equal to the product of (A) (x) $73.00 minus (y) the exercise price per share of Barrett Resources common stock immediately prior to the Offer Consummation Date and (B) the number of shares of Barrett Resources common stock subject to such option multiplied by 0.5 (rounded up to the nearest full share).

At the Effective Time, each Barrett Resources Adjusted Option will be assumed by Williams and become and represent an option to purchase the number of Williams Common Stock (rounded to the nearest full share, or if there is not be a nearest share, the next greater full share) determined by multiplying (i) the number of shares of Barrett Resources Common Stock subject to such Barrett Resources Adjusted Option immediately prior to the Effective Time by (ii) 1.767, at an exercise price per share of Williams Common Stock (rounded up to the nearest tenth of a cent) equal to (A) the exercise price per share of Barrett Resources common stock immediately prior to the Effective Time divided by 1.767. Each Barrett Resources Adjusted Option so converted will be exercisable upon the same terms and conditions as under the applicable plan under which it was granted and the applicable option agreement issued thereunder, except as otherwise provided in the Merger Agreement.

At the Effective Time, Williams will assume the Barrett Resources stock plans, with the result that all obligations of Barrett Resources under the Barrett Resources stock plans, including with respect to Barrett Resources Adjusted Options outstanding at the Effective Time, will be obligations of Williams following the Effective Time.

The Merger Agreement provides that, notwithstanding anything in the foregoing to the contrary, to the extent an option holder holds any unexercisable incentive stock options ("Unvested ISOs") on the Offer Consummation Date that do not become exercisable upon consummation of the Offer pursuant to the terms of the option plan under which they were granted, then, to the extent possible, each such Unvested ISO will be converted into the right to receive cash in full and the other options held by such option holder will be appropriately adjusted so that the aggregate amount of cash payable to such option holder in respect of all of his or her Barrett Resources Stock Options pursuant to the terms of the Merger Agreement is not increased because of the treatment of Unvested ISOs under the Merger Agreement.

STAY BONUSES; SEVERANCE. Prior to the Effective Time, Barrett Resources will be permitted to award bonuses to employees of Barrett Resources or any of its subsidiaries in an aggregate amount not to exceed $2,000,000, with such bonuses to be allocated at the direction of its Chief Executive Officer with the consent of Williams, which consent will not be unreasonably withheld or delayed. Such bonuses will be paid upon the earlier of 90 days following the Effective Time and 30 days following the termination of the Merger Agreement (the "Payment Date") to each employee to whom such a bonus has been awarded and who continues to be employed by Barrett Resources (or any successor or affiliate of Barrett Resources) on the Payment Date or whose employment terminates prior to the Payment Date due to death, Disability, termination by Barrett Resources (or any successor or affiliate of Barrett Resources) without Cause, or termination by the employee with Good Reason (as such capitalized terms are defined in Barrett Resources' Severance Protection Plan). However, no such bonus will be paid to any employee who has entered into a Severance Protection Agreement with Barrett Resources and whose employment terminates prior to the Payment Date entitling such employee to a severance payment pursuant to Section 3.1(b) of such Severance Protection Agreement.

Williams will maintain or cause to be maintained the Barrett Resources severance policy as in effect on the date of the Merger Agreement or will replace such policy with a policy providing equal or more favorable compensation, for a period of at least two years from the Effective Time. Each employee of Barrett Resources or any of its subsidiaries whose employment is terminated upon, or within 18 months following, the consummation of the Offer, other than an employee who has entered into a Severance Protection Agreement with Barrett Resources, will receive a cash payment from Barrett Resources or Williams in the amount of $8,000 which may, in the sole discretion of such employee, be used to obtain outplacement services, to assist in the transition to subsequent employment or for any other purpose.

TAX TREATMENT. The Merger Agreement is intended to constitute a "plan of reorganization" with respect to the Offer and the Forward Merger for United States federal income tax purposes. From and after the date of the Merger Agreement, each party is required to use its reasonable best efforts to cause the Offer and the Forward Merger to qualify, and may not, without prior written consent, knowingly take any actions, or cause any actions to be taken, which could reasonably be expected to prevent the Offer and the Forward Merger from qualifying as a reorganization.

BOARD OF DIRECTORS. Subject to compliance with Section 14(f) of the Exchange Act, promptly after Purchaser purchases Shares pursuant to the Offer (subject to the satisfaction of the Minimum Condition), Purchaser will be entitled to designate up to the number of directors, rounded to the nearest whole number, of Barrett Resources' Board of Directors, as will make the percentage of Barrett Resources' directors designated by Purchaser equal to the aggregate voting power of the shares of Barrett Resources Common Stock held by Williams or any of its subsidiaries. However, in the event that Purchaser's designees are elected to the Board of Directors of Barrett Resources, until the Effective Time, such Board of Directors will have at least two directors who are directors on the date of the Merger Agreement and who are not officers of Barrett Resources (the "Independent Directors"). If the number of Independent Directors is reduced below two for any reason whatsoever, the remaining Independent Directors will

designate a person to fill such vacancy who will be deemed to be an Independent Director or, if no Independent Directors then remain, the other directors will designate two persons to fill such vacancies who will not be officers or affiliates of Barrett Resources, Williams or any of their subsidiaries.

Following the election or appointment of Purchaser's designees, a concurrence will be required of a majority of the Independent Directors for (a) any amendment, or waiver of any term or condition, of the Merger Agreement or the Restated Certificate of Incorporation or Bylaws of Barrett Resources and (b) any termination of the Merger Agreement by Barrett Resources, any extension by Barrett Resources of the time for the performance of any of the obligations or other acts of Purchaser or waiver or assertion of any of Barrett Resources' rights under the Merger Agreement, and any other consent or action by Barrett Resources' Board of Directors with respect to the Merger Agreement. As a result of the purchase of Shares by Purchaser pursuant to the Offer, it is contemplated that Purchaser's designees will represent at least one-half of Barrett Resources' Board of Directors after the purchase of Shares until the Effective Time.

INDEMNIFICATION. Williams will, or will cause the Surviving Corporation to, honor for a period of not less than six years from the Effective Time (or, for matters occurring at or prior to the Effective Time that have not been resolved, until such matters are finally resolved), all rights to indemnification or exculpation, existing in favor of a director, officer, employee or agent (an "Indemnified Person") of Barrett Resources or any of its subsidiaries relating to actions or events through the Effective Time. The Surviving Corporation, however, will not be required to indemnify any Indemnified Person for any proceeding to the extent involving any claim initiated by such Indemnified Person unless such proceeding was authorized by the Board of Directors of Barrett Resources or was brought to enforce rights under this Merger Agreement. In the event that any Indemnified Person becomes involved in any actual or threatened action, suit, claim, proceeding or investigation after the Effective Time, Williams will, or will cause the Surviving Corporation to, promptly advance to such Indemnified Person his or her expenses, subject to such Indemnified Person undertaking to reimburse all advances amounts in the event of a non-appealable determination that such Indemnified Person is not entitled thereto.

DIRECTORS AND OFFICERS INSURANCE. Prior to the Effective Time, Barrett Resources will have the right to obtain and pay for in full a "tail" coverage directors' and officers' liability insurance policy ("D&O Insurance") covering a period of at least six years after the Effective Time. If Barrett Resources is unable to obtain such insurance, the Surviving Corporation will maintain Barrett Resources' D&O Insurance for a period of at least six years after the Effective Time. However, the Surviving Corporation may substitute policies of similar coverage and amounts with terms no less advantageous. Nevertheless, Barrett Resources will not, without Williams' consent, expend in excess of 300% of the last annual premium paid to procure the coverage and neither Williams nor the Surviving Corporation will be required to expend in excess of 300% of the last annual premium paid.

FEES AND EXPENSES. If the Offer has not been accepted, Barrett Resources will pay Williams a fee equal to $75.5 million as a result of the occurrence of any of the following events (each of which is a "Trigger Event"):

(i) Barrett Resources has received an Acquisition Proposal (other than the cash tender offer by SRM Acquisition Corp. (an affiliate of Shell), pursuant to the Shell Offer, dated March 12, 2001, as amended to the date of the Merger Agreement, at a purchase price of $60 per Share, it being understood that Barrett Resources will be deemed to have received an Acquisition Proposal (x) if SRM Acquisition Company amends its tender offer by increasing its tender offer price above $60 per Share, or (y) if an acquisition proposal other than the Shell Offer is made by any other affiliate of Shell) after the date of the Merger Agreement (but prior to the termination of the Merger Agreement), and at any time prior to, or within 12 months after, the termination of the Merger Agreement (unless terminated without the fault of any party or due to Williams' or Purchaser's default), or Barrett Resources has entered into, or has publicly announced its intention to enter into, an agreement or an agreement in principle with respect to any Acquisition Proposal;

(ii) Barrett Resources has provided Williams with a Subsequent Determination Notice or the Board of Directors of Barrett Resources (or any committee thereof) (a) has made a Subsequent Determination, (b) has included in the Schedule 14D-9 its Recommendations with modification or qualification in a manner adverse to Williams, or (c) has resolved to, or publicly announced an intention to, take any of the actions as specified in the Merger Agreement; or

(iii) (a) as of the final expiration date of the Offer, all conditions to the consummation of the Offer have been met or waived except for satisfaction of the Minimum Condition, (b) there has been made subsequent to the date of the Merger Agreement (but before such expiration date of the Offer) an Acquisition Proposal (other than the cash tender offer by SRM Acquisition Corp, it being understood that Barrett Resources will be deemed to have received an Acquisition Proposal (x) if SRM Acquisition Company amends its tender offer by increasing its tender offer price above $60 per Share, or (y) if an Acquisition Proposal other than the Shell Offer is made by any other affiliate of Shell) and (c) at any time prior to, or within 12 months after, the expiration or termination of the Offer, Barrett Resources has entered into, or has publicly announced its intention to enter into, an agreement or agreements in principle with respect to any Acquisition Proposal.

Except as otherwise specified above, all fees and expenses incurred in connection with the Offer and the Merger, the Merger Agreement and the transactions contemplated by the Merger Agreement will be paid by the party incurring such fees or expenses, whether or not the Offer or the Merger is consummated:

(i) provided, that if the Merger Agreement is terminated as a result of the occurrence of a Trigger Event, Barrett Resources will also reimburse Williams for all out-of-pocket fees payable and expenses reasonably incurred by Williams up to a maximum of $15 million.

(ii) provided, that if Barrett Resources has breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in the Merger Agreement, which breach or failure to perform (A) would cause Barrett Resources to breach or fail to perform any of its covenants, obligations or agreements under the Merger Agreement, or cause any of the representations and warranties of Barrett Resources that are not qualified as to materiality not to be true and correct, and (B) is incapable of being or has not been cured by Barrett Resources prior to or on the earlier of (x) ten days immediately following written notice by Williams to Barrett Resources of such breach or failure to perform and (y) the expiration or termination of the Offer in accordance with the terms of the Merger Agreement Barrett Resources will reimburse Williams for all out-of-pocket fees payable and expenses reasonably incurred by Williams up to a maximum of $15 million.

(iii) provided, that if Barrett Resources has terminated the Merger Agreement as a result of the breach by Williams or Purchaser of any material representation, warranty, covenant or other agreement under the Merger Agreement, and such breach of a representation, warranty, covenant or other agreement is incapable of being or has not been cured by Williams within 10 calendar days following written notice of such breach or failure to perform, Williams will reimburse Barrett Resources for all out-of-pocket fees payable and expenses reasonably incurred by Barrett Resources up to a maximum of $15 million.

AMENDMENTS. Subject to certain customary restrictions, including, among other things, a restriction on Purchaser's right to waive the Minimum Condition, the Merger Agreement may be amended at any time, but after the Barrett Resources Stockholder Approval has been obtained, no amendment which requires approval by Barrett Resources' stockholders will be made without obtaining such approval.

GOVERNING LAW. The Merger Agreement is governed by, and construed in accordance with Delaware law, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

Effects of Inability to Consummate the Merger

If each of the Offer and the Merger is consummated, stockholders of Barrett Resources who elected not to tender their Shares in the Offer, or had fewer Shares accepted than tendered in the Offer as a result of proration, will have each of those Shares that they continue to hold following consummation of the Offer converted in the Merger into 1.767 shares of Williams Common Stock.

If, following the consummation of the Offer, the Merger is not consummated, Purchaser will control the number of Shares purchased by it in the Offer. Under the Merger Agreement, subject to satisfaction of the Minimum Condition, Purchaser will be entitled to representation on the Barrett Resources Board of Directors in the same proportion as the number of Shares then beneficially owned by Purchaser bears to the total number of Shares outstanding, rounded up to the nearest whole number. As a result of its ownership of such Shares and its representation on the Barrett Resources Board, Purchaser may be able to influence and potentially control decisions of the Barrett Resources Board of Directors.

Following consummation of the Offer (including if the Merger is not consummated), Williams and Purchaser reserve the right to acquire additional Shares through private purchases, market transactions, tender or exchange offers or otherwise on terms and at prices that may be more or less favorable than those of the Offer or, subject to any applicable legal restrictions, to dispose of any or all Shares acquired by Purchaser and Williams.

Statutory Requirements

In general, under the DGCL a merger of two Delaware corporations requires the adoption of a resolution by the board of directors of each of the corporations desiring to merge approving an agreement of merger containing provisions with respect to certain statutorily specified matters and the approval of such agreement of merger by the stockholders of each corporation by the affirmative vote of the holders of a majority of all the outstanding shares of stock entitled to vote on such merger. The respective Boards of Directors of Williams, Purchaser and Barrett Resources have each approved the Merger Agreement and the Merger.

The Merger Agreement and the Merger are subject to the Barrett Resources Stockholder Approval.

Appraisal Rights

No appraisal rights are available in connection with the Offer or the Merger.

Plans for Barrett Resources

Williams and Purchaser intend to conduct a review of Barrett Resources and its subsidiaries and their respective assets, businesses, corporate structure, capitalization, operations, properties, policies, management and personnel. Based on this review, Williams and Purchaser may take actions or make changes that they consider desirable and reserve the right to effect such actions or changes. Williams' and Purchaser's decisions could be affected by information hereafter obtained, changes in general economic or market conditions or in the business of Barrett Resources or its subsidiaries, actions by Barrett Resources or its subsidiaries and other factors.

Williams currently anticipates that Barrett Resources' principal offices in Denver, Colorado will serve as the Rocky Mountain principal offices for Williams' oil and gas exploration operations after the consummation of the Merger.

Except as described in this Section 11 or elsewhere in this Offer to Purchase, Barrett Resources has no present plans or proposals that would relate to or would result in (a) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving Barrett Resources or any of its subsidiaries, (b) a purchase, sale or transfer of a material amount of assets of Barrett Resources or any of its subsidiaries, (c) any change in the present Board of Directors or management of Barrett Resources, (d) any material change in the present capitalization or dividend policy of Barrett Resources, (e) any material change in Barrett Resources' corporate structure or business, (f) causing a class of securities of Barrett Resources to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association or (g) a class of

equity securities of Barrett Resources becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act.

Confidentiality Agreements.

On March 9, 2001, Williams signed the Confidentiality Agreement which provides that, subject to the terms of the Confidentiality Agreement, Williams will keep confidential certain nonpublic information furnished by Barrett Resources. In addition, subject to the terms of the Confidentiality Agreement, Williams agreed not to, among other things, (i) acquire any assets, businesses or securities of Barrett Resources, (ii) solicit proxies or consents with regard to Barrett Resources or (iii) otherwise seek control of Barrett Resources, in each case without the consent of Barrett Resources, until the close of business on May 11, 2001. A copy of the Confidentiality Agreement is filed as Exhibit (d)(2) hereto and is incorporated herein by reference. The foregoing description of the Confidentiality Agreement is qualified in its entirety by reference to such Exhibit.

In connection with its due diligence review of Williams, on May 6, 2001, Barrett Resources signed a nondisclosure agreement (the "Nondisclosure Agreement") providing that, among other things subject to the terms of the Nondisclosure Agreement, Barrett Resources will keep confidential certain nonpublic information furnished by Williams. A copy of the Nondisclosure Agreement is filed as Exhibit (d)(3) hereto and is incorporated herein by reference. The foregoing description of the Nondisclosure Agreement is qualified in its entirety by reference to such Exhibit.

"Going Private" Transactions

The SEC has adopted Rule 13e-3 under the Exchange Act which is applicable to certain "going private" transactions and which may under certain circumstances be applicable to the Merger. However, Rule 13e-3 would be inapplicable to the Merger because holders of Shares will receive only shares of Williams Common Stock in the Merger (exclusive of cash in lieu of fractional shares), and the Williams Common Stock is registered under Section 12 of the Securities Act and is listed on the NYSE. If applicable, Rule 13e-3 would require, among other things, that certain financial information concerning the fairness of the proposed transaction and the consideration offered to minority stockholders in such transaction be filed with the SEC and disclosed to stockholders prior to the consummation of the transaction.

12. SOURCE AND AMOUNT OF FUNDS.

Purchaser estimates that the total amount of funds required to purchase 16,730,502 Shares pursuant to the Offer and to pay related fees and expenses will be approximately $1.23 billion. In addition, Barrett Resources has agreed in the Merger Agreement to seek the consent of its bank lenders under its credit agreement to permit it to consummate the transactions contemplated by the Merger Agreement without repaying the indebtedness under the credit agreement. If such bank consents are not obtained, Williams would need approximately an additional $145 million to repay the indebtedness under the credit agreement (the "Refinancing"). Purchaser intends to fund the purchase of Shares pursuant to the Offer and the Refinancing, if required, from capital contributions by Williams. Williams currently has sufficient liquidity available through the unused portion of its existing commercial paper program and revolving credit agreements to make such capital contributions to Purchaser. In addition, Williams may choose to establish a bridge loan facility to fund all or part of such capital contributions. Finally, Williams may choose to review other funding options such as volumetric production payments, convertible debt or equity or other structured alternatives in order to make the required capital contributions to Purchaser.

Williams' commercial paper program involves the private placement of unsecured, commercial paper notes with maturities of up to 270 days. The commercial paper generally has an effective interest rate approximating the then market rate of interest for commercial paper of similar rating, currently approximately 5.28%. Williams may refinance any commercial paper borrowings used to finance the purchase of Shares pursuant to the Offer and the Refinancing, if any, through private placements of additional commercial paper, borrowings under its credit agreements or, depending on market or business conditions, through such other financing as Williams may deem appropriate.

13. DIVIDENDS AND DISTRIBUTIONS.

If on or after the date of the Merger Agreement, Barrett Resources (a) splits, combines or otherwise changes the Shares or its capitalization, (b) acquires Shares or otherwise causes a reduction in the number of Shares, (c) issues or sells additional Shares (other than the issuance of Shares reserved for issuance as of the date of the Merger Agreement under option and employee stock purchase plans in accordance with their terms as publicly disclosed as of the date of the Merger Agreement) or any shares of any other class of capital stock, other voting securities or any securities convertible into or exchangeable for, or rights, warrants or options, conditional or otherwise, to acquire, any of the foregoing or (d) discloses that it has taken such action, then, without prejudice to Williams' and Purchaser's rights under Section 14 of this document, Williams and Purchaser, in their sole discretion, may make such adjustments in the purchase price and other terms of the Offer as they deem appropriate to reflect such split, combination or other change or action, including, without limitation, the Minimum Condition or the number or type of securities offered to be purchased. Barrett Resources has agreed in the Merger Agreement not to take any of the foregoing actions without Williams' consent.

If on or after the date of the Merger Agreement, Barrett Resources declares or pays any dividend on the Shares or any distribution (including, without limitation, the issuance of additional Shares pursuant to a stock dividend or stock split, the issuance of other securities or the issuance of rights for the purchase of any securities) with respect to the Shares that is payable or distributable to stockholders of record on a date prior to the transfer into the name of Purchaser or its nominees or transferees on Barrett Resources' stock transfer records of the Shares purchased pursuant to the Offer, and if Shares are purchased in the Offer, then, without prejudice to Purchaser's rights under Section 14 of this document, (a) the purchase price per Share payable by Purchaser pursuant to the Offer shall be reduced by the amount of any such cash dividend or cash distribution and (b) any such non-cash dividend, distribution, issuance, proceeds or rights to be received by the tendering stockholders will (i) be received and held by the tendering stockholders for the account of Purchaser and will be required to be promptly remitted and transferred by each tendering stockholder to the Depositary for the account of Purchaser, accompanied by appropriate documentation of transfer or (ii) at the direction of Purchaser, be exercised for the benefit of Purchaser, in which case the proceeds of such exercise will promptly be remitted to Purchaser. Pending such remittance and subject to applicable law, Purchaser will be entitled to all rights and privileges as owner of any such non-cash dividend, distribution, issuance, proceeds or rights and may withhold the entire purchase price or deduct from the purchase price the amount or value thereof, as determined by Purchaser in its sole discretion. Barrett Resources has agreed in the Merger Agreement not to take any of the foregoing actions without Williams' consent.

14. CONDITIONS OF THE OFFER.

Notwithstanding any other provision of the Offer, subject to the terms of the Merger Agreement, Purchaser shall not be required to accept for payment or pay for (subject to any applicable rules and regulations of the SEC, including Rule 14e-1(c) under the Exchange Act (relating to Purchaser's obligation to pay for or return tendered Shares after the termination or withdrawal of the Offer)) any Shares tendered, if by the expiration of the Offer (as it may be extended in accordance with the requirements of the Merger Agreement), (1) there shall not have been validly tendered and not withdrawn CONDITIONS OF THE OFFER.

Notwithstanding any other provision of the Offer, subject to the terms of the Merger Agreement, Purchaser shall not be required to accept for payment or pay for (subject to any applicable rules and regulations of the SEC, including Rule 14e-1(c) under the Exchange Act (relating to Purchaser's obligation to pay for or return tendered Shares after the termination or withdrawal of the Offer)) any Shares tendered, if by the expiration of the Offer (as it may be extended in accordance with the requirements of the Merger Agreement), (1) there shall not have been validly tendered and not withdrawn prior to the expiration of the Offer 16,730,502 Shares, (2) the applicable waiting period under the HSR Act and any other applicable antitrust laws shall not have expired or been terminated, or (3) at any time

on or after the date of the Merger Agreement and prior to the acceptance for payment of Shares pursuant to the Offer, any of the following conditions exist:

(i) there shall be instituted or pending any action or proceeding by any Governmental Entity:

(a) challenging or seeking to make illegal, to delay materially or otherwise directly or indirectly to restrain or prohibit the making of the Offer or the Merger, the acceptance for payment of, or the payment for, some of or all the Shares by Williams or Purchaser or the consummation by Williams or Purchaser of the Merger or seeking to obtain material damages,

(b) seeking to restrain or prohibit Williams' or Purchaser's ownership or operation (or that of their respective subsidiaries or affiliates) of all or any material portion of the business or assets of Barrett Resources and its subsidiaries, taken as a whole, or of Williams and its subsidiaries, taken as a whole, or to compel Williams or any of its subsidiaries or affiliates to dispose of or hold separate all or any material portion of the business or assets of Barrett Resources and its subsidiaries, taken as a whole, or of Williams and its subsidiaries, taken as a whole,

(c) seeking to impose material limitations on the ability of Williams or any of its subsidiaries effectively to exercise full rights of ownership of the Shares, including, without limitation, the right to vote any Shares acquired or owned by Williams or any of its subsidiaries or affiliates on all matters properly presented to Barrett Resources' stockholders, or

(d) seeking to require divestiture by Williams or any of its subsidiaries of any Shares; or

(ii) there shall be any action taken, or any statute, rule, regulation, injunction, order or decree enacted, enforced, promulgated, issued or deemed applicable to the Merger Agreement, the Offer or the Merger, by any governmental entity that is reasonably likely, directly or indirectly, to result in any of the consequences referred to in clauses (a) through (d) of paragraph (i) above, subject thereto; or

(iii) Barrett Resources shall have breached or failed to perform in any material respect any of its covenants, obligations or agreements under the Merger Agreement; or

(iv) the representations and warranties of Barrett Resources set forth in the Merger Agreement that are qualified as to materiality shall not be true and correct as of the date of the Merger Agreement and as of the expiration of the Offer (including any extension thereof) (except to the extent expressly made as of an earlier date, in which case as of such earlier date), or any of the representations and warranties set forth in the Merger Agreement that are not so qualified as to materiality shall not be true and correct in any material respect as of the date of the Merger Agreement and as of the expiration of the Offer (except to the extent expressly made as of an earlier date, in which case as of such earlier date); provided that this condition shall not be deemed to exist unless any such breaches of representation or warranty (without regard to any "Materiality" or "Material Adverse Effect" or similar qualifier or threshold), individually or in the aggregate, has had or could reasonably be expected to have, a Material Adverse Effect (as defined in the Merger Agreement) on Barrett Resources; or

(v) the Merger Agreement shall have been terminated in accordance with its terms; or

(vi) the Board of Directors of Barrett Resources (or any committee thereof) shall have made a Subsequent Determination (as defined in the Merger Agreement) with respect to an Acquisition Proposal (as defined in the Merger Agreement);

which, in the good faith judgment of Williams, in any such case, makes it inadvisable to proceed with acceptance for payment, or payment for, Shares in the Offer.

The foregoing conditions are for the sole benefit of Williams and Purchaser and may, subject to the terms of the Merger Agreement, be waived by Williams and Purchaser in their reasonable discretion in whole at any time or in part from time to time. The failure by Williams or Purchaser at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and circumstances shall not be deemed a waiver with respect to any other facts and circumstances, and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time.

A public announcement may be made of a material change in, or waiver of, such conditions and the Offer may, in certain circumstances, be extended in connection with any such change or waiver. Purchaser may not waive the Minimum Condition without the written consent of Barrett Resources.

Purchaser acknowledges that the SEC believes that (a) if Purchaser is delayed in accepting the Shares it must either extend the Offer or terminate the Offer and promptly return the Shares and (b) the circumstances in which a delay in payment is permitted are limited and do not include unsatisfied conditions of the Offer, except with respect to most required regulatory approvals.

15. LEGAL MATTERS; REQUIRED REGULATORY APPROVALS.

GENERAL. Based upon an examination of publicly available information with respect to Barrett Resources and the representations and warranties of Barrett Resources contained in the Merger Agreement, neither Purchaser nor Williams is aware of any license or other regulatory permit that is material to the business of Barrett Resources and its subsidiaries, taken as a whole, which might be adversely affected by the acquisition of Shares by Purchaser pursuant to the Offer or the Merger, or, except as set forth below, of any approval or other action by any domestic (federal or state) or foreign governmental, administrative or regulatory authority or agency which would be required prior to the acquisition of Shares by Purchaser pursuant to the Offer or the Merger. Should any such approval or other action be required, it is Purchaser's and Williams' present intention to seek such approval or action. Purchaser does not currently intend, however, to delay the purchase of Shares tendered pursuant to the Offer pending the outcome of any such action or the receipt of any such approval. There is no assurance (i) that any such approval or other action, if needed, would be obtained without substantial conditions, (ii) that adverse consequences might not result to the business of Barrett Resources, Purchaser or Williams, (iii) that certain parts of the businesses of Barrett Resources, Purchaser or Williams might not have to be disposed of or held separate or (iv) that other substantial conditions complied with in order to obtain such approval or other action or in the event that such approval was not obtained or such other action was not taken. Purchaser's obligation under the Offer to accept for payment and pay for Shares is subject to certain conditions, including conditions relating to the legal matters discussed in this Section 15. See Section 14, "Conditions of the Offer."

STATE TAKEOVER LAWS. A number of states throughout the United States have enacted takeover statutes that purport, in varying degrees, to be applicable to attempts to acquire securities of corporations that are incorporated or have assets, stockholders, executive offices or places of business in those states. In 1982, in Edgar v. MITE Corp., the Supreme Court of the United States held that the Illinois Business Takeover Act, which involved state securities laws that made the takeover of certain corporations more difficult, imposed a substantial burden on interstate commerce and was therefore unconstitutional. However, in 1987, in CTS Corp. v. Dynamics Corp. of America, the Supreme Court of the United States held that a state may, as a matter of corporate law and, in particular, those laws concerning corporate governance, constitutionally disqualify a potential acquirer from voting on the affairs of a target corporation without prior approval of the remaining stockholders; provided that the laws were applicable only under certain conditions.

Section 203 of the DGCL limits the ability of a Delaware corporation to engage in business combinations with "interested stockholders" (defined generally as any person that directly or indirectly beneficially owns 15% or more of the outstanding voting stock of the subject corporation) for three years following the date such person became an "interested stockholder," unless, among other things, the board of directors of the subject corporation has given its prior approval of either the transaction in which such

person became an interested stockholder or the business combination. Barrett Resources has represented in the Merger Agreement that it approved the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, and has taken all appropriate action so that neither Williams nor Purchaser will be an "interested stockholder" within the meaning of Section 203 of the DGCL by virtue of Williams, Purchaser and Barrett Resources entering into the Merger Agreement and consummating the transactions contemplated thereby.

Barrett Resources, directly or through subsidiaries, conducts business in a number of states throughout the United States, some of which have enacted takeover laws. Purchaser does not know whether any of these laws will, by their terms, apply to the Offer or the Merger and has not attempted to comply with any such laws. Should any person seek to apply any state takeover law, Purchaser will take such action as then appears desirable, which may include challenging the validity or applicability of any such statute in appropriate court proceedings. In the event it is asserted that one or more state takeover laws is applicable to the Offer or the Merger, and an appropriate court does not determine that it is inapplicable or invalid as applied to the Offer, Purchaser might be required to file certain information with, or receive approvals from, the relevant state authorities. In addition, if enjoined, Purchaser might be unable to accept for payment any Shares tendered pursuant to the Offer, or be delayed in continuing or consummating the Offer and the Merger. In such case, Purchaser may not be obligated to accept for payment any Shares tendered. See Section 14, "Conditions of the Offer."

BARRETT RESOURCES BYLAWS. Article IV of the Barrett Resources Bylaws restricts certain business combinations involving Interested Persons (as defined in the Barrett Resources Bylaws). On May 7, 2001, the Barrett Resources Board waived such restrictions by Independent Director Approval (as defined in the Barrett Resources Bylaws), such that the restrictions do not and will not apply with respect to or as a result of the Merger Agreement or the transactions contemplated thereby, including the Offer and the Merger.

ANTITRUST. Under the HSR Act and the rules that have been promulgated thereunder by the Federal Trade Commission (the "FTC"), certain acquisition transactions may not be consummated unless certain information has been furnished to the Antitrust Division of the Department of Justice (the "Antitrust Division") and the FTC and certain waiting period requirements have been satisfied. The acquisition of Shares by Purchaser pursuant to the Offer is subject to such requirements.

Barrett Resources and Williams expect to file Premerger Notification and Report Forms in connection with the purchase of Shares pursuant to the Offer with the Antitrust Division and the FTC on or about May 16, 2001. Under the provisions of the HSR Act applicable to the Offer, the purchase of Shares pursuant to the Offer may not be consummated until the expiration of a 15-calendar day waiting period following the filing by Williams. Accordingly, if the forms are filed on May 16, 2001, the waiting period under the HSR Act applicable to the purchase of Shares pursuant to the Offer will expire at 11:59 p.m., eastern time, on May 31, 2001, unless such waiting period is earlier terminated by the FTC and the Antitrust Division or extended by a request from the FTC or the Antitrust Division for additional information or documentary material prior to the expiration of the waiting period. If the acquisition of Shares is delayed pursuant to a request by the FTC or the Antitrust Division for additional information or documentary material pursuant to the HSR Act, the purchase of and payment for Shares will be deferred until 10 days after the request is substantially complied with, unless the extended period expires on or before the date when the initial 15-day period would otherwise have expired, or unless the waiting period is sooner terminated by the FTC and the Antitrust Division. Only one extension of such waiting period pursuant to a request for additional information is authorized by the HSR Act and the rules promulgated thereunder, except by court order. Any such extension of the waiting period will not give rise to any withdrawal rights not otherwise provided for by applicable law. See Section 4, "Withdrawal Rights". It is a condition to the Offer that the waiting period applicable under the HSR Act to the Offer expire or be terminated. See Section 14, "Conditions of the Offer". So long as the Merger Agreement is in effect and any applicable waiting period under the HSR Act has not expired or been terminated, Purchaser is obligated to extend the Offer from time to time for a period or successive periods.

The FTC and the Antitrust Division frequently scrutinize the legality under the antitrust laws of transactions such as the proposed acquisition of Shares by Purchaser pursuant to the Offer and the Merger. At any time before or after the purchase of Shares pursuant to the Offer by Purchaser, the FTC or the Antitrust Division could take such action under the antitrust laws as they deem necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer or seeking the divestiture of Shares purchased by Purchaser or the divestiture of substantial assets of Williams, Barrett Resources or their respective subsidiaries. Private parties and state attorneys general may also bring legal action under federal or state antitrust laws under certain circumstances. Based upon an examination of information available to Williams relating to the businesses in which Williams, Barrett Resources and their respective subsidiaries are engaged, Williams and Purchaser believe that the Offer will not violate the applicable antitrust laws. Nevertheless, there can be no assurance that a challenge to the Offer on antitrust or competition grounds will not be made or, if such a challenge is made, what the final result would be. See Section 14, "Conditions of the Offer".

In addition, the antitrust and competition laws of certain foreign jurisdictions require (or, in some instances, provide for on a voluntary basis) notification of the transaction and the observance of pre-consummation waiting periods. Barrett Resources and Williams will make any such required filings, if any (and, if deemed in Barrett Resources' and Williams' interests, any such voluntary filings), with the appropriate antitrust and competition authorities contemporaneously with their filings under the HSR Act or shortly thereafter. Based upon an examination of information available to Williams relating to the businesses in which Williams, Barrett Resources and their respective subsidiaries are engaged, Williams and Purchaser believe that the Offer will not violate any such foreign antitrust and competition laws. Nevertheless, there can be no assurance that a challenge to the Offer will not be made on antitrust or competition grounds or, if such a challenge were made, what the final result would be.

16. FEES AND EXPENSES.

Williams and Purchaser retained Merrill Lynch to act as Dealer Manager in connection with the Offer, for which Merrill Lynch will be paid $250,000 upon execution of the agreement with respect to Merrill Lynch's engagement as Dealer Manager, and an additional $250,000 upon completion of the Offer in addition to reimbursement for reasonable out-of-pocket expenses. Williams has also retained Merrill Lynch to render financial advisory services to Williams and Purchaser concerning the acquisition of Barrett Resources, including rendering a fairness opinion to the Board of Directors of Williams, for which Merrill Lynch will receive customary compensation. Williams has also agreed to indemnify Merrill Lynch against certain liabilities and expenses in connection with its engagement, including liabilities under the federal securities laws.

Merrill Lynch has provided financial advisory and financing services to Williams and its affiliates in the past and may continue to render such services, for which they have received and may continue to receive customary compensation from Williams and its affiliates. In the ordinary course of business, Merrill Lynch and its affiliates are engaged in securities trading and brokerage activities as well as investment banking and financial advisory services. In the ordinary course of their trading and brokerage activities, Merrill Lynch and its affiliates may hold positions, for their own account and for the accounts of customers, in equity, debt or other securities of Williams or Barrett Resources.

We have retained Georgeson Shareholder Communications, Inc. as Information Agent in connection with the Offer. The Information Agent may contact holders of Shares by mail, telephone, telex, telegraph and personal interview and may request brokers, dealers and other nominee stockholders to forward material relating to the Offer to beneficial owners of Shares. We will pay the Information Agent reasonable and customary compensation for these services in addition to reimbursing the Information Agent for its reasonable out-of-pocket expenses. We have agreed to indemnify the Information Agent against certain liabilities and expenses in connection with the Offer, including certain liabilities under the federal securities laws.

In addition, we have retained EquiServe as the Depositary. We will pay the Depositary reasonable and customary compensation for its services in connection with the Offer, will reimburse the Depositary

for its reasonable out-of-pocket expenses and will indemnify the Depositary against certain liabilities and expenses, including certain liabilities under the federal securities laws.

Except as set forth above, we will not pay any fees or commissions to any broker, dealer or other person for soliciting tenders of Shares pursuant to the Offer. We will reimburse brokers, dealers, commercial banks and trust companies and other nominees, upon request, for customary clerical and mailing expenses incurred by them in forwarding offering materials to their customers.

17. MISCELLANEOUS.

We are not aware of any jurisdiction where the making of the Offer is prohibited by any administrative or judicial action pursuant to any valid state statute. If we become aware of any valid state statute prohibiting the making of the Offer or the acceptance of the Shares, we will make a good faith effort to comply with that state statute. If, after a good faith effort, we cannot comply with the state statute, we will not make the Offer to, nor will we accept tenders from or on behalf of, the holders of Shares in that state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Purchaser by the Dealer Manager or one or more registered brokers or dealers licensed under the laws of such jurisdiction.

We have filed with the SEC a Tender Offer Statement on Schedule TO, together with exhibits, furnishing certain additional information with respect to the Offer, and may file amendments to our Schedule TO. Our Schedule TO and any exhibits or amendments may be examined and copies may be obtained from the SEC in the same manner as described in Section 8 with respect to information concerning Barrett Resources, except that copies will not be available at the regional offices of the SEC.

WE HAVE NOT AUTHORIZED ANY PERSON TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION ON OUR BEHALF NOT CONTAINED IN THIS OFFER TO PURCHASE OR IN THE LETTER OF TRANSMITTAL AND, IF GIVEN OR MADE, YOU SHOULD NOT RELY ON ANY SUCH INFORMATION OR REPRESENTATION AS HAVING BEEN AUTHORIZED.

Neither the delivery of the Offer to Purchase nor any purchase pursuant to the Offer will under any circumstances create any implication that there has been no change in the affairs of Williams, Purchaser, Barrett Resources or any of their respective subsidiaries since the date as of which information is furnished or the date of this Offer to Purchase.

Resources Acquisition Corp.

May 14, 2001

SCHEDULE I

DIRECTORS AND EXECUTIVE OFFICERS OF WILLIAMS AND PURCHASER

A. DIRECTORS AND EXECUTIVE OFFICERS OF WILLIAMS. The following table sets forth the name and present principal occupation or employment, and material occupations, positions, offices or employments for the past five years of each director and executive officer of Williams. None of the directors and officers of Williams listed below has, during the past five years, (i) been convicted in a criminal proceeding or (ii) been a party to any judicial or administrative proceeding that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws. Unless otherwise indicated below, each occupation set forth opposite each person refers to employment with Williams. The business address of each such person is c/o The Williams Companies, One Williams Center, Tulsa, OK 74172, and each such person is a citizen of the United States of America.

1. DIRECTORS OF WILLIAMS

NAME AND AGE	DIRECTOR OF WILLIAMS SINCE	CURRENT TERM EXPIRES	CURRENT POSITION AND PRINCIPAL OCCUPATION OR EMPLOYMENT; MATERIAL POSITIONS HELD DURING LAST FIVE YEARS
Hugh M. Chapman, 68.....	1999	2002	Director of Williams since 1999. Chairman of the Board of Nations Bank South until 1997. Director of SCANA Corporation, West Point Stevens and Print Pack, Inc.
Frank T. MacInnis, 54.....	1998	2002	Director of Williams since 1998. Chairman and Chief Executive Officer of EMCOR Group, Inc. since 1994. Chairman of the Board of ComNet Communications, Inc. and director of UTT Corporation.
Peter C. Meinig, 61.....	1993	2002	Director of Williams since 1993. Chairman and Chief Executive Officer of HM International, Inc. Chairman of Windsor Food Company, Ltd. and Ninth House, Inc.
Janice D. Stoney, 60.....	1999	2002	Director of Williams since 1999. Director of Whirpool Corporation and Bridges Investment Fund.
Keith E. Bailey, 59.....	1998	2003	Director of Williams since 1988. Chairman of the Board of Williams since 1994. President of Williams since 1992. Chief Executive Officer of Williams since 1994. Chairman of the Board of Williams Communication Group, Inc. until April 23, 2001. Director of Purchaser since 2001.
William E. Green, 64.....	1998	2003	Director of Williams since 1998. Founder of and Attorney at William Green and Associates, a California law firm, and Vice President, General Counsel and Secretary of Information Network Radio Inc.

NAME AND AGE	DIRECTOR OF WILLIAMS SINCE	CURRENT TERM EXPIRES	CURRENT POSITION AND PRINCIPAL OCCUPATION OR EMPLOYMENT; MATERIAL POSITIONS HELD DURING LAST FIVE YEARS
W.R. Howell, 65.....	1997	2003	Director of Williams since 1997. Chairman of the Board and Chief Executive Officer of J.C. Penney until 1996. Chairman Emeritus of J.C. Penney Company, Inc. Director of Exxon Mobil Corporation, Warner-Lambert Company, Bankers Trust, Halliburton Company and Central Southwest.
James C. Lewis, 68.....	1978	2003	Director of Williams since 1978. Chairman of the Board of Optimus Corporation. Director of CFT.
George A. Lorch, 59.....	2001	2003	Director of Williams since 2001. Chairman Emeritus of Armstrong Holdings, Inc. Chairman of the Board and Chief Executive Officer of Armstrong World Industries, Inc. until 2000. Board member of Pfizer, Household International and R.R. Donnelly.
Glenn A. Cox, 71.....	1992	2004	Director of Williams since 1992. Director of Helmerich and Payne, Inc.
Thomas H. Cruikshank, 69.....	1990	2004	Director of Williams since 1990. Chairman of and Chief Executive Officer of Halliburton Company until 1996. Director of Goodyear Tire & Rubber Company and Lehman Bros. Holding, Inc.
Charles M. Lillis, 59.....	2000	2004	Director of Williams since 2000. Co-founder and principal of LoneTree Partners. Chairman of the Board and Chief Executive Officer of MediaOne Group from 1995 until 2000. Director of SUPERVALU Inc. and Agilera, Inc.
Gordon R. Parker, 65.....	1987	2004	Director of Williams since 1987. Director of Caterpillar, Inc. and Phelps Dodge Corporation.
Joseph H. Williams, 67.....	1969	2004	Director of Williams since 1969. Director of The Prudential Insurance Co. of America.

2. EXECUTIVE OFFICERS OF WILLIAMS

Except as set forth below, all of the officers of Williams have been employed by Williams or its subsidiaries as officers or otherwise for more than five years and have had no other employment during the period.

NAME AND AGE	OFFICER OF WILLIAMS SINCE	CURRENT POSITION AND PRINCIPAL OCCUPATION OR EMPLOYMENT; MATERIAL POSITIONS HELD DURING LAST FIVE YEARS
Keith E. Bailey, 59.....	1994	Director of Williams since 1988. Chairman of the Board of Williams since 1994. President of Williams since 1992. Chief Executive Officer of Williams since 1994. Chairman of the Board of Williams Communications Group, Inc. until April 23, 2001. Director of Purchaser since 2001.
Michael P. Johnson, Sr., 53.....	2000	Executive Officer of Williams since 2000. Senior Vice President of Human Resources of Williams. Director of Williams Communications Group, Inc. until April 23, 2001. Prior to 2000 and for more than five year prior to joining Williams held various officer positions with Amoco Corporation.
Jack D. McCarthy, 58.....	1992	Executive Officer of Williams since 1992. Senior Vice President of Finance (Principal Financial Officer) of Williams. Director of Williams Communications Group, Inc. until April 23, 2001.
William G. von Glahn, 57.....	1996	Executive Officer of Williams since 1996. Senior Vice President and General Counsel of Williams.
Gary R. Belitz, 51.....	1992	Executive Officer of Williams since 1992. Controller (Principal Accounting Officer) of Williams.
Steven J. Malcolm, 52.....	1998	Executive Officer of Williams since 1998. Executive Vice President of Williams since March 2001. President and Chief Executive Officer of Williams Energy Services, LLC since 1998. Director of Williams Communications Group, Inc. until April 23, 2001. Director of Purchaser since 2001.
Cuba Wadlington, Jr., 57.....	2000	Executive Officer of Williams since 2000. President and Chief Executive Officer of Williams Gas Pipeline Company LLC since 2000. Director of Williams Communications Group, Inc. until April 23, 2001.

B. DIRECTORS AND EXECUTIVE OFFICERS OF PURCHASER. The following table sets forth the name and present principal occupation or employment, and material occupations, positions, offices or employments for the past five years of each director and executive officer of Purchaser. None of the directors and officers of Purchaser listed below has, during the past five years, (i) been convicted in a criminal proceeding or (ii) been a party to any judicial or administrative proceeding that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws. Unless otherwise indicated below, each occupation set forth opposite each person refers to employment with Williams. The business address of each such person is c/o The Williams Companies, One Williams Center, Tulsa, OK 74172, and each such person is a citizen of the United States of America.

1. DIRECTORS OF PURCHASER

NAME AND AGE	DIRECTOR OF PURCHASER SINCE	CURRENT POSITION AND PRINCIPAL OCCUPATION OR EMPLOYMENT; MATERIAL POSITIONS HELD DURING LAST FIVE YEARS
Keith E. Bailey, 59.....	May 2001	Director of Purchaser since 2001. Director of Williams since 1988. Chairman of the Board of Williams since 1994. President of Williams since 1992. Chief Executive Officer of Williams since 1994. Chairman of the Board of Williams Communications Group, Inc. until April 23, 2001.
Stephen J. Malcolm, 52.....	May 2001	Director of Purchaser since 2001. Executive Vice President of Williams since March 2001. Executive Officer of Williams since 1998. President and Chief Executive Officer of Williams Energy Services, LLC since 1998. Director of Williams Communications Group, Inc. until April 23, 2001.
Ralph A. Hill, 41.....	May 2001	Director of Purchaser since 2001. Senior Vice President of Williams Energy Services, LLC since 1998. General Manager of Exploration and Production of Williams Energy Services, LLC since 1996.

2. EXECUTIVE OFFICERS OF PURCHASER

NAME AND AGE	DIRECTOR OF PURCHASER SINCE	CURRENT POSITION AND PRINCIPAL OCCUPATION OR EMPLOYMENT; MATERIAL POSITIONS HELD DURING LAST FIVE YEARS
Steven J. Malcolm, 52.....	May 2001	President of Purchaser since 2001. Executive Vice President of Williams since March 2001. Executive Officer of Williams since 1998. President and Chief Executive Officer of Williams Energy Services, LLC since 1998. Director of Purchaser since 2001. Director of Williams Communications Group, Inc. until April 23, 2001.
James G. Ivey, 49.....	May 2001	Treasurer of Purchaser since 2001. Treasurer of Williams since 1995.
Ralph A. Hill, 41.....	May 2001	Senior Vice President of Purchaser since 2001. Director of Purchaser since 2001. Senior Vice President of Williams Energy Services, LLC since 1998. General Manager of Exploration and Production of Williams Energy Services, LLC since 1996.
Bryan K. Guderian, 41.....	May 2001	Vice President of Purchaser since 2001. Vice President of Williams Production Company, LLC since 1998. Director of Land & Gas Management, Williams Production Company, 1996-1998.

Facsimile copies of Letters of Transmittal, properly completed and duly executed, will be accepted. The appropriate Letter of Transmittal, certificates for Shares and any other required documents should be sent or delivered by each stockholder of Barrett Resources or his broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below:

The Depositary for the Offer is:

EQUISERVE TRUST COMPANY, N.A.

By Mail:
Attn: Corporate Actions
P.O. Box 43025
Providence, RI 02940-3025

By Overnight Courier:
Attn: Corporate Actions
40 Campanelli Drive
Braintree, MA 02184

By Hand:
Attn: Corporate Actions
Securities Transfer & Reporting Services, Inc.
c/o EquiServe
100 William Street, Galleria
New York, NY 10038

By Facsimile:
(for Eligible Institutions only)

(781) 575-4826

Confirm Facsimile By Telephone:

(781) 575-4816

You may direct questions and requests for assistance to the Information Agent or the Dealer Manager at their respective telephone numbers and addresses set forth below. You may obtain additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and other tender offer materials from the Information Agent as set forth below and they will be furnished promptly at our expense. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offer.

The Information Agent for the Offer is:

[Georgeson Shareholder logo]

17 State Street, 10th Floor
New York, New York 10004
Banks and Brokers Call Collect: (212) 440-9800
All Others Call Toll Free: (800) 223-2064

The Dealer Manager for the Offer is:

MERRILL LYNCH & CO.

Four World Financial Center
New York, New York 10080
Call Collect: (212) 236-3790

Exhibit (a)(2)

LETTER OF TRANSMITTAL

TO TENDER SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)

PURSUANT TO THE OFFER TO PURCHASE DATED MAY 14, 2001

OF

BARRETT RESOURCES CORPORATION
TO

RESOURCES ACQUISITION CORP.,
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:

EQUISERVE TRUST COMPANY, N.A.

By Mail:	By Overnight Courier:	By Hand:
Attn: Corporate Actions P.O. Box 43025 Providence, RI 02940-3025	Attn: Corporate Actions 40 Campanelli Drive Braintree, MA 02184	Attn: Corporate Actions Securities Transfer & Reporting Services, Inc. C/O EquiServe 100 William Street, Galleria New York, NY 10038

By Facsimile:
(for Eligible Institutions only)
(781) 575-4826
Confirm Facsimile By Telephone:
(781) 575-4816

DESCRIPTION OF SHARES TENDERED

NAME(S) AND ADDRESS(ES) OF REGISTERED HOLDER(S) (PLEASE FILL IN, IF BLANK EXACTLY AS NAME(S) APPEAR(S) ON SHARE CERTIFICATE(S)	SHARE CERTIFICATE(S) ENCLOSED (ATTACH ADDITIONAL SIGNED LIST IF NECESSARY)	
	SHARE CERTIFICATE NUMBER(S)*	NUMBER OF SHARES TENDERED**
	TOTAL SHARES	

* Certificate numbers are not required if tender is made by book-entry transfer.

** If you desire to tender fewer than all Shares represented by a certificate listed above, please indicate in this column the number of Shares you wish to tender. Otherwise, all Shares represented by such certificate will be deemed to have been tendered. See Instruction 4.

LOST CERTIFICATES

[ ] I have lost my Certificates that represented _____ Shares and require assistance in obtaining replacement Certificates. I understand that I must contact the EquiServe, the Transfer Agent for Barrett Resources, to obtain instructions for replacing lost Certificates. Call EquiServe at 1-800-736-3001. (See Instruction 9.)

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TO A NUMBER OTHER THAN AS LISTED ABOVE DOES NOT CONSTITUTE A VALID DELIVERY. YOU MUST SIGN THIS LETTER OF TRANSMITTAL WHERE INDICATED BELOW.

THE INSTRUCTIONS ACCOMPANYING THIS LETTER OF TRANSMITTAL SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This Letter of Transmittal is to be completed by stockholders of Barrett Resources Corporation if certificates ("Share Certificates") representing shares of common stock, par value $0.01 per share, (including the associated Rights (as defined herein), the "Shares"), are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Purchase) is utilized, if delivery of Shares is to be made by book-entry transfer to an account maintained by EquiServe Trust Company, N.A. ("EquiServe" or the "Depositary") at The Depositary Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in Section 3 of the Offer to Purchase dated May 14, 2001 (the "Offer to Purchase"). DELIVERY OF DOCUMENTS TO THE BOOK-ENTRY TRANSFER FACILITY IN ACCORDANCE WITH THE BOOK-ENTRY TRANSFER FACILITY'S PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE DEPOSITARY.

Stockholders whose Share Certificates are not immediately available or who cannot deliver their Share Certificates and all other required documents to the Depositary on or prior to the expiration date of the Offer or who are unable to complete the procedure for book-entry transfer prior to the expiration date of the Offer may nevertheless tender their Shares pursuant to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase. See Instruction 2 below.

NOTE: SIGNATURE(S) MUST BE PROVIDED BELOW. PLEASE READ THE INSTRUCTIONS SET FORTH IN THIS LETTER OF TRANSMITTAL CAREFULLY.

[ ] CHECK HERE IF SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER MADE TO AN ACCOUNT MAINTAINED BY THE DEPOSITARY WITH THE BOOK-ENTRY TRANSFER FACILITY AND COMPLETE THE FOLLOWING:
Name of Tendering Institution:

Provide Account Number and Transaction Code Number:

Account Number:

Transaction Code Number:

[ ] CHECK HERE IF CERTIFICATES FOR TENDERED SHARES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING. PLEASE ENCLOSE A PHOTOCOPY OF SUCH NOTICE OF GUARANTEED DELIVERY.
Name(s) of Registered Holder(s):

Window Ticket Number (if any):

Date of Execution of Notice of Guaranteed Delivery:

Name of Institution which Guaranteed Delivery:

IF DELIVERED BY BOOK-ENTRY TRANSFER TO THE BOOK-ENTRY TRANSFER FACILITY, CHECK BOX: [ ]

Account Number:
- ---

Transaction Code Number:
- ---

Ladies and Gentlemen:

The undersigned hereby tenders to Resources Acquisition Corp., ("Purchaser"), a Delaware corporation and a wholly-owned subsidiary of The Williams Companies, Inc. ("Williams"), the above-described shares of common stock, par value $0.01 per share (including the associated Rights (as defined below), the "Shares"), of Barrett Resources Corporation, a Delaware corporation ("Barrett Resources"), pursuant to Purchaser's offer to purchase 16,730,502 Shares at $73.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase dated May 14, 2001 (the "Offer to Purchase"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (which, as amended or supplemented from time to time, together with the Offer to Purchase constitute the "Offer"). As used herein, "Rights" means the preferred stock purchase rights associated with the Shares and outstanding under the Rights Agreement (the "Rights Agreement") dated as of August 5, 1997 by and between Barrett Resources and Fleet National Bank, as successor to BankBoston, N.A., as Rights Agent, as amended. Unless the context otherwise requires, all references to Shares shall be deemed to include the associated Rights, and all references to the Rights shall be deemed to include the benefits that may inure to holders of the Rights pursuant to the Rights Agreement.

Subject to, and effective upon, acceptance for payment of the Shares tendered herewith, in accordance with the terms of the Offer, the undersigned hereby sells, assigns and transfers to or upon the order of Purchaser all right, title and interest in and to all the Shares that are being tendered hereby and all dividends, non-cash distributions (including, without limitation, distributions of additional Shares) and any rights declared, paid or distributed in respect of such Shares on or after May 7, 2001 (collectively, "Distributions") and irrevocably appoints EquiServe Trust Company, N.A. (the "Depositary"), as the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares and all Distributions, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to (i) deliver certificates representing Shares ("Share Certificates") and all Distributions, or transfer ownership of such Shares and all Distributions on the account books maintained by the Book-Entry Transfer Facility, together, in either case, with all accompanying evidences of transfer and authenticity, to or upon the order of Purchaser; (ii) present such Shares and all Distributions for transfer on the books of Barrett Resources; and (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares and all Distributions, all in accordance with the terms of the Offer.

Barrett Resources has distributed one Right for each outstanding Share pursuant to the Rights Agreement. The Rights are currently evidenced by and trade with certificates evidencing the Shares. Barrett Resources has taken such action so as to make the Rights Agreement inapplicable to Williams, Purchaser and their respective affiliates and associates in connection with the transactions contemplated by the Merger Agreement (as defined in the Offer to Purchase).

The undersigned hereby irrevocably appoints each of William G. von Glahn and Jack D. McCarthy as agent, attorney-in-fact and proxy of the undersigned, each with full power of substitution and resubstitution, to vote in such manner as such attorney and proxy or his substitute shall, in his sole discretion, deem proper and otherwise act (by written consent or otherwise) with respect to all the Shares tendered hereby which have been accepted for payment by Purchaser prior to the time of such vote or other action and all Shares and other securities issued in Distributions in respect of such Shares, which the undersigned is entitled to vote at any meeting of stockholders of Barrett Resources (whether annual or special and whether or not an adjourned or postponed meeting) or consent in lieu of any such meeting or otherwise. This proxy and power of attorney is coupled with an interest in the Shares tendered hereby, is irrevocable and is granted in consideration of, and is effective upon, the acceptance for payment of such Shares by Purchaser in accordance with the terms of the Offer. Such acceptance for payment shall revoke all other proxies and powers of attorney granted by the undersigned at any time with respect to such Shares (and all Shares and other securities issued in Distributions in respect of such Shares), and no subsequent proxy or power of attorney shall be given or written consent executed (and if given or executed, shall not be effective) by the undersigned with respect thereto. The undersigned understands that, in order for Shares to be deemed validly tendered, immediately upon Purchaser's acceptance of such Shares for payment, Purchaser or its designee must be able to exercise full voting, consent and other rights with respect to such Shares and Distributions, including, without limitation, voting at any meeting of Barrett Resources' stockholders.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares tendered hereby and all Distributions, and that when such Shares are accepted for payment by Purchaser, Purchaser will acquire good, marketable and unencumbered title thereto and to all Distributions, free and clear of all liens, restrictions, charges and encumbrances, and that none of such Shares or Distributions will be subject to any adverse claim. The undersigned, upon request, shall execute and deliver all additional documents deemed by the Depositary or Purchaser to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby and all Distributions. In addition, the undersigned shall remit and transfer promptly to the Depositary for the account of Purchaser all Distributions in respect of the Shares tendered hereby, accompanied by appropriate documentation of transfer, and pending such remittance and transfer or appropriate assurance thereof, Purchaser shall be entitled to all rights and privileges as owner of each such Distribution and may withhold the entire purchase price of the Shares tendered hereby, or deduct from such purchase price, the amount or value of such Distribution as determined by Purchaser in its sole discretion.

No authority herein conferred or agreed to be conferred shall be affected by, and all such authority shall survive, the death or incapacity of the undersigned. All obligations of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, this tender is irrevocable. See Section 4 in the Offer to Purchase.

The undersigned understands that tenders of Shares pursuant to any one of the procedures described in Section 3 of the Offer to Purchase and in the instructions hereto will constitute the undersigned's acceptance of the terms and conditions of the Offer. Purchaser's acceptance of such Shares for payment will constitute a binding agreement between the undersigned and Purchaser upon the terms and subject to the conditions of the Offer, as well as the undersigned's representation and warranty to Purchaser and Barrett Resources that (i) the undersigned has a net long position in the Shares or equivalent securities being tendered within the meaning of Rule 14e-4 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and (ii) the tender of such Shares complies with Rule 14e-4 of the Exchange Act. Without limiting the foregoing, if the price to be paid in the Offer is amended in accordance with the Offer, the price to be paid to the undersigned will be the amended price notwithstanding the fact that a different price is stated in this Letter of Transmittal. The undersigned recognizes that under certain circumstances set forth in the Offer to Purchase, Purchaser may not be required to accept for payment any of the Shares tendered hereby.

Unless otherwise indicated herein in the box entitled "Special Payment Instructions," please issue the check for the purchase price of all Shares purchased, and return all Share Certificates not purchased or not tendered in the name(s) of the registered holder(s) appearing above in the box entitled "Description of Shares Tendered." Similarly, unless otherwise indicated in the box entitled "Special Delivery Instructions," please mail the check for the purchase price of all Shares purchased and all Share Certificates not tendered or not purchased (and accompanying documents, as appropriate) to the address(es) of the registered holder(s) appearing above in the box entitled "Description of Shares Tendered." In the event that the boxes entitled "Special Payment Instructions" and "Special Delivery Instruction" are both completed, please issue the check for the purchase price of all Shares purchased and return all Share Certificates not purchased or not tendered in the name(s) of, and mail such check and Share Certificates to, the person(s) so indicated. Unless otherwise indicated herein in the box entitled "Special Payment Instructions," please credit any Shares tendered hereby and delivered by book-entry transfer, but which are not purchased, by crediting the account at the Book-Entry Transfer Facility. The undersigned recognizes that Purchaser has no obligation, pursuant to the Special Payment Instructions, to transfer any Shares from the name of the registered holder(s) thereof if Purchaser does not purchase any of the Shares tendered hereby.

The undersigned understands that Purchaser reserves the right to transfer or assign, in whole at any time, or in part from time to time, to one or more of its affiliates, the right to purchase all or any portion of the Shares tendered pursuant to the Offer, but any such transfer or assignment will not relieve Purchaser of its obligations under the Offer and will in no way prejudice the rights of tendering stockholders to receive payment for Shares validly tendered and accepted for payment pursuant to the Offer.

The undersigned understands that Purchaser is offering to purchase 16,730,502 shares, and that in the event that more than 16,730,502 Shares are validly tendered and not withdrawn as of the Expiration Date (as defined in the Offer to Purchase) and proration of tendered Shares is required, because of the difficulty of determining the precise

number of Shares properly tendered and not withdrawn (due in part to the guaranteed delivery procedure described under Section 3 of the Offer to Purchase), the Purchaser does not expect that it will be able to announce the final results of such proration or pay for any Shares until at least five New York Stock Exchange trading days after the Expiration Date. Preliminary results of proration will be announced by press release as promptly as practicable after the Expiration Date. Stockholders may obtain such preliminary information from the Information Agent and may be able to obtain such information from their brokers. Tendering stockholders will not receive payment for Shares accepted for payment pursuant to the Offer until the final proration factor is known.

SPECIAL PAYMENT INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Share Certificates not tendered or purchased and/or the check for the purchase price of the Shares purchased are to be issued in the name of and sent to someone other than the undersigned, or if Shares tendered by book-entry transfer which are not purchased are to be returned by credit to an account maintained at the Book-Entry Transfer Facility other than the account indicated above.

Issue:

[ ] Check

and/or

[ ] Share Certificates

Name:
- ----------
(PLEASE PRINT)

Address:
- ----------

- ----------
(INCLUDE ZIP CODE)

- ----------
(TAXPAYER IDENTIFICATION NO. OR SOCIAL SECURITY NO.)
(ALSO COMPLETE SUBSTITUTE FORM W-9 BELOW)

[ ] Credit unpurchased Shares tendered by book-entry transfer to the Book-Entry Transfer Facility account set forth below:

- ----------
(ACCOUNT NUMBER)

SPECIAL DELIVERY INSTRUCTIONS
(SEE INSTRUCTIONS 1, 5, 6 AND 7)

To be completed ONLY if Share Certificates not tendered or not purchased and/or the check for the purchase price of the Shares purchased are to be sent to someone other than the undersigned, or to the undersigned at an address other than that shown above.

Mail:

[ ] Check

and/or

[ ] Share Certificates

Name:
- ----------
(PLEASE PRINT)

Address:
- ----------

- ----------
(INCLUDE ZIP CODE)

- ----------
(TAXPAYER IDENTIFICATION CODE OR SOCIAL SECURITY NO.)

SIGN HERE
(AND PLEASE COMPLETE SUBSTITUTE FORM W-9)

- ----------

- ----------
(SIGNATURE(S) OF HOLDER(S))

Dated:
- ---------- , 2001

(Must be signed by registered holder(s) exactly as name(s) appear(s) on Share Certificate(s) and/or certificates representing Rights, if any, or on a security position listing or by person(s) authorized to become registered holder(s) by Share Certificates and documents transmitted herewith. If a signature is by an officer on behalf of a corporation or by an executor, administrator, trustee, guardian, attorney-in-fact, agent or other person acting in a fiduciary or representative capacity, please provide the following information. See Instructions 1 and 5.)

Name(s):----------

- ----------
(PLEASE PRINT)

Name of Firm:
- ----------

Capacity (full title):
- ----------

Address:
- ----------

- ----------
(INCLUDE ZIP CODE)

(Area Code) Telephone Number:
- ----------

Taxpayer Identification or Social Security No.:

(SEE SUBSTITUTE FORM W-9)

GUARANTEE OF SIGNATURE(S)
(IF REQUIRED -- SEE INSTRUCTIONS 1 AND 5)

Authorized Signature:
- ----------

Name:
- ----------
(PLEASE PRINT)

Name of Firm:
- ----------

Address:
- ----------

Zip Code:
- ----------

(Area Code) Telephone No.:
- ----------

Dated:
- ---------- , 2001

INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

To complete the Letter of Transmittal, you must do the following:

- Fill in the box entitled "Description of Shares Being Tendered."
- Sign and date the Letter of Transmittal in the box entitled "Sign Here."
- Fill in and sign in the box entitled "Substitute Form W-9" (or, if you are a foreign stockholder, request and complete an appropriate Form W-8 in lieu of Substitute Form W-9)."

In completing the Letter of Transmittal, you may (but are not required to) also do the following:

- If you want the payment for any Shares purchased issued in the name of another person, complete the box entitled "Special Payment Instructions."
- If you want any certificate for Shares not tendered or Shares not purchased, including as a result of proration, issued in the name of another person, complete the box entitled "Special Payment Instructions."
- If you want any payment for Shares or certificate for Shares not tendered or purchased, including as a result of proration, delivered to an address other than that appearing under your signature, complete the box entitled "Special Delivery Instructions."
- If you complete the box entitled "Special Payment Instructions" or "Special Delivery Instructions," you must have your signature guaranteed by an Eligible Institution (as defined in Instruction 1 below) unless the Letter of Transmittal is signed by an Eligible Institution.

1. GUARANTEE OF SIGNATURES. All signatures on this Letter of Transmittal must be guaranteed by a bank, broker, dealer, credit union, savings association or other entity that is a member in good standing of the Securities Transfer Agents Medallion Program (an "Eligible Institution"), unless (i) this Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of this document, shall include any participant in the Book-Entry Transfer Facility whose name appears on a security position listing as the owner of Shares) of the Shares tendered hereby and such holder(s) has not completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" herein or (ii) such Shares are tendered for the account of an Eligible Institution. If a Share Certificate is registered in the name of a person other than the person signing this Letter of Transmittal, or if payment is to be made or a Share Certificate not accepted for payment and not tendered is to be returned to a person other than the registered holder(s), then such Share Certificate must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on such Share Certificate, with the signatures on such Share Certificate or stock powers guaranteed as described above. See Instruction 5.

2. DELIVERY OF LETTER OF TRANSMITTAL AND SHARE CERTIFICATES. This Letter of Transmittal is to be used either if Share Certificates (or certificates representing Rights ("Rights Certificates") if any) are to be forwarded herewith or, unless an Agent's Message (as defined below) is used, if Shares are to be delivered by book-entry transfer pursuant to the procedure set forth in Section 3 of the Offer to Purchase. Share Certificates representing all physically tendered Shares, or confirmation of a book-entry transfer, if such procedure is available, into the Depositary's account at the Book-Entry Transfer Facility ("Book-Entry Confirmation") of all Shares delivered by book-entry transfer together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), or an Agent's Message in the case of book-entry transfer, and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses set forth herein prior to the Expiration Date of the Offer. If Share Certificates are forwarded to the Depositary in multiple deliveries, a properly completed and duly executed Letter of Transmittal must accompany each such delivery.

Stockholders whose Share Certificates (and/or Rights Certificates, if any) are not immediately available, who cannot deliver their Share Certificates and/or Rights Certificates and all other required documents to the Depositary prior to the Expiration Date of the Offer or who cannot complete the procedure for delivery by book-entry transfer on a timely basis may tender their Shares pursuant to the guaranteed delivery procedure described in Section 3 of the

Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution; (ii) a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by Purchaser, must be received by the Depositary prior to the Expiration Date of the Offer; and (iii) the Share Certificates representing all physically delivered Shares in proper form for transfer by delivery, or Book-Entry Confirmation of all Shares and Rights delivered by book-entry transfer, in each case together with a Letter of Transmittal (or facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message), and any other documents required by this Letter of Transmittal, must be received by the Depositary within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, all as described in Section 3 of the Offer to Purchase.

The term "Agent's Message" means a message, transmitted by the Book-Entry Transfer Facility to, and received by, the Depositary and forming a part of the Book-Entry Confirmation, which states that the Book-Entry Transfer Facility has received an express acknowledgment from the participants in the Book-Entry Transfer Facility tendering the Shares that such participant has received this Letter of Transmittal and agrees to be bound by the terms of this Letter of Transmittal and that Purchaser may enforce such agreement against such participant.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, SHARE CERTIFICATES, RIGHTS CERTIFICATES, IF ANY, AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH THE BOOK-ENTRY TRANSFER FACILITY, IS AT THE OPTION AND RISK OF THE TENDERING STOCKHOLDER, AND THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF A BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL, REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, IS RECOMMENDED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

No alternative, conditional or contingent tenders will be accepted and no fractional Shares will be purchased. By execution of this Letter of Transmittal (or facsimile hereof), all tendering stockholders waive any right to receive any notice of the acceptance of their Shares for payment.

3. INADEQUATE SPACE. If the space provided herein under "Description of Shares Tendered" is inadequate, the certificate numbers, the number of Shares represented by such Share Certificates and the number of Shares tendered should be listed on a separate signed schedule and attached hereto.

4. PARTIAL TENDERS (NOT APPLICABLE TO STOCKHOLDERS WHO TENDER BY BOOK-ENTRY TRANSFER). If fewer than all the Shares represented by any Share Certificate delivered to the Depositary herewith are to be tendered hereby, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered." In such cases, a new certificate representing the remainder of the Shares that were represented by the Share Certificates delivered to the Depositary herewith will be sent to each person signing this Letter of Transmittal, unless otherwise provided in the box entitled "Special Delivery Instructions" herein, as soon as practicable after the expiration or termination of the Offer. All Shares represented by Share Certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. SIGNATURES ON LETTER OF TRANSMITTAL, STOCK POWERS AND ENDORSEMENTS. If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the Share Certificates evidencing such Shares without alteration, enlargement or any other change whatsoever.

If any Share tendered hereby is owned of record by two or more persons, each such person must sign this Letter of Transmittal.

If any of the Shares tendered hereby are registered in the names of different holders, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of such Shares.

If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, no endorsements of Share Certificates or separate stock powers are required, unless payment is to be made to, or Share Certificates not tendered or not purchased are to be issued in the name of, a person other than the registered holder(s), in which case, the Share Certificate(s) representing the Shares tendered hereby must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s)

appear on such Share Certificate(s). Signatures on such Share Certificate(s) and stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Shares tendered hereby, the Share Certificate(s) representing the Shares tendered hereby must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear(s) on such Share Certificate(s). Signatures on such Share Certificate(s) and stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal or any certificate or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to Purchaser of such person's authority to so act must be submitted.

6. STOCK TRANSFER TAXES. Except as otherwise provided in this Instruction 6, Barrett Resources will pay all stock transfer taxes with respect to the sale and transfer of any Shares to Purchaser or Purchaser's order pursuant to the Offer. If, however, payment of the purchase price of any Shares purchased is to be made to, or Share Certificate(s) representing Shares not tendered or not purchased are to be issued in the name of, a person other than the registered holder(s), the amount of any stock transfer taxes (whether imposed on the registered holder(s), such other person or otherwise) payable on account of the transfer to such other person will be deducted from the purchase price of such Shares purchased, unless evidence satisfactory to Barrett Resources of the payment of such taxes, or exemption therefrom, is submitted.

EXCEPT AS PROVIDED IN THIS INSTRUCTION 6, IT WILL NOT BE NECESSARY FOR TRANSFER TAX STAMPS TO BE AFFIXED TO THE SHARE CERTIFICATES REPRESENTING THE SHARES TENDERED HEREBY.

7. SPECIAL PAYMENT AND DELIVERY INSTRUCTIONS. If a check for the purchase price of any Shares tendered hereby is to be issued, or Share Certificate(s) representing Shares not tendered or not purchased, including as a result of proration, are to be issued, in the name of a person other than the person(s) signing this Letter of Transmittal or if such check or any such Share Certificate is to be sent to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal but at an address other than that shown in the box entitled "Description of Shares Tendered" herein, the appropriate boxes in this Letter of Transmittal must be completed. Stockholders delivering Shares tendered hereby by book-entry transfer may request that Shares not purchased be credited to the account maintained at the Book-Entry Transfer Facility as such stockholder may designate in the box entitled "Special Payment Instructions" herein. If no such instructions are given, all such Shares not purchased will be returned by crediting the same account at the Book-Entry Transfer Facility as the account from which such Shares were delivered.

8. WAIVER OF CONDITIONS. Except as otherwise set forth in the Offer to Purchase, the conditions of the Offer may be waived, in whole or in part, by Purchaser, in its sole discretion, at any time and from time to time, in the case of any Shares tendered. See Section 14 of the Offer to Purchase.

9. LOST, DESTROYED OR STOLEN CERTIFICATES. If any Share Certificate(s) have been lost, destroyed or stolen, the stockholder should promptly contact EquiServe at 1-800-736-3001 for instructions as to the procedures for replacing the Share Certificate(s). This Letter of Transmittal and related documents cannot be processed until the lost, destroyed or stolen certificates have been replaced and the replacement Share Certificates have been delivered to the Depositary in accordance with the procedures set forth in Section 3 of the Offer to Purchase and the instructions contained in this Letter of Transmittal.

10. QUESTIONS AND REQUESTS FOR ASSISTANCE OR ADDITIONAL COPIES. Questions and requests for assistance may be directed to the Information Agent or the Dealer Manager at their respective addresses or telephone numbers set forth below. Additional copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery and the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 may be obtained from the Information Agent or the Dealer Manager or from brokers, dealers, commercial banks or trust companies.

11. BACKUP WITHHOLDING; SUBSTITUTE FORM W-9; FORM W-8. Each tendering stockholder is required to provide the Depositary with a correct Taxpayer Identification Number ("TIN") on the Substitute Form W-9 which is

provided under "Important Tax Information" below, and to certify, under penalties of perjury, (1) that such number is correct, (2) that such stockholder is not subject to backup withholding of Federal income tax and (3) that such stockholder is a U.S. person. If a tendering stockholder has been notified by the Internal Revenue Service that such stockholder is subject to backup withholding, such stockholder must cross out item (2) of the Certification box of the Substitute Form W-9, unless such stockholder has since been notified by the Internal Revenue Service that such stockholder is no longer subject to backup withholding. Failure to provide the requisite information on the Substitute Form W-9 may subject the tendering stockholder to a $50 penalty imposed by the Internal Revenue Service and to 31% Federal income tax withholding on the payment of the purchase price of all Shares purchased from such stockholder. If the tendering stockholder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such stockholder should write "Applied For" in the space provided for the TIN in Part I of the Substitute Form W-9, and sign and date the Substitute Form W-9 and the Certificate of Awaiting Taxpayer Identification Number. If "Applied For" is written in Part I and the Depositary is not provided with a TIN by the time of the payment of purchase price to the tendering stockholder pursuant to the Offer, the Depositary will withhold 31% on such payment. Each foreign stockholder must complete and submit an appropriate Form W-8 in order to be exempt from the 31% Federal income tax backup withholding due on payments with respect to the Shares.

IMPORTANT: THIS LETTER OF TRANSMITTAL (OR FACSIMILE THEREOF), TOGETHER WITH ANY REQUIRED SIGNATURE GUARANTEES, OR, IN THE CASE OF A BOOK-ENTRY TRANSFER, AN AGENT'S MESSAGE, AND ANY OTHER REQUIRED DOCUMENTS, MUST BE RECEIVED BY THE DEPOSITARY PRIOR TO THE EXPIRATION OF THE OFFER, AND EITHER SHARE CERTIFICATES FOR TENDERED SHARES MUST BE RECEIVED BY THE DEPOSITARY OR SHARES MUST BE DELIVERED PURSUANT TO THE PROCEDURES FOR BOOK-ENTRY TRANSFER, IN EACH CASE PRIOR TO THE EXPIRATION DATE OF THE OFFER, OR THE TENDERING STOCKHOLDER MUST COMPLY WITH THE PROCEDURES FOR GUARANTEED DELIVERY.

IMPORTANT TAX INFORMATION

Under federal income tax law, a stockholder whose tendered Shares are accepted for payment is required to provide the Depositary (as payer) with such stockholder's correct TIN on Substitute Form W-9 below. If such stockholder is an individual, the TIN is his or her social security number. If a tendering stockholder is subject to backup withholding, such stockholder must cross out item (2) of the Certification box on the Substitute Form W-9. If the Depositary is not provided with the correct TIN, the stockholder may be subject to a $50 penalty imposed by the Internal Revenue Service. In addition, payments that are made to such stockholder with respect to Shares purchased pursuant to the Offer may be subject to backup withholding.

Certain stockholders (including, among others, all corporations, and certain foreign individuals) are not subject to these backup withholding and reporting requirements. In order for a foreign individual to qualify as an exempt recipient, that stockholder must submit an appropriate Form W-8 certifying to that individual's foreign status. Appropriate Forms W-8 can be obtained from the Depositary. An exempt stockholder, other than a foreign individual, should furnish its TIN, write "Exempt" on the face of the Substitute Form W-9 below, and sign, date and return the Substitute Form W-9 to the Depositary. See the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional instructions.

If backup withholding applies, the Depositary is required to withhold 31% of any payments made to the stockholder. Backup withholding is not an additional tax. Rather, the federal income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the Internal Revenue Service.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup withholding on payments that are made to a stockholder with respect to Shares purchased pursuant to the Offer, the stockholder is required to notify the Depositary of such stockholder's correct TIN by completing the Substitute Form W-9 contained herein and certifying that the TIN provided on such form is correct (or that such stockholder is awaiting a TIN).

WHAT NUMBER TO GIVE THE DEPOSITARY

The stockholder is required to give the Depositary the social security number or employer identification number of the record owner of the Shares. If the Shares are in more than one name or are not in the name of the actual owner, consult the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 for additional guidance on which number to report. If the tendering stockholder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future, such stockholder should write "Applied For" in the space provided for in the TIN in Part 1, and sign and date the Substitute Form W-9. If "Applied For" is written in Part I and the Depositary is not provided with a TIN by the time of payment, the Depositary will withhold 31% on all payments of the purchase price, but if a certified TIN is provided within 60 days, such amounts will be refunded.

PAYER'S NAME: EQUISERVE TRUST COMPANY, N.A.

SUBSTITUTE FORM W-9 DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE	PART 1 -- PLEASE PROVIDE YOUR TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW	Social Security Number (If awaiting TIN write "Applied For") OR Employer Identification Number (If awaiting TIN write "Applied For")
PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER ("TIN")	PART 2 -- CERTIFICATION -- Under penalties of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued for me), and (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding. (3) I am a U.S. person (including a U.S. resident alien). CERTIFICATION INSTRUCTIONS -- You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of under-reporting interest or dividends on your tax return. However, if after being notified by the IRS that you are subject to backup withholding, you receive another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2). (Also see instructions in the enclosed Guidelines). SIGNATURE: ---------- DATE:-------- , 2001	PART 3 -- Check if you are awaiting TIN [ ]

NOTE: FAILURE TO COMPLETE AND RETURN ONE OF THESE FORMS MAY RESULT IN BACKUP WITHHOLDING OF 31% OF ANY CASH PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF THE SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a Taxpayer Identification Number has not been issued to me, and either (1) I have mailed or delivered an application to receive a Taxpayer Identification Number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a Taxpayer Identification Number to the Depositary by the time of payment, 31% of all reportable payments made to me thereafter will be withheld, but that such amounts will be refunded to me if I provide a certified Taxpayer Identification Number to the Depositary within sixty (60) days.

Signature: ---------- Date: ---------- , 2001

Questions and requests for assistance or additional copies of the Offer to Purchase, this Letter of Transmittal and other tender offer materials may be directed to the Information Agent or the Dealer Manager as set forth below:

The Information Agent for the Offer is:

[GEORGESON LOGO]
17 State Street, 10th Floor
New York, NY 10004
BANKS AND BROKERS CALL COLLECT (212) 440-9800
ALL OTHERS CALL TOLL FREE (800) 223-2064

The Dealer Manager for the Offer is:

MERRILL LYNCH & CO.
Four World Financial Center
New York, New York 10080
Call Collect: (212) 236-3790

Exhibit (a)(3)

NOTICE OF GUARANTEED DELIVERY

FOR TENDER OF SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)

OF

BARRETT RESOURCES CORPORATION
TO

RESOURCES ACQUISITION CORP.,
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.
(NOT TO BE USED FOR SIGNATURE GUARANTEES)

This Notice of Guaranteed Delivery (or one substantially in the form hereof) must be used to accept the Offer (as defined below) if (a) certificates ("Share Certificates") representing shares of common stock, par value $0.01 per share (including the associated Rights (as defined below), the "Shares"), of Barrett Resources Corporation, a Delaware corporation ("Barrett Resources"), are not immediately available or time will not permit all required documents to reach EquiServe Trust Company, N.A. (the "Depositary") on or prior to the Expiration Date (as defined in the Offer to Purchase described below); or (b) the procedure for book-entry transfer, as set forth in the Offer to Purchase, cannot be completed on a timely basis. As used herein, "Rights" means the preferred stock purchase rights associated with the Shares and issued pursuant to the Rights Agreement, dated as of August 5, 1997, between Barrett Resources and Fleet National Bank, as successor to BankBoston, N.A., as Rights Agent, as amended (the "Rights Agreement"). Unless the context otherwise requires, all references to Shares shall be deemed to include the associated Rights, and all references to the Rights shall be deemed to include the benefits that may inure to holders of the Rights pursuant to the Rights Agreement. This Notice of Guaranteed Delivery may be delivered by hand or mail or transmitted by facsimile transmission to the Depositary. See Section 3 of the Offer to Purchase.

The Depositary for the Offer is:

EQUISERVE TRUST COMPANY, N.A.

By Mail:	By Overnight Courier:	By Hand:
Attn: Corporate Actions P.O. Box 43025 Providence, RI 02940-3025	Attn: Corporate Actions 40 Campanelli Drive Braintree, MA 02184	Attn: Corporate Actions Securities Transfer & Reporting Services, Inc. c/o EquiServe 100 William Street, Galleria New York, NY 10038

By Facsimile:
(for Eligible Institutions only)
(781) 575-4826
Confirm Facsimile By Telephone:
(781) 575-4816

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TO A NUMBER OTHER THAN AS LISTED ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

THIS NOTICE OF GUARANTEED DELIVERY IS NOT TO BE USED TO GUARANTEE SIGNATURES. IF A SIGNATURE ON A LETTER OF TRANSMITTAL IS REQUIRED TO BE GUARANTEED BY AN "ELIGIBLE INSTITUTION" UNDER THE INSTRUCTIONS THERETO, SUCH SIGNATURE GUARANTEE MUST APPEAR IN THE APPLICABLE SPACE PROVIDED IN THE SIGNATURE BOX IN THE LETTER OF TRANSMITTAL.

THE GUARANTEE ON THE REVERSE SIDE MUST BE COMPLETED

Ladies and Gentlemen:

The undersigned hereby tenders to Resources Acquisition Corp., a Delaware corporation, upon the terms and subject to the conditions set forth in the Offer to Purchase dated May 14, 2001 (the "Offer to Purchase") and the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer"), receipt of each of which is hereby acknowledged, the number of Shares indicated below pursuant to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase:

Name(s) of Record Holder(s)

Address(es)

ZIP CODE

(Area Code) Telephone No.

X

X

SIGNATURE(S) OF RECORD HOLDER(S)

Number of Shares

Certificate No.(s) (if available)

Indicate account number at Book-Entry Transfer Facility if Shares will be tendered by book-entry transfer:

Account Number

Dated:
--- , 2001

GUARANTEE
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a bank, broker, dealer, credit union, savings association or other entity that is a member in good standing of the Securities Transfer Agents Medallion Program (an "Eligible Institution"), hereby (a) represents that the above named person(s) "own(s)" the Shares tendered hereby within the meaning of Rule 14e-4 of the Securities Exchange Act of 1934, as amended ("Rule 14e-4"), (b) represents that such tender of Shares complies with Rule 14e-4 and (c) guarantees delivery to the Depositary, at one of its addresses set forth above, of either the Share Certificates evidencing all Shares tendered hereby in proper form for transfer, or confirmation of the book-entry transfer of Shares into the Depositary's account at The Depository Trust Company, in either case together with delivery of a properly completed and duly executed Letter of Transmittal (or facsimile thereof) with any required signature guarantee, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery, and any other documents required by the Letter of Transmittal, within three (3) New York Stock Exchange trading days after the date of execution of this Notice of Guaranteed Delivery.

The Eligible Institution that completes this form must communicate the guarantee to the Depositary and must deliver the Letter of Transmittal and Share Certificates to the Depositary within the time period indicated herein. Failure to do so may result in financial loss to such Eligible Institution.

Name of Firm

X

AUTHORIZED SIGNATURE

Address

Name

(PLEASE PRINT OR TYPE)

Title

- -- --

ZIP CODE
(Area Code)

Dated:

----------, 2001

Telephone No.

NOTE: DO NOT SEND CERTIFICATES FOR SHARES OR RIGHTS WITH THIS NOTICE. CERTIFICATES FOR SHARES OR RIGHTS SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL

Exhibit (a)(4)

[MERRILL LYNCH LOGO]
Four World Financial Center
New York, New York 10080

OFFER TO PURCHASE FOR CASH

16,730,502 SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)

OF

BARRETT RESOURCES CORPORATION
AT

$73.00 NET PER SHARE

BY

RESOURCES ACQUISITION CORP.,
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001, UNLESS THE OFFER IS EXTENDED.

May 14, 2001

To Brokers, Dealers, Commercial Banks,
Trust Companies and Other Nominees:

We have been appointed by Resources Acquisition Corp., a Delaware corporation ("Purchaser") and a wholly-owned subsidiary of The Williams Companies, Inc., a Delaware corporation ("Williams"), to act as Dealer Manager in connection with Purchaser's offer to purchase 16,730,502 shares of common stock, par value $0.01 per share (including the associated Rights (as defined below), the "Shares") of Barrett Resources Corporation, a Delaware corporation ("Barrett Resources"), at a purchase price of $73.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase dated May 14, 2001 (the "Offer to Purchase") and in the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer") enclosed herewith. As used herein, "Rights" means the preferred stock purchase rights (the "Rights") associated with the Shares and issued under the Rights Agreement (the "Rights Agreement") dated as of August 5, 1997 by and between Barrett Resources and Fleet National Bank, as successor to BankBoston, N.A., as Rights Agent, as amended. Unless the content otherwise requires, all references to the Shares shall be deemed to include the Rights, and all references to the Rights shall be deemed to include the benefits that may inure to holders of the Rights pursuant to the Rights Agreement.

If a stockholder desires to tender Shares pursuant to the Offer and such stockholder's Share certificates are not immediately available or time will not permit all required documents to reach the Depositary prior to the Expiration Date (as defined in the Offer to Purchase) of the Offer or the procedures for book-entry transfer cannot be completed on a timely basis, such Shares may nevertheless be tendered according to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase. See Instruction 2 of the Letter of Transmittal. Delivery of documents to the Book-Entry Transfer Facility (as defined in the Offer to Purchase) in accordance with the Book-Entry Transfer Facility's procedures does not constitute delivery to the Depositary.

Please furnish copies of the enclosed materials to those of your clients for whose accounts you hold Shares registered in your name or in the name of your nominee.

The Offer is conditioned upon, among other things, (i) there being validly tendered and not properly withdrawn prior to the expiration date of the Offer at least 16,730,502 Shares on the date Shares are accepted for payment and (ii) the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder. The Offer is not subject to a financing condition. The Offer is also subject to the other conditions set forth in the Offer to Purchase. See the Introduction and Section 14 of the Offer to Purchase.

THE BOARD OF DIRECTORS OF BARRETT RESOURCES HAS UNANIMOUSLY APPROVED THE OFFER, THE MERGER (AS DEFINED BELOW), AND THE MERGER AGREEMENT (AS DEFINED BELOW), HAS DETERMINED THAT THE TERMS OF EACH ARE ADVISABLE, FAIR TO, AND IN THE BEST INTERESTS OF, THE STOCKHOLDERS OF BARRETT RESOURCES, AND RECOMMENDS THAT STOCKHOLDERS ACCEPT THE OFFER AND TENDER THEIR SHARES PURSUANT TO THE OFFER AND APPROVE THE MERGER AT THE TIME OF BARRETT RESOURCES' STOCKHOLDER MEETING.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of May 7, 2001 (the "Merger Agreement"), by and among Williams, Purchaser and Barrett Resources, pursuant to which, following the consummation of the Offer and in accordance with the Delaware General Corporation Law, and subject to the satisfaction or waiver of certain conditions, including approval of stockholders of Barrett Resources, Barrett Resources will merge with and into Purchaser with Purchaser continuing as the surviving corporation, unless certain conditions related to the United States federal income tax treatment of the Offer and the Merger of Barrett Resources with and into Purchaser are not satisfied, in which case Purchaser will merge with and into Barrett Resources with Barrett Resources as the surviving corporation (collectively, the "Merger"). In the Merger, stockholders of Barrett Resources will exchange each of their Shares for 1.767 shares of Williams common stock, par value $1.00 per share, with cash in lieu of fractional shares. The exchange ratio of 1.767 shares of Williams common stock per Share is a fixed ratio that will not be adjusted as a result of any increase or decrease in the market price of either shares of Williams common stock or Barrett Resources Shares. The market price of shares of Williams common stock at the time the Merger is completed may therefore be higher or lower than their price on the date of this document and on the date of the special meeting of stockholders to be held to vote on the Merger. As a result, the Williams common stock you as a Barrett Resources stockholder would receive in the Merger may be worth more or less than the price being offered for the Shares in the Offer. WE URGE YOU TO OBTAIN CURRENT MARKET QUOTATIONS FOR BOTH BARRETT RESOURCES SHARES AND SHARES OF WILLIAMS COMMON STOCK BEFORE DECIDING WHETHER TO TENDER YOUR SHARES. Section 11 of the Offer to Purchase contains a more detailed description of the Merger Agreement, the Offer, the Merger and the consideration payable in the Merger in respect of the Shares.

Enclosed herewith for your information and forwarding to your clients are copies of the following documents:

1. The Offer to Purchase dated May 14, 2001.

2. The Letter of Transmittal for your use to tender Shares and for the information of your clients. Facsimile copies of the Letter of Transmittal may be used to tender Shares.

3. A printed form of letter which may be sent to your clients for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer.

4. The Notice of Guaranteed Delivery for Shares to be used to accept the Offer if certificates for Shares ("Share Certificates") and all other required documents are not immediately available or cannot be delivered to EquiServe Trust Company, N.A. (the "Depositary") by the Expiration Date or if the procedure for book-entry transfer cannot be completed by the Expiration Date.

5. A letter to stockholders from Peter Dea, the Chairman of the Board of Directors of Barrett Resources, accompanied by Barrett Resources' Solicitation/Recommendation Statement on Schedule 14D-9.

6. Guidelines of the Internal Revenue Service for Certification of Taxpayer Identification Number on Substitute Form W-9.

7. A return envelope addressed to the Depositary.

YOUR PROMPT ACTION IS REQUESTED. WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE. PLEASE NOTE THAT THE OFFER, PRORATION PERIOD AND WITH-

DRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001, UNLESS THE OFFER IS EXTENDED.

In order to accept the Offer, a duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery of Shares, and any other required documents should be sent to the Depositary and either Share Certificates representing the tendered Shares should be delivered to the Depositary, or Shares should be tendered by book-entry transfer into the Depositary's account maintained at the Book Entry Transfer Facility (as defined in the Offer to Purchase), all in accordance with the instructions set forth in the Letter of Transmittal and the Offer to Purchase.

If holders of Shares wish to tender, but it is impracticable for them to forward their Share Certificates or other required documents on or prior to the Expiration Date or to comply with the book-entry transfer procedures on a timely basis, a tender may be effected by following the guaranteed delivery procedures specified in Section 3 of the Offer to Purchase.

Purchaser will not pay any commissions or fees to any broker, dealer or other person (other than the Dealer Manager and the Information Agent) for soliciting tenders of Shares pursuant to the Offer. Purchaser will, however, upon request, reimburse you for customary clerical and mailing expenses incurred by you in forwarding any of the enclosed materials to your clients. Purchaser will pay or cause to be paid any stock transfer taxes applicable to its purchase of Shares pursuant to the Offer, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

Any inquiries you may have with respect to the Offer should be addressed to, and additional copies of the enclosed material may be obtained from, the Information Agent or the Dealer Manager at their respective addresses and telephone numbers set forth on the back cover of the Offer to Purchase.

Very truly yours,

Merrill Lynch & Co.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU OR ANY OTHER PERSON THE AGENT OF PURCHASER, BARRETT RESOURCES, THE DEALER MANAGER, THE DEPOSITARY OR THE INFORMATION AGENT, OR ANY AFFILIATE OF ANY OF THEM, OR AUTHORIZE YOU OR ANY OTHER PERSON TO MAKE ANY STATEMENT OR USE ANY DOCUMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE ENCLOSED DOCUMENTS AND THE STATEMENTS CONTAINED THEREIN.

Exhibit (a)(5)

OFFER TO PURCHASE FOR CASH

16,730,502 SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)

OF

BARRETT RESOURCES CORPORATION
AT

$73.00 NET PER SHARE

BY

RESOURCES ACQUISITION CORP.,
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.

THE OFFER, PRORATION PERIOD AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001, UNLESS THE OFFER IS EXTENDED.

May 14, 2001

To Our Clients:

Enclosed for your consideration are the Offer to Purchase dated May 14, 2001 (the "Offer to Purchase") and the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer") in connection with the offer by Resources Acquisition Corp., a Delaware corporation ("Purchaser") and a wholly-owned subsidiary of The Williams Companies, Inc., a Delaware corporation ("Williams"), to purchase 16,730,502 shares of common stock, par value $0.01 per share (including the associated Rights (as defined below), the "Shares") of Barrett Resources Corporation, a Delaware corporation ("Barrett Resources"), at a purchase price of $73.00 per Share, net to the seller in cash, without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase. As used herein, "Rights" means the preferred stock purchase rights associated with the Shares and issued under the Rights Agreement (the "Rights Agreement") dated as of August 5, 1997 by and between Barrett Resources and Fleet National Bank, as successor to BankBoston, N.A., as Rights Agent, as amended. Unless the content otherwise requires, all references to the shares shall be deemed to include the Rights, and all references to the Rights shall be deemed to include the benefits that may inure to holders of the Rights pursuant to the Rights Agreement.

If a stockholder desires to tender Shares pursuant to the Offer and such stockholder's Share certificates are not immediately available or time will not permit all required documents to reach the Depositary prior to the Expiration Date (as defined in the Offer to Purchase) or the procedures for book-entry transfer cannot be completed on a timely basis, such Shares may nevertheless be tendered according to the guaranteed delivery procedures set forth in Section 3 of the Offer to Purchase. See Instruction 2 of the Letter of Transmittal. Delivery of documents to the Book-Entry Transfer Facility (as defined in the Offer to Purchase) in accordance with the Book-Entry Transfer Facility's procedures does not constitute delivery to the Depositary.

WE ARE THE HOLDER OF RECORD OF SHARES HELD BY US FOR YOUR ACCOUNT. A TENDER OF SUCH SHARES CAN BE MADE ONLY BY US AS THE HOLDER OF RECORD AND PURSUANT TO YOUR INSTRUCTIONS. THE ENCLOSED LETTER OF TRANSMITTAL IS FURNISHED TO YOU FOR YOUR INFORMATION ONLY AND CANNOT BE USED BY YOU TO TENDER SHARES HELD BY US FOR YOUR ACCOUNT.

ACCORDINGLY, WE REQUEST INSTRUCTIONS AS TO WHETHER YOU WISH TO HAVE US TENDER ON YOUR BEHALF ANY OR ALL SHARES HELD BY US FOR YOUR ACCOUNT PURSUANT TO THE TERMS AND CONDITIONS SET FORTH IN THE OFFER.

Please note the following:

1. The tender price is $73.00 per Share, net to you in cash, without interest, upon the terms and subject to the conditions set forth in the Offer.

2. The Offer is being made for 16,730,502 Shares (representing approximately 50% of the outstanding Shares). If more than 16,730,502 Shares are tendered, Purchaser will purchase 16,730,502 of such tendered Shares on a pro rata basis.

3. The Board of Directors of Barrett Resources has unanimously approved the Offer, the Merger (as defined below), and the Merger Agreement (as defined below), determined that the terms of each are advisable, fair to, and in the best interests of, the stockholders of Barrett Resources, and recommends that Barrett Resources' stockholders accept the Offer and tender their Shares pursuant to the Offer and approve the Merger at the time of Barrett Resources' stockholder meeting.

4. The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of May 7, 2001 (the "Merger Agreement"), by and among Williams, Purchaser and Barrett Resources, pursuant to which, following the consummation of the Offer and in accordance with the Delaware General Corporation Law, and subject to the satisfaction or waiver of certain conditions, including approval of stockholders of Barrett Resources, Barrett Resources will merge with and into Purchaser with Purchaser continuing as the surviving corporation, unless certain conditions related to taxes are not satisfied, in which case Purchaser will merge with and into Barrett Resources with Barrett Resources as the surviving corporation (collectively, the "Merger"). In the Merger, stockholders of Barrett Resources will exchange each of their Shares for 1.767 shares of Williams common stock, par value $1.00 per share, with cash in lieu of fractional shares. The exchange ratio of 1.767 shares of Williams common stock per Share is a fixed ratio that will not be adjusted as a result of any increase or decrease in the market price of either shares of Williams common stock or Shares of Barrett Resources. The market price of shares of Williams common stock at the time the Merger is completed may therefore be higher or lower than their price on the date of this document, the date of the consummation of the Offer and on the date of the special meeting of stockholders to be held to vote on the Merger. As a result, the Williams common stock you as a Barrett Resources stockholder may receive in the Merger may be worth more or less than the price being offered for the Shares in the Offer. WE URGE YOU TO OBTAIN CURRENT MARKET QUOTATIONS FOR BOTH SHARES OF BARRETT RESOURCES AND SHARES OF WILLIAMS COMMON STOCK BEFORE DECIDING WHETHER TO TENDER YOUR SHARES. Section 11 of the Offer to Purchase contains a more detailed description of the Merger Agreement, the Offer, the Merger and the consideration payable in the Merger in respect of the Shares.

5. The Offer is conditioned upon, among other things, (i) there being validly tendered and not properly withdrawn prior to the Expiration Date of the Offer at least 16,730,502 Shares and (ii) the expiration or termination of the waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder. The Offer is not subject to a financing condition. The Offer is also subject to the other conditions set forth in the Offer to Purchase. See the Introduction and Section 14 of the Offer to Purchase.

6. Any stock transfer taxes applicable to the sale of Shares to Purchaser pursuant to the Offer will be paid by Purchaser, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

7. The Offer, proration period and withdrawal rights will expire at 12:00 Midnight, eastern time, on Monday, June 11, 2001, unless the Offer is extended.

8. Payment for Shares purchased pursuant to the Offer will in all cases be made only after timely receipt by the Depositary of (a) Share Certificates or timely confirmation of the book-entry transfer of such Shares into the account maintained by the Book-Entry Transfer Facility (as defined in the Offer to Purchase), pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (b) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase), in connection with a book-entry delivery and (c) any other

documents required by the Letter of Transmittal. Accordingly, payment may not be made to all tendering stockholders at the same time, depending upon when Share Certificates or confirmations of book-entry transfer of such Shares into the Depositary's account at the Book-Entry Transfer Facility are actually received by the Depositary.

If you wish to have us tender any or all of the Shares held by us for your account, please so instruct us by completing, executing, detaching and returning to us the instruction form set forth on the back page of this letter. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified on the back page of this letter. An envelope to return your instructions to us is enclosed. YOUR INSTRUCTIONS SHOULD BE FORWARDED TO US IN AMPLE TIME TO PERMIT US TO SUBMIT A TENDER ON YOUR BEHALF PRIOR TO THE EXPIRATION OF THE OFFER.

Purchaser is not aware of any state where making the Offer is prohibited by any applicable law. If Purchaser becomes aware of any applicable law prohibiting the making of the Offer or the acceptance of the Shares pursuant thereto, Purchaser will make a good faith effort to comply with such law or seek to have such law declared inapplicable to the Offer. If, after such good faith effort, Purchaser cannot comply with such state statute, the Offer will not be made (nor will tenders be accepted from or on behalf of) holders of Shares in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of the Purchaser by Merrill Lynch & Co. (the Dealer Manager), or by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

INSTRUCTIONS WITH RESPECT TO THE OFFER TO PURCHASE FOR CASH

16,730,502 SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)

OF

BARRETT RESOURCES CORPORATION
AT

$73.00 NET PER SHARE

BY

RESOURCES ACQUISITION CORP.,
A WHOLLY-OWNED SUBSIDIARY OF

THE WILLIAMS COMPANIES, INC.

The undersigned acknowledge(s) receipt of your letter, the enclosed Offer to Purchase dated May 14, 2001 (the "Offer to Purchase") and the related Letter of Transmittal (which, as amended or supplemented from time to time, together constitute the "Offer") in connection with Purchaser's offer to purchase 16,730,502 shares of common stock, par value $0.01 per share (including the associated preferred stock purchase rights, the "Shares") of Barret Resources Corporation, a Delaware corporation.

This will instruct you to tender the number of Shares indicated below (or if no number is indicated below, all Shares) which are held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer.

Number of Shares to be Tendered:
- ---------- Shares*

SIGN BELOW

Account Number:
- ---------- Signature(s)
- ----------

Dated:
- ----------, 2001

- ----------
PLEASE TYPE OR PRINT NAME(S)

- ----------
PLEASE TYPE OR PRINT ADDRESS(ES) HERE

- ----------
AREA CODE AND TELEPHONE NUMBER(S)

- ----------
TAXPAYER IDENTIFICATION OR SOCIAL SECURITY NUMBER(S)

- ---------------
* Unless otherwise indicated, it will be assumed that you instruct us to tender all Shares held by us for your account.

Exhibit (a)(6)

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER -- Social Security numbers have nine digits separated by two hyphens: i.e. 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e. 00-0000000. The table below will help determine the number to give the payer.

FOR THIS TYPE OF ACCOUNT:	GIVE THE SOCIAL SECURITY NUMBER OF --
1. An individual's account	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
4. a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
b. So-called trust account that is not a legal or valid trust under State law	The actual owner(1)
5. Sole proprietorship account	The owner(3)

FOR THIS TYPE OF ACCOUNT:	GIVE THE EMPLOYER IDENTIFICATION NUMBER OF --
6. A valid trust, estate, or pension trust	Legal entity (Do not furnish the identifying number of the personal representative or trustee unless the legal entity itself is not designated in the account title).(4)
7. Corporate account	The corporation
8. Association, club, religious, charitable, educational or other tax-exempt organization account	The organization
9. Partnership account held in the name of the business	The partnership
10. A broker or registered nominee	The broker or nominee
11. Account with the Department of Agriculture in the name of a public entity (such as a State or local government, school district or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish.
(2) Circle the minor's name and furnish the minor's Social Security number.
(3) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your Social Security number or employer identification number.
(4) List first and circle the name of the legal trust, estate, or pension trust.

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

RESIDENT ALIEN INDIVIDUALS: If you are a resident alien individual and you do

not have, and are not eligible to get, a Social Security number, your taxpayer identification number is your individual taxpayer identification number ("ITIN") as issued by the Internal Revenue Service. Enter it on the portion of the Substitute Form W-9 where the Social Security number would otherwise be entered. If you do not have an ITIN, see "How to Obtain a TIN" below.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

PAGE 2

HOW TO OBTAIN A TIN

If you don't have a taxpayer identification number ("TIN") or you don't know your number, obtain Form SS-5, Application for a Social Security number, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service (the "IRS") and apply for a number. Resident alien individuals who are not eligible to get a Social Security number and need an ITIN should obtain Form W-7, Application for Individual Taxpayer Identification Number, from the IRS.

PAYEES AND PAYMENTS EXEMPT FROM BACKUP WITHHOLDING

Payees specifically exempted from backup withholding on all payments include the following:

- An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7), if the account satisfies the requirements of section 401(f)(2).
- The United States or any of its agencies or instrumentalities.
- A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
- A foreign government or any of its political subdivisions, agencies, or instrumentalities.
- An international organization or any of its agencies or instrumentalities.

Other payees that MAY BE EXEMPT from backup withholding include:

- A corporation.
- A foreign central bank of issue.
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
- A real estate investment trust.
- An entity registered at all times during the tax year under the Investment Company Act of 1940.
- A common trust fund operated by a bank under section 584(a).
- A financial institution.
- A middleman known in the investment community as a nominee or custodian.
- A trust exempt from tax under section 664 or described in section 4947.

Payments of dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in a trade or business in the United States and that have at least one nonresident alien partner.
- Payments of patronage dividends not paid in money.
- Payments made by certain foreign organizations.
- Section 401(k) distributions made by an ESOP.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals.

NOTE: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade of business and you have not provided your correct taxpayer identification number to the payer.

- Payments of tax-exempt interest (including exempt-interest dividends under section 852).
- Payments described in section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.

Exempt payees described above should file Substitute Form W-9 with the payer to avoid possible erroneous backup withholding. FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM IN PART II, SIGN AND DATE THE FORM, AND RETURN IT TO THE PAYER.

Certain payments, other than interest, dividends and patronage dividends, that are not subject to information reporting are also not subject to backup withholding. For details, see sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N and the Treasury regulations under these sections.

PRIVACY ACT NOTICE. -- Section 6109 requires most recipients of dividend, interest or other payments to give their correct TINs to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of tax returns. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 31% of taxable interest, dividend and certain other payments to a payee who does not furnish a TIN to a payer. Certain penalties may also apply.

PENALTIES

(1) FAILURE TO FURNISH TIN. -- If you fail to furnish your correct TIN to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) CIVIL PENALTY FOR FALSE INFORMATION WITH RESPECT TO WITHHOLDING. -- If you make a false statement with no reasonable basis that results in no imposition of backup withholding, you are subject to a $500 penalty.

(3) CRIMINAL PENALTY FOR FALSIFYING INFORMATION. -- Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE IRS.

Exhibit (a)(8)

This announcement is neither an offer to purchase nor a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is made only by the Offer to Purchase dated May 14, 2001 and the related Letter of Transmittal and any amendments or supplements thereto, and is being made to all holders of Shares. Purchaser (as defined below) is not aware of any state where the making of the Offer is prohibited by any applicable law. If Purchaser becomes aware of any applicable law prohibiting the making of the Offer or the acceptance of the Shares pursuant thereto, Purchaser will make a good faith effort to comply with such law or seek to have such law declared inapplicable to the Offer. If, after such good faith effort, Purchaser cannot comply with such state statute, the Offer will not be made (nor will tenders be accepted from or on behalf of) holders of Shares in such state. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer, the Offer will be deemed to be made on behalf of the Purchaser by Merrill Lynch & Co., as Dealer Manager (as defined below), or by one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

NOTICE OF OFFER TO PURCHASE FOR CASH
16,730,502 SHARES OF COMMON STOCK
(INCLUDING THE ASSOCIATED PREFERRED STOCK PURCHASE RIGHTS)
OF
BARRETT RESOURCES CORPORATION
AT
$73.00 NET PER SHARE
BY
RESOURCES ACQUISITION CORP.,
A WHOLLY OWNED SUBSIDIARY OF
THE WILLIAMS COMPANIES, INC.

Resources Acquisition Corp., a Delaware corporation ("Purchaser") and a wholly-owned subsidiary of The Williams Companies, Inc., a Delaware corporation ("Williams"), is offering to purchase 16,730,502 shares of common stock, par value $0.01 per share (including the associated Barrett Resources Rights (as defined in the Offer to Purchase), the "Shares"), of Barrett Resources Corporation, a Delaware corporation (the "Company"), at a purchase price of $73.00 per Share, net to the seller in cash, without interest thereon (the "Offer Price"), upon the terms and subject to the conditions set forth in the Offer to Purchase dated May 14, 2001 (the "Offer to Purchase") and in the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "Offer"). Tendering stockholders who have Shares registered in their names and who tender directly to EquiServe Trust Company, N.A. (the "Depositary") will not be charged brokerage fees or commissions or, subject to Instruction 6 of the Letter of Transmittal, transfer taxes on the purchase of Shares pursuant to the Offer. Stockholders who hold their Shares through a broker or bank should consult such institution as to whether it charges any service fees. Purchaser will pay all charges and expenses of the Depositary, Merrill Lynch & Co., which is acting as the dealer manager (the "Dealer Manager"), and Georgeson Shareholder Communications, Inc., which is acting as the information agent (the "Information Agent"), incurred in connection with the Offer. Following the consummation of the Offer, Purchaser intends to effect the Merger described below.

THE OFFER, PRORATION PERIOD, AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, EASTERN TIME, ON MONDAY, JUNE 11, 2001, UNLESS THE OFFER IS EXTENDED.

THE OFFER IS CONDITIONED UPON, AMONG OTHER THINGS, (1) THERE BEING VALIDLY TENDERED AND NOT WITHDRAWN PRIOR TO THE EXPIRATION DATE (AS DEFINED BELOW) AT LEAST 16,730,502 SHARES (THE "MINIMUM CONDITION"); AND (2) THE EXPIRATION OR TERMINATION OF THE WAITING PERIOD UNDER THE HART-SCOTT-RODINO ANTITRUST IMPROVEMENTS ACT OF 1976, AS AMENDED, AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER. THE OFFER IS ALSO SUBJECT TO OTHER CONDITIONS SET FORTH IN THE OFFER TO PURCHASE. THE OFFER IS NOT SUBJECT TO A FINANCING CONDITION. SEE SECTION 14 OF THE OFFER TO PURCHASE.

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of May 7, 2001 (the "Merger Agreement"), by and among Williams, Purchaser and the Company, pursuant to which, following the consummation of the Offer and in accordance with the Delaware General Corporation Law, and subject to the satisfaction or waiver of certain conditions, including approval of the Merger by a majority of the outstanding Shares of the Company, either: (i) the Company will be merged with and into Purchaser with Purchaser continuing as the surviving corporation (the "Forward Merger"), with such Forward Merger to occur in the event that Williams

receives a written opinion from its tax counsel that the Offer and the Forward Merger would be treated as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Tax Opinion"); or (ii) in the event that Williams is unable to obtain the Tax Opinion, Purchaser (or another direct or indirect wholly owned subsidiary of Williams) may be merged with and into the Company with the Company continuing as the surviving corporation (the "Reverse Merger" and, together with the Forward Merger, the "Merger"). The Offer is the first step of a two-step transaction, as contemplated by the Merger Agreement, the purpose of which is to acquire control of the Company.

At the effective time of the Merger (the "Effective Time") each Share issued and outstanding immediately prior to the Effective Time (other than any Shares held by the Company, Williams, Purchaser or any other subsidiary of Williams) will be converted into the right to receive 1.767 shares of common stock, par value $1.00, of Williams (together with the associated Williams Rights (as defined in the Offer to Purchase), the "Williams Common Stock"). The Merger Agreement is more fully described in the Offer to Purchase.

THE BOARD OF DIRECTORS OF THE COMPANY HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE OFFER AND THE MERGER, HAS UNANIMOUSLY DETERMINED THAT THE OFFER AND THE MERGER ARE ADVISABLE AND FAIR TO, AND IN THE BEST INTERESTS OF, THE COMPANY'S STOCKHOLDERS AND UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS ACCEPT THE OFFER AND TENDER THEIR SHARES PURSUANT TO THE OFFER AND APPROVE THE MERGER AT THE TIME OF THE COMPANY'S STOCKHOLDER MEETING. IF THE OFFER AND THE MERGER ARE COMPLETED, PURCHASER WILL PURCHASE 16,730,502 SHARES IN THE OFFER AT A PRICE OF $73.00 PER SHARE AND HOLDERS OF THE REMAINING SHARES (INCLUDING ANY SHARES RETURNED TO TENDERING STOCKHOLDERS AS A RESULT OF PRORATION) WILL RECEIVE 1.767 SHARES OF WILLIAMS COMMON STOCK FOR EACH SHARE IN THE MERGER.

In the event that more than 16,730,502 Shares are validly tendered and not withdrawn as of the Expiration Date of the Offer, Purchaser will accept for payment and pay for only 16,730,502 Shares on a pro rata basis (with appropriate adjustments to avoid purchase of fractional Shares) based on the number of Shares properly tendered by each stockholder. As a result of proration, because of the difficulty of determining the precise number of Shares properly tendered and not withdrawn (due in part to the guaranteed delivery procedure described under Section 3 of the Offer to Purchase), the Purchaser does not expect that it will be able to announce the final results of such proration or pay for any Shares until at least five New York Stock Exchange ("NYSE") trading days after the Expiration Date. Preliminary results of proration will be announced by press release as promptly as practicable after the Expiration Date. Stockholders may obtain such preliminary information from the Information Agent and may be able to obtain such information from their brokers. Tendering stockholders will not receive payment for Shares accepted for payment pursuant to the Offer until the final proration factor is known.

The term "Expiration Date" shall mean 12:00 Midnight, eastern time, on Monday, June 11, 2001, unless and until Purchaser (in accordance with the terms of the Merger Agreement) shall have extended the period of time during which the Offer is open, in which event "Expiration Date" shall mean the latest time and date at which the Offer, as so extended by Purchaser, shall expire. Subject to the applicable rules and regulations of the Securities and Exchange Commission and the provisions of the Merger Agreement, Purchaser expressly reserves the right, in its sole discretion, at any time and from time to time, and regardless of whether any of the events set forth in Section 14 of the Offer to Purchase shall have occurred, (i) to extend the period of time during which the Offer is open and thereby delay acceptance for payment of, and the payment for, any Shares, by giving oral or written notice of such extension to the Depositary and (ii) to amend the Offer in any respect by giving oral or written notice of such amendment to the Depositary. Any such extension or amendment will be followed as promptly as practicable by a public announcement thereof, such announcement in the case of an extension, to be issued not later than 9:00 a.m., eastern time, on the next business day after the previously scheduled Expiration Date. During any such extension, all Shares previously tendered and not withdrawn will remain subject to the Offer, subject to the right of a tendering stockholder to withdraw such stockholder's Shares. Purchaser shall not provide for a subsequent offering period in accordance with Rule 14d-11 under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

If Purchaser extends the time during which the Offer is open, or if Purchaser is delayed in its acceptance for payment of or payment for Shares pursuant to the Offer for any reason, then, without prejudice to Purchaser's rights under the Offer, the Depositary may retain tendered Shares on Purchaser's behalf and those Shares may not be withdrawn except to the extent tendering stockholders are entitled to withdrawal rights as described in Section 4 of the Offer to Purchase. However, Purchaser's ability to delay the payment for Shares that it has accepted for payment is limited by Rule 14e-1(c) under the Exchange Act, which requires that a bidder pay the consideration offered or return the securities deposited by or on behalf of stockholders promptly after the termination or withdrawal of such bidder's offer.

For purposes of the Offer, Purchaser will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered and not properly withdrawn, if and when Purchaser gives oral or written notice to the Depositary of Purchaser's acceptance for payment of such Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares accepted for payment pursuant to the Offer will be made by deposit of the purchase price therefor with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payments from Purchaser and transmitting such payments to tendering stockholders whose Shares have been accepted for payment. Under no circumstances will interest on the Offer Price

for Shares be paid, regardless of any delay in making such payment.

In all cases, payment for Shares accepted for payment pursuant to the Offer will be made only after the timely receipt by the Depositary of (i)

the certificates evidencing such Shares (the "Share Certificates") or confirmation of a book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company (the "Book-Entry Transfer Facility") pursuant to the procedures set forth in the Offer to Purchase, (ii) a Letter of Transmittal, properly completed and duly executed, with any required signature guarantees or, in the case of a book-entry transfer, an Agent's Message (as defined in the Offer to Purchase) in lieu of the Letter of Transmittal, and (iii) any other documents required by the Letter of Transmittal. Accordingly, payment may be made to tendering stockholders at different times if delivery of the Shares and other required documents occur at different times.

Tenders of Shares made pursuant to the Offer may be withdrawn at any time prior to the Expiration Date. Thereafter, such tenders are irrevocable, except that they may be withdrawn at any time after July 13, 2001, unless theretofore accepted for payment as provided in the Offer to Purchase. For a withdrawal to be effective, a written or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover page of the Offer to Purchase. Any such notice of withdrawal must specify the name and address of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of such Shares, if different from that of the person who tendered the Shares. If Share Certificates evidencing Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such Share Certificates, the serial numbers shown on such Share Certificates must be submitted to the Depositary and the signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution (as defined in the Offer to Purchase), unless such Shares have been tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer as set forth in the Offer to Purchase, any notice of withdrawal must also specify the name and number of the account at the Book-Entry Transfer Facility to be credited with the withdrawn Shares and must otherwise comply with the Book-Entry Transfer Facility's procedures. All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by Purchaser, in its sole discretion, whose determination will be final and binding.

The receipt of cash in exchange for Shares pursuant to the Offer will be a taxable transaction for U.S. federal income tax purposes and may also be a taxable transaction under applicable state, local and other tax laws. In general, a stockholder that receives cash in exchange for all of its Shares pursuant to the Offer will recognize gain or loss for U.S. federal income tax purposes equal to the difference between the amount of cash received and such stockholder's tax basis in the Shares exchanged therefor. Provided that such Shares constitute capital assets in the hands of the stockholder, such gain or loss will be capital gain or loss, and will be long-term capital gain or loss if the stockholder has held the Shares for more than one year at the time of sale. A stockholder that exchanges all of its Shares for Williams Common Stock pursuant to the Forward Merger will not recognize any gain or loss except with respect to cash received in lieu of a fractional share of Williams Common Stock. A stockholder that exchanges some of its Shares for cash pursuant to the Offer and exchanges the rest of its Shares for Williams Common Stock pursuant to the Forward Merger will recognize gain (but not loss) equal to the lesser of (i) the amount of cash received pursuant to the Offer and (ii) an amount equal to the excess, if any, of (a) the sum of the amount of cash received pursuant to the Offer and the fair market value of the Williams Common Stock received pursuant to the Forward Merger over (b) the stockholder's tax basis in its Shares. In the event of a Reverse Merger, a stockholder would recognize all of its gain or loss on the disposition of Shares pursuant to the Offer as well as the Reverse Merger. All stockholders should consult with their own tax advisors as to the particular tax consequences of the Offer and the Merger to them, including the applicability and effect of any state, local and other tax laws and of changes in such tax laws. For a more complete description of certain U.S. federal income tax consequences of the Offer and the Merger, see Section 5 of the Offer to Purchase.

The information required to be disclosed by paragraph (d)(1) of Rule 14d-6 of the General Rules and Regulations under the Exchange Act is contained in the Offer to Purchase and is incorporated herein by reference.

The Company has provided Purchaser with the Company's stockholder lists and security position listings for the purpose of disseminating the Offer to holders of Shares. The Offer to Purchase, the Letter of Transmittal and other relevant documents will be mailed to record holders of Shares whose names appear on the Company's stockholder list and will be furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder lists for subsequent transmittal to beneficial owners of Shares.

THE OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION THAT SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

Questions and requests for assistance and copies of the Offer to Purchase, the Letter of Transmittal and all other tender offer materials may be directed to the Information Agent or the Dealer Manager at their respective addresses and telephone numbers set forth below and will be furnished promptly at Purchaser's expense. Neither Williams nor Purchaser will pay any fees or commissions to any broker or dealer or any other person (other than to the Dealer Manager, the Depositary and the Information Agent) in connection with the solicitation of tenders of Shares pursuant to the Offer.

The Information Agent for the Offer is:

Georgeson Shareholder Communications Inc.
17 State Street, 10th Floor

New York, New York 10004
BANKS AND BROKERS CALL COLLECT: (212) 440-9800
ALL OTHERS CALL TOLL FREE: (800) 223-2064

The Dealer Manager for the Offer is:

Merrill Lynch & Co.
Four World Financial Center
New York, New York 10080
Call Collect: (212) 236-3790
.
May 14, 2001

Exhibit (a)(9)

[WILLIAMS LOGO]

News Release

NYSE:WMB

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Date: May 14, 2001

Contact:	Kelly Swan	Rick Rodekohr	Richard George
	Williams (media relations)	Williams (investor relations)	Williams (investor relations)
	(918) 573-6932	(918) 573-2087	(918) 573-3679
	kelly.swan@williams.com	rick.rodekohr@williams.com	richard.george@williams.com

WILLIAMS INITIATES TENDER OFFER FOR BARRETT RESOURCES

Companies Moving Forward After Last Week's Definitive Agreement

TULSA, Okla. - Williams (NYSE:WMB) announced today it has commenced a cash tender offer at $73 per share for 16,730,502 shares of Barrett Resources (NYSE:BRR) common stock. The offer is being made pursuant to the previously announced definitive agreement to merge Barrett Resources with a unit of Williams.

The offer is scheduled to expire at midnight on June 11, 2001. Following the tender offer, Williams intends to acquire the remaining equity interest in Barrett Resources through a merger transaction in which each share that was not purchased in the offer will be converted into 1.767 shares of Williams common stock.

The terms and conditions of the tender offer are fully set forth in Williams' offer to purchase and the related letter of transmittal that are being filed with the Securities and Exchange Commission today.

The tender offer is subject to certain conditions, including obtaining clearance of the transaction under federal antitrust laws and tenders of a minimum of 16,730,502 shares of Barrett Resources common stock. If more than 16,730,502 shares are validly tendered into the offer and not withdrawn prior to the expiration of the offer, Williams will accept for payment only 16,730,502 shares on a pro rata basis -- with appropriate adjustments to avoid purchase of fractional shares -- based on the number of shares properly tendered by each shareholder.

The transaction would more than double Williams' natural gas reserves while significantly enhancing the company's longer-term ability to profitably grow its power business.

ADDITIONAL INFORMATION

This news release is being filed pursuant to Rule 425 under the Securities Act of 1933. It does not constitute an offer of sale of securities. Shareholders of Barrett and other investors are urged to read the tender offer materials, when available, and the proxy statement/prospectus that will be included in the registration statement on Form S-4 to be filed by Williams in connection with the second-step merger. These materials will

contain important information about Barrett, Williams, the merger, the people soliciting proxies relating to the merger, their interests in the merger and related matters.

In addition to the tender offer materials and registration statement and the joint proxy statement/prospectus to be filed in connection with the merger, Williams and Barrett file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy any reports, statements or other information filed by Barrett or Williams at the SEC Public Reference Rooms at 450 Fifth Street, N.W., Washington, D.C. 20549 or at any of the SEC's other public reference rooms in New York and Chicago. Please call the SEC at (800) SEC-0330 for further information on the public reference rooms. Williams' and Barrett's filings with the SEC are also available to the public from commercial document-retrieval services and at the web site maintained by the SEC at www.sec.gov. Free copies of the tender offer materials and joint proxy statement/prospectus, when available, and these other documents may also be obtained from Williams by directing a request through the investor relations portion of Williams' website at www.williams.com or by mail to Williams, One Williams Center, 50th Floor, Tulsa, Okla., 74172, Attention: Investor Relations, Telephone: (800) 600-3782.

ABOUT WILLIAMS (NYSE: WMB)

Williams, through its subsidiaries, connects businesses to energy, delivering innovative, reliable products and services. Williams information is available at www.williams.com.

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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.

Exhibit (d)(1)

AGREEMENT AND PLAN OF MERGER

AMONG

THE WILLIAMS COMPANIES, INC.,

RESOURCES ACQUISITION CORP.

AND

BARRETT RESOURCES CORPORATION

DATED AS OF MAY 7, 2001

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of May 7, 2001 (this "Agreement") among The Williams Companies, Inc., a Delaware corporation ("Parent"), Resources Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Parent ("Sub"), and Barrett Resources Corporation, a Delaware corporation (the "Company") (Sub and the Company being hereinafter collectively referred to as the "Constituent Corporations"). Except as otherwise set forth herein, capitalized (and certain other) terms used herein shall have the meanings set forth in Section 10.3.

WITNESSETH:

WHEREAS, the Board of Directors of the Company has, in light of and subject to the terms and conditions set forth herein, determined that a business combination between Parent and the Company is fair to the Company's stockholders and in the best interests of such stockholders;

WHEREAS, it is intended that the acquisition be accomplished by Sub commencing a cash tender offer for 16,730,502 outstanding shares of Common Stock, par value $0.01 per share, of the Company ("Company Common Stock"), together with the associated Company Rights, upon the terms and subject to the conditions set forth in this Agreement (the shares of Company Common Stock subject to the Offer, together with the associated Company Rights, are hereinafter referred to as the "Shares") in an amount of $73.00 per Share (the "Offer Consideration") to be followed by a merger of the Company with and into Sub (the "Forward Merger");

WHEREAS, subsequent to the purchase by Sub of Shares in the Offer, each Share (other than Shares held directly or indirectly by Parent or the Company, which Shares shall be cancelled) would be converted into the right to receive 1.767 (the "Exchange Ratio") duly authorized, validly issued, fully paid and non-assessable shares of common stock, par value $1.00 (the "Parent Common Stock" and, together with associated Parent Rights, the "Parent Shares") of Parent (the "Merger Consideration");

WHEREAS, if the Tax Opinion Standard (as defined herein) has not been met, the parties desire to permit an alternate merger structure providing for the merger of Sub (or other direct or indirect wholly-owned subsidiary of Parent, as determined by Parent in its sole discretion) with and into the Company (the "Reverse Merger"), and the surviving corporation shall thereby become a direct or indirect wholly-owned subsidiary of Parent;

WHEREAS, the Board of Directors of the Company has adopted resolutions approving the Offer, this Agreement and the Merger (as defined herein), determining that this Agreement is advisable and that the Offer and the Merger are fair to, and in the best interests of, the Company's stockholders and recommending that the Company's stockholders accept the Offer, tender their Shares into the Offer and adopt this Agreement;

WHEREAS, the respective Boards of Directors of Parent, Sub and the Company have each approved the Merger, upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the respective Boards of Directors of Parent, Sub and the Company have approved and adopted this Agreement and the transactions contemplated hereby;

WHEREAS, for Federal income tax purposes, it is intended that the Offer and the Forward Merger shall be treated as an integrated transaction (together, the "Transaction") and shall qualify as a "reorganization" within the meaning of Section 368(a) of the Code and the United States Treasury Regulations; and

WHEREAS, Parent, Sub and the Company each desires to make certain representations, warranties, covenants and agreements in connection with the Offer and the Merger and also to prescribe various conditions to the Offer and the Merger.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, Parent, Sub and the Company hereby agree as follows:

ARTICLE I
THE OFFER

Section 1.1 The Offer. (a) Provided that this Agreement shall not have been terminated in accordance with Section 9.1 and subject to the provisions of this Agreement, including the conditions to the Offer set forth in Exhibit A hereto, as promptly as practicable after the date of the public announcement by Parent and the Company of this Agreement, Sub shall, and Parent shall cause Sub to, commence, within the meaning of Rule 14d-2 under the Exchange Act, the Offer. The obligation of Sub to, and of Parent to cause Sub to, commence the Offer and accept for payment, and pay for, any Shares tendered pursuant to the Offer shall be subject only to the conditions set forth in Exhibit A (the "Offer Conditions") (any one or more of which may be waived in whole or in part by Sub in its sole discretion, provided that, without the prior written consent of the Company, Sub shall not waive the Minimum Condition (as defined in Exhibit A)). Sub expressly reserves the right to modify the terms of the Offer, except that, without the prior written consent of the Company, Sub shall not (i) reduce the number of Shares sought in the Offer, (ii) decrease the price per Share, (iii) impose any conditions to the Offer in addition to the Offer Conditions or modify the Offer Conditions in a manner adverse to the holders of Shares (other than to waive any Offer Conditions to the extent permitted by this Agreement), (iv) except as provided in (b) below, extend the Offer, (v) change the form of consideration payable in the Offer (other than by adding consideration) or (vi) make any other change or modification in any of the terms of the Offer in any manner that is adverse to the holders of Shares.

(b) The Offer shall initially be scheduled to expire 20 business days following the commencement thereof. Parent and Sub agree that Sub will not terminate the Offer between scheduled expiration dates (except in the event that this Agreement is terminated pursuant to Section 9.1) and that, in the event that Sub would otherwise be entitled to terminate the Offer at any scheduled expiration date thereof due to the failure of one or more of the Offer Conditions,

unless this Agreement shall have been terminated pursuant to Section 9.1, Sub shall, and Parent shall cause Sub to, extend the Offer for such period or periods as shall be determined by Sub until such date as the Offer Conditions have been satisfied or such later date as required by applicable law; provided, however, that nothing herein shall require Sub to extend the Offer beyond the Outside Date. Notwithstanding the foregoing, Sub may, without the consent of the Company, (i) extend the Offer, if at the scheduled or extended expiration date of the Offer any of the Offer Conditions shall not be satisfied or waived, until such time as such conditions are satisfied or waived and (ii) extend the Offer for any period required by any rule, regulation, interpretation or position of the SEC or the staff thereof applicable to the Offer or as might be required by the NYSE. Sub shall not provide for a subsequent offering period in accordance with Rule 14d-11 under the Exchange Act. Subject to the terms and conditions of the Offer and this Agreement, Sub shall, and Parent shall cause Sub to, accept and pay for 16,730,502 Shares validly tendered and not withdrawn pursuant to the Offer that Sub is permitted to accept and exchange for under applicable law, as soon as practicable after the expiration of the Offer, and in any event in compliance with the obligations respecting prompt payment pursuant to Rule 14e-1(c) under the Exchange Act; provided, however, that no such payment shall be made until after Parent and Sub shall have calculated how cash should be prorated if more than 16,730,502 Shares are validly tendered and not withdrawn pursuant to the Offer. If this Agreement is terminated by either Parent or Sub or by the Company, Sub shall, and Parent shall cause Sub to, promptly terminate the Offer.

(c) On the date of commencement of the Offer, Parent and Sub shall file with the SEC a Tender Offer Statement on Schedule TO (together with all supplements and amendments thereto, the "Schedule TO") with respect to the Offer and a related letter of transmittal, and Parent and Sub shall cause the Offer Documents to be disseminated to holders of Shares as and to the extent required by applicable federal securities laws. Parent and Sub agree that they shall cause the Schedule TO, the Offer to Purchase and all amendments or supplements thereto (which together constitute the "Offer Documents") to comply in all material respects with the Exchange Act and the rules and regulations thereunder and other applicable laws. Parent, Sub and the Company each agrees promptly to correct any information provided by it for use in the Offer Documents if and to the extent that such information shall have become false or misleading in any material respect, and Parent and Sub further agree to take all steps necessary to cause the Offer Documents as so corrected to be filed with the SEC and the other Offer Documents as so corrected to be disseminated to holders of Shares, in each case as and to the extent required by applicable federal securities laws. The Company and its counsel shall be given reasonable opportunity to review and comment upon the Offer Documents prior to their filing with the SEC or dissemination to the Company's stockholders. Parent and Sub agree to provide the Company and its counsel any comments Parent, Sub or their counsel may receive from the SEC or its staff with respect to the Offer Documents promptly after the receipt of such comments and to cooperate with the Company and its counsel in responding to such comments.

(d) Parent shall provide or cause to be provided to Sub on a timely basis all funds necessary to accept for payment, and pay for, any Shares accepted for payment that are validly tendered and not withdrawn pursuant to the Offer and that Sub is permitted to accept for payment pursuant to the terms and conditions of the Offer and under applicable law.

Section 1.2 Company Actions. (a) The Company hereby approves of and consents to the Offer and represents and warrants that the Board of Directors of the Company, at a meeting duly called and held, duly adopted resolutions by unanimous vote (i) determining that this Agreement and the transactions contemplated hereby, including the Offer and the Merger, are advisable and are fair to and in the best interest of the Company's stockholders, (ii) approving this Agreement and the transactions contemplated hereby, including the Offer and the Merger, which approval constitutes approval under Section 203 of the DGCL such that the Offer, the Merger and this Agreement and the other transactions contemplated hereby are not and shall not be subject to any restriction of Section 203 of the DGCL, (iii) waiving the application of Article IV of the Company's bylaws with respect to this Agreement, the Offer and the Merger pursuant to Section 7 thereof and (iv) resolving to recommend acceptance of the Offer and to recommend that stockholders of the Company tender their Shares pursuant to the Offer and to recommend approval and adoption of this Agreement and the Merger by the Company's stockholders at the Company Stockholders Meeting (as defined herein) (the recommendations referred to in this clause (iv) are collectively referred to in this Agreement as the "Recommendations"). The Company represents and warrants that its Board of Directors has received the opinion, each dated May 7, 2001, of each of Goldman, Sachs & Co. ("Goldman Sachs") and Petrie Parkman & Co., Inc. ("Petrie Parkman") that, as of such date and on the basis of and subject to the matters described therein, the Offer Consideration and the Merger Consideration, taken together, was fair to the Company's stockholders (other than Parent and the Company) from a financial point of view.

(b) On the date the Offer Documents are filed with the SEC, the Company shall file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 with respect to the Offer (such Schedule 14D-9, as amended from time to time, the "Schedule 14D-9") containing the Recommendations (subject to the right of the Board of Directors of the Company to make a Subsequent Determination in accordance with Section 6.6 and shall cause the Schedule 14D-9 to be disseminated to the Company's stockholders as and to the extent required by applicable federal securities laws. Each of the Company, Parent and Sub agrees promptly to correct any information provided by it for use in the Schedule 14D-9 if and to the extent that such information shall have become false or misleading in any material respect, and the Company further agrees to take all steps necessary to amend or supplement the Schedule 14D-9 and to cause the Schedule 14D-9 as so amended or supplemented to be filed with the SEC and disseminated to the Company's stockholders, in each case as and to the extent required by applicable federal securities laws. Parent and its counsel shall be given reasonable opportunity to review and comment upon the Schedule 14D-9 prior to its filing with the SEC or dissemination to the Company's stockholders. The Company agrees to provide Parent and its counsel any comments the Company or its counsel may receive from the SEC or its staff with respect to the Schedule 14D-9 promptly after the receipt of such comments and to cooperate with Parent, Sub and their counsel in responding to such comments.

(c) In connection with the Offer and the Merger, the Company shall cause its transfer agent to furnish Sub promptly with mailing labels containing the names and addresses of the record holders of Shares as of a recent date and of those persons becoming record holders subsequent to such date, together with copies of all lists of stockholders, security position listings and computer files and all other information in the Company's possession or control regarding the beneficial owners of Shares and any securities convertible into Shares, and shall furnish to

Sub such information and assistance (including updated lists of stockholders, security position listings and computer files) as Parent or Sub may reasonably request in communicating the Offer to the Company's stockholders. Subject to the requirements of applicable law, and except for such steps as are necessary to disseminate the Offer Documents and any other documents necessary to consummate the Merger, Parent and Sub and their affiliates, associates and agents shall hold in confidence the information contained in any such labels, listings and files, will use such information only in connection with the Offer and the Merger and, if this Agreement shall be terminated, will promptly, upon request, deliver, and will use reasonable efforts to cause their affiliates, associates and agents to deliver, to the Company all copies of such information then in their possession or control.

ARTICLE II
THE MERGER

Section 2.1 The Merger. Upon the terms and subject to the conditions hereof, and in accordance with the DGCL, the Forward Merger shall be effected and the Company shall be merged with and into Sub at the Effective Time; provided, however, that if Parent does not obtain a written opinion of Tax Counsel (as defined herein) that satisfies the Tax Opinion Standard (as defined herein), then in Parent's reasonable discretion the Reverse Merger may be effected, and the surviving corporation shall thereby become a direct or indirect wholly-owned subsidiary of Parent. Following the Effective Time, if the Forward Merger is effected, then the separate existence of the Company shall cease and Sub shall continue as the surviving corporation or, if the Reverse Merger is effected, then the separate existence of Sub shall cease and the Company shall continue as the surviving corporation. The surviving corporation of the Forward Merger or the Reverse Merger, as the case may be, shall be herein referred as the "Surviving Corporation" and the Forward Merger and Reverse Merger shall collectively be referred to as the "Merger." The Surviving Corporation shall succeed to and assume all the rights and obligations of Sub and the Company in accordance with the DGCL.

Section 2.2 Closing. The closing of the Merger will take place at 10:00 a.m. on a date mutually agreed to by Parent and the Company, which shall be no later than the second business day after satisfaction or waiver of the conditions set forth in Article VIII (the "Closing Date"), at the offices of Sidley Austin Brown & Wood, Bank One Plaza, 10 South Dearborn Street, Chicago, Illinois 60603, unless another date, time or place is agreed to in writing by the parties hereto.

Section 2.3 Effective Time. The Merger shall become effective when a Certificate of Merger (the "Certificate of Merger"), executed in accordance with the relevant provisions of the DGCL, is duly filed with the Secretary of State of the State of Delaware, or at such other time as Sub and the Company shall agree should be specified in the Certificate of Merger. When used in this Agreement, the term "Effective Time" shall mean the later of the date and time at which the Certificate of Merger is duly filed with the Secretary of State of the State of Delaware or such later time established by the Certificate of Merger. The filing of the Certificate of Merger shall be made as soon as practicable after the satisfaction or waiver of the conditions to the Merger set forth in Article VIII.

Section 2.4 Effects of the Merger. The Merger shall have the effects set forth in the DGCL.

Section 2.5 Certificate of Incorporation and Bylaws; Officers and Directors. (a) At the Effective Time, the Certificate of Incorporation of Sub, as in effect immediately prior to the Effective Time, shall be the Restated Certificate of Incorporation of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law; provided, however, that the Certificate of Incorporation shall provide that the Surviving Corporation shall initially be named "Barrett Resources Corporation" and shall contain indemnification provisions consistent with the obligations set forth in Section 7.9(a).

(b) The Bylaws of Sub, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until thereafter changed or amended as provided by the Certificate of Incorporation of the Surviving Corporation or by applicable law; provided that the Bylaws of the Surviving Corporation shall contain indemnification provisions consistent with the obligations set forth in Section 7.9(a).

(c) The directors of Sub immediately prior to the Effective Time shall be the directors of the Surviving Corporation, until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be.

(d) The officers of the Company immediately prior to the Effective Time shall be the officers of the Surviving Corporation until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be.

Section 2.6 Principal Offices of the Company. Parent currently anticipates that the Company's current principal offices in Denver, Colorado will serve as the Rocky Mountain principal offices for Parent's oil and gas exploration operations after the consummation of the Merger.

ARTICLE III
EFFECT OF THE MERGER ON THE STOCK OF THE CONSTITUENT CORPORATIONS; EXCHANGE OF CERTIFICATES

Section 3.1 Effect on Stock. As of the Effective Time, by virtue of the Merger and without any action on the part of any of Sub, the Company or the holders of any securities of the Constituent Corporations:

(a) Capital Stock of Sub. In the event of a Forward Merger, each issued and outstanding share of capital stock of Sub shall remain as one validly issued, fully paid and nonassessable share of Common Stock, no par value, of the Surviving Corporation. Notwithstanding the foregoing, in the event of a Reverse Merger, then each issued and outstanding share of capital stock of Sub shall be converted into and become one validly issued, fully paid and non-assessable share of Common Stock of the Surviving Corporation.

(b) Treasury Stock and Parent Owned Stock. Each Share that is owned by the Company, Parent, Sub (except for Shares that are owned by Sub, in the event of a Reverse

Merger) or any other Subsidiary of Parent shall automatically be cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor.

(c) Conversion of Shares. Each Share issued and outstanding (other than Shares to be cancelled in accordance with Section 3.1(b) and other than Shares owned by Sub in the event of a Reverse Merger), shall be converted into the right to receive a number of duly authorized, validly issued, fully paid and non-assessable Parent Shares equal to the Exchange Ratio (the "Merger Consideration"). As of the Effective Time, all such Shares, when so converted, shall no longer be outstanding and shall automatically be cancelled and retired, and each holder of a certificate representing any such Shares shall cease to have any rights with respect thereto, except the right to receive any dividends or distributions in accordance with Section 3.2(c), certificates representing the Parent Shares into which such Shares are converted and any cash, without interest, in lieu of fractional shares to be issued or paid in consideration therefor upon the surrender of such certificate in accordance with Section 3.2(d).

(d) Notwithstanding anything expressed or implied to the contrary in this Agreement, appropriate modifications shall be made to the provisions of this Agreement (including, without limitation, this Section 3.1) in the event of a Reverse Merger involving a direct or indirect wholly-owned subsidiary of Parent (other than Sub).

Section 3.2 Exchange of Certificates. (a) At the Effective Time, Parent shall deposit, or shall cause to be deposited, with a banking or other financial institution mutually acceptable to Parent and the Company (the "Exchange Agent"), for the benefit of the holders of Shares, for exchange in accordance with this Article III, certificates representing the Parent Shares to be issued in connection with the Merger and cash in lieu of fractional shares (such cash and certificates for Parent Shares, together with any dividends or distributions with respect thereto (relating to record dates for such dividends or distributions after the Effective Time), being hereinafter referred to as the "Exchange Fund") to be issued pursuant to Section 3.1 and paid pursuant to this Section 3.2 in exchange for outstanding Shares.

(b) Exchange Procedure. As soon as practicable after the Effective Time, the Surviving Corporation shall cause the Exchange Agent to mail to each holder of record of a certificate or certificates that immediately prior to the Effective Time represented Shares (the "Certificates"), (i) a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Exchange Agent and shall be in a form and have such other provisions as Parent may reasonably specify) and (ii) instructions for use in effecting the surrender of the Certificates in exchange for the consideration contemplated by Section 3.1 and this Section 3.2, including cash in lieu of fractional shares. Upon surrender of a Certificate for cancellation to the Exchange Agent, together with such letter of transmittal, duly executed, and such other documents as may reasonably be required by the Exchange Agent, the holder of such Certificate shall be entitled to receive in exchange therefor (x) a certificate representing that number of whole Parent Shares and (y) a check representing the amount of cash in lieu of fractional shares, if any, and unpaid dividends and distributions with respect to the Parent Shares as provided for in Section 3.2(c), if any, that such holder has the right to receive in respect of the Certificate surrendered pursuant to the provisions of this Article III, after giving effect to any required withholding tax, and the Shares represented by the Certificate so surrendered shall forthwith be canceled. No interest will

be paid or accrued on the cash payable to holders of Shares. In the event of a transfer of ownership of Shares that is not registered in the transfer records of the Company, a certificate representing the proper number of Parent Shares, together with a check for the cash to be paid pursuant to this Section 3.2 may be issued to such a transferee if such Certificate shall be properly endorsed or otherwise be in proper form for transfer and the transferee shall pay any transfer or other taxes required by reason of the payment to a person other than the registered holder of such Certificate or establish to the satisfaction of the Surviving Corporation that such tax has been paid or is not applicable. Parent or the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Shares such amounts as Parent or the Exchange Agent is required to deduct and withhold with respect to the making of such payment under the Code or under any provision of state, local or foreign tax law. To the extent that amounts are so withheld by Parent or the Exchange Agent, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the Shares in respect of which such deduction and withholding was made by Parent or the Exchange Agent.

(c) Dividends. Notwithstanding any other provisions of this Agreement, no dividends or other distributions declared with a record date after the Effective Time on Parent Shares shall be paid with respect to any Shares represented by a Certificate until such Certificate is surrendered for exchange as provided herein. Following surrender of any such Certificate, there shall be paid to the holder of the certificates representing whole Parent Shares issued in exchange therefor, without interest, (i) at the time of such surrender, the amount of dividends or other distributions with a record date after the Effective Time theretofore payable with respect to such whole Parent Shares and not paid, less the amount of any withholding taxes which may be required thereon, and (ii) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to surrender and a payment date subsequent to surrender payable with respect to such whole Parent Shares, less the amount of any withholding taxes which may be required thereon. Parent will provide the Exchange Agent with the cash necessary to make the payments contemplated by this Section 3.2(c).

(d) No Fractional Securities. No fractional Parent Shares shall be issued pursuant hereto. In lieu of the issuance of any fractional share of Parent Shares, cash adjustments will be paid to holders in respect of any fractional share of Parent Shares that would otherwise be issuable, and the amount of such cash adjustment shall be equal to the product obtained by multiplying such stockholder's fractional share of Parent Shares that would otherwise be issuable to such holder by the closing price per share of Parent Shares on the NYSE on the Closing Date as reported by The Wall Street Journal (or, if not reported thereby, any other authoritative source).

(e) No Further Ownership Rights in Shares. All Parent Shares issued upon the surrender for exchange of Certificates in accordance with the terms of this Article III (including any cash paid pursuant to this Section 3.2) shall be deemed to have been issued in full satisfaction of all rights pertaining to the Shares theretofore represented by such Certificates. At the Effective Time, the stock transfer books of the Company shall be closed, and there shall be no further registration of transfers on the stock transfer books of the Surviving Corporation of the Shares that were outstanding immediately prior to the Effective Time. If, after the Effective

Time, Certificates are presented to the Surviving Corporation or the Exchange Agent for any reason, they shall be cancelled and exchanged as provided in this Article III.

(f) Termination of Exchange Fund. Any portion of the Exchange Fund (including the proceeds of any investments thereof and any Parent Shares) which remains undistributed to the holders of Shares for twelve months after the Effective Time shall be delivered to Parent, upon demand, and any holders of Shares who have not theretofore complied with this Article III and the instructions set forth in the letter of transmittal mailed to such holders after the Effective Time shall thereafter look only to the Surviving Corporation (subject to abandoned property, escheat or other similar laws) for payment of their Parent Shares, cash and unpaid dividends and distributions on Parent Shares deliverable in respect of each Share such stockholder holds as determined pursuant to this Agreement, in each case, without any interest thereon.

(g) No Liability. None of Parent, Sub, the Company or the Exchange Agent shall be liable to any person in respect of any amount properly delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

(h) Lost Certificates. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such Person of a bond in such reasonable amount as Parent may direct as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall issue in exchange for such lost, stolen or destroyed Certificate the applicable Merger Consideration with respect thereto and, if applicable, any unpaid dividends and distributions on shares of Parent Shares deliverable in respect thereof and any cash in lieu of fractional shares, in each case pursuant to this Agreement.

Section 3.3 Tax Consequences. It is intended by the parties hereto that the Transaction shall constitute a "reorganization" within the meaning of Section 368(a) of the Code and the United States Treasury Regulations thereunder.

Section 3.4 Adjustment of Exchange Ratio. In the event that Parent changes or establishes a record date for changing the number of Parent Shares issued and outstanding as a result of a stock split, stock dividend, recapitalization, subdivision, reclassification, combination or similar transaction with respect to the outstanding Parent Shares and the record date therefor shall be prior to the Effective Time, the Exchange Ratio applicable to the Merger and any other calculations based on or relating to Parent Shares shall be appropriately adjusted to reflect such stock split, stock dividend, recapitalization, subdivision, reclassification, combination or similar transaction.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Each exception set forth in the Company Letter (as defined herein) to the representations and warranties in this Article IV and each other response to this Agreement set forth in the Company Letter is identified by reference to, or has been grouped under a heading referring to, a specific individual Section of this Agreement and relates only to such Section, except to the extent that one section of the Company Letter specifically refers to or reasonably relates to

another section thereof. Except as set forth in the Company Letter, the Company represents and warrants to Parent and Sub as follows:

Section 4.1 Organization. The Company and each of its Significant Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has requisite power and authority to carry on its business as now being conducted, except where the failure to be so organized, existing and in good standing or to have such power and authority would not reasonably be expected to have a Material Adverse Effect on the Company. The Company and each of its Significant Subsidiaries is duly qualified or licensed to do business and in good standing in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification or licensing necessary, except in such jurisdictions where the failure to be so duly qualified or licensed and in good standing (individually or in the aggregate) would not reasonably be expected to have a Material Adverse Effect on the Company or prevent or materially delay the consummation of the Offer and/or the Merger. The Company has made available to Parent complete and correct copies of its certificate of incorporation and bylaws and the certificate of incorporation and bylaws (or similar organizational documents) of each of its Significant Subsidiaries, in each case as amended through the Closing Date.

Section 4.2 Subsidiaries. Item 4.2 of the disclosure letter delivered by the Company to Parent and Sub prior to the execution of this Agreement (the "Company Letter") lists each Subsidiary of the Company and its respective jurisdiction of incorporation and indicates whether such Subsidiary is a Significant Subsidiary. All of the outstanding shares of capital stock or ownership interest of each such Subsidiary of the Company that is a corporation have been validly issued and are fully paid and nonassessable. Except as set forth in Item 4.2 of the Company Letter, all of the outstanding shares of capital stock or ownership interest of each Subsidiary of the Company are owned by the Company, by one or more Subsidiaries of the Company or by the Company and one or more Subsidiaries of the Company, free and clear of all Liens (including any restriction on the right to vote, sell or otherwise dispose of such capital stock). Except as set forth in Item 4.2 of the Company Letter and except for the capital stock of its Subsidiaries, the Company does not own, directly or indirectly, any capital stock or other ownership interest in any Person.

Section 4.3 Capital Structure. (a) The authorized capital stock of the Company consists of 45,000,000 shares of Company Common Stock and 1,000,000 Preferred Shares, par value $.001 per share (the "Company Preferred Stock") of which 75,000 shares have been designated as Series A Junior Participating Preferred Stock (the "Company Series A Preferred Shares"). At the close of business on May 3, 2001, (i) 33,461,004 shares of Company Common Stock were issued and outstanding, all of which were validly issued, fully paid and nonassessable and free of preemptive rights, (ii) 4,999 shares of Company Common Stock were held by the Company in its treasury, (iii) 2,302,073 shares of Company Common Stock were reserved for issuance pursuant to outstanding options to purchase Company Common Stock (the "Company Stock Options") granted under the Company's 2000 Stock Option Plan, 1999 Stock Option Plan, 1997 Stock Option Plan, 1994 Stock Option Plan, Plains Petroleum Company 1992 Stock Option Plan, 1990 Barrett Resources Corporation Nondiscretionary Stock Option Plan, Plains Petroleum Company 1989 Stock Option Plan and Plains Petroleum Company 1985 Stock Option Plan for Non-Employee Directors (together, and each as amended, the "Company Stock Plans") and (iv)

no shares of Company Preferred Stock were issued and outstanding. As of the date of this Agreement, except for (i) the rights to purchase Company Series A Preferred Shares (the "Company Rights") issued pursuant to the Rights Agreement dated as of August 5, 1997, as amended pursuant to the Amendment to Rights Agreement dated as of February 25, 1999 and May 7, 2001 (as amended, the "Company Rights Agreement") between the Company and BankBoston, N.A., as Rights Agent (the "Company Rights Agent") or (ii) as set forth above, no Shares were issued, reserved for issuance or outstanding and there are not any phantom stock or other contractual rights the value of which is determined in whole or in part by the value of any capital stock of the Company ("Stock Equivalents"). There are no outstanding stock appreciation rights with respect to the capital stock of the Company. Each outstanding Share is, and each Share which may be issued pursuant to the Company Stock Plans will be, when issued, duly authorized, validly issued, fully paid and nonassessable and not subject to preemptive rights. There are no outstanding bonds, debentures, notes or other indebtedness of the Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matter on which the Company's stockholders may vote. Except as set forth above or in Item 4.3 of the Company Letter, as of the date of this Agreement, there are no securities, options, warrants, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which the Company or any of its Significant Subsidiaries is a party or by which any of them is bound obligating the Company or any of its Significant Subsidiaries to issue, deliver or sell or create, or cause to be issued, delivered or sold or created, additional shares of capital stock or other voting securities or Stock Equivalents of the Company or of any of its Significant Subsidiaries or obligating the Company or any of its Significant Subsidiaries to issue, grant, extend or enter into any such security, option, warrant, call, right, commitment, agreement, arrangement or undertaking. There are no outstanding rights, commitments, agreements, or undertakings of any kind obligating the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock or other voting securities of the Company or any of its Subsidiaries or any securities of the type described in the two immediately preceding sentences.

(b) The Company has delivered or made available to Parent complete and correct copies of the Company Stock Plans and all forms of Company Stock Options. Item 4.3 of the Company Letter sets forth a complete and accurate list of all Company Stock Options outstanding as of the date of this Agreement and the exercise price of each outstanding Company Stock Option.

Section 4.4 Authority. The Company has the requisite corporate power and authority to execute and deliver this Agreement and, subject to adoption by the Company's stockholders of this Agreement with respect to the Merger (if required by applicable law), to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the Merger and of the other transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company, subject to adoption by the Company's stockholders of this Agreement (if required by applicable law). This Agreement has been duly executed and delivered by the Company and (assuming the valid authorization, execution and delivery of this Agreement by Parent and Sub) constitutes the valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that such enforceability (i) may be limited by

bankruptcy, insolvency, moratorium or other similar laws affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity.

Section 4.5 Consents and Approvals; No Violations. Except as set forth in Item 4.5 of the Company Letter, (a) The execution and delivery of this Agreement do not, and the consummation of the transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, conflict with, or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or result in the creation of any Lien upon any of the properties or assets of the Company or any of its Subsidiaries under, (i) the certificate of incorporation or bylaws of the Company or the comparable charter or organizational documents of any of its Subsidiaries, (ii) any loan or credit agreement, note, bond, mortgage, indenture, lease or other agreement, instrument, permit, concession, franchise or license applicable to the Company or any of its Subsidiaries or their respective properties or assets or (iii) subject to the governmental filings and other matters referred to in clause (b) of this Section 4.5, any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to the Company or any of its Subsidiaries or their respective properties or assets, other than, in the case of clauses (ii) and (iii), any such conflicts, violations, defaults, rights, losses or Liens that individually or in the aggregate could not reasonably be expected to (x) have a Material Adverse Effect on the Company, (y) materially impair the Company's ability to perform its obligations under this Agreement or (z) prevent or materially delay the consummation of the transactions contemplated by this Agreement.

(b) No consent by a Governmental Entity is required by or with respect to the Company or any of its Subsidiaries in connection with the execution and delivery of this Agreement by the Company or the consummation by the Company of the transactions contemplated by this Agreement, except for (i) the filing of a premerger notification and report form by the Company under the HSR Act and any applicable filings under similar foreign antitrust or competition laws and regulations, (ii) the filing with the SEC of (A) the Schedule 14D-9, (B) a proxy statement relating to the Company Stockholders Meeting (as amended or supplemented from time to time, the "Proxy Statement"), and (C) such reports, schedules, forms and statements under the Exchange Act and the Securities Act, as may be required in connection with this Agreement and the transactions contemplated hereby, (iii) such filings as may be required under state securities or "blue sky" laws, (iv) the filing of the Certificate of Merger with the Delaware Secretary of State and appropriate documents with the relevant authorities of other states in which the Company is qualified to do business, and (v) such other consents, approvals, orders, authorizations, registrations, declarations and filings the failure of which to be made or obtained individually or in the aggregate could not reasonably be expected to (x) have a Material Adverse Effect on the Company, (y) impair the Company's ability to perform its obligations under this Agreement or (z) prevent or materially delay the consummation of the transactions contemplated by this Agreement.

(c) Except as otherwise disclosed in Item 4.5(c) of the Company Letter, neither the Company nor any of its Subsidiaries is a party to or subject to any material agreement, contract, policy, license, Permit, document, instrument, arrangement or commitment that provides for an express non-competition covenant with any Person or in any geographic area and

which limits in any material respect the ability of the Company to compete in its current business line.

Section 4.6 SEC Documents and Other Reports. The Company has filed with the SEC all required reports, schedules, forms, statements and other documents required to be filed by it since April 1, 1998 under the Securities Act or the Exchange Act (the "Company SEC Documents"). As of their respective filing dates, the Company SEC Documents complied in all material respects with the requirements of the Securities Act or the Exchange Act, as the case may be, each as in effect on the date so filed, and at the time filed with the SEC none of the Company SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the Company SEC Documents comply as of their respective dates in all material respects with the then applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, have been prepared in accordance with GAAP (except in the case of the unaudited statements, as permitted by Form 10-Q under the Exchange Act) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto) and fairly present in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as at the dates thereof and the consolidated results of their operations and their consolidated cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments and to any other adjustments described therein not material in amount).

Section 4.7 Absence of Material Adverse Change. Except as disclosed in Item 4.7 of the Company Letter or in the documents filed by the Company with the SEC and publicly available prior to the date of this Agreement (the "Company Filed SEC Documents"), since December 31, 2000 the Company and its Subsidiaries have conducted their respective businesses in all material respects only in the ordinary course consistent with past practice and there has not been (i) any Material Adverse Change with respect to the Company, (ii) any declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock or property) with respect to its capital stock or any redemption, purchase or other acquisition of any of its capital stock, (iii) any split, combination or reclassification of any of its capital stock or any issuance or the authorization of any issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, (iv) any change in accounting methods, principles or practices by the Company, except insofar as may have been required by a change in GAAP, (v) except in the ordinary course of business or as required under plans or agreements in effect prior to January 1, 2001, (A) any granting by the Company or any of its Subsidiaries to any current or former director, officer or employee of the Company or any of its Subsidiaries of any increase in compensation, (B) any granting by the Company or any of its Subsidiaries to any such director, officer or employee of any increase in severance or termination pay (including the acceleration in the exercisability of options to purchase, the re-pricing of options to purchase, or in the vesting of, Company Common Stock (or other property)), in excess of 10% of the potential amount payable under plans in effect as of December 31, 2000, or (C) any entry by the Company or any of its Subsidiaries into any material employment, deferred compensation, severance or termination agreement with any such current or former director, officer, or employee; (vi) any damage, destruction or loss, whether or not covered by insurance, that has had or could reasonably be expected to have a Material Adverse Effect on the Company, (vii) any amendment

of any material term of any outstanding security of the Company or any of its Subsidiaries, (viii) any incurrence, assumption or guarantee by the Company or any of its Subsidiaries of any indebtedness for borrowed money other than in the ordinary course of business consistent with past practice in the amount of more than $10 million in the aggregate through the date of this Agreement, (ix) any creation or assumption by the Company or any of its Subsidiaries of any material Lien on any asset other than in the ordinary course of business consistent with past practice, (x) any making of any loan, advance or capital contributions to or investment in any Person other than (A) loans, advances or capital contributions to or investments in wholly-owned Subsidiaries or entities that became wholly-owned Subsidiaries made in the ordinary course of business consistent with past practice, (B) loans or advances made to employees in the ordinary course of business consistent with past practice and (C) investments made in the ordinary course of business consistent with past practice, (xi) any material labor strike or dispute, other than routine individual grievances, or any material activity or proceeding by a labor union or representative thereof to organize any employees of the Company or any of its Subsidiaries, which employees were not subject to a collective bargaining agreement at December 31, 2000, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to such employees, or (xii) any agreement by the Company or any of its Subsidiaries to perform any action described in clauses (i) through (xi) above.

Section 4.8 Information Supplied. None of the information supplied or to be supplied by the Company specifically for inclusion or incorporation by reference in (i) the Offer Documents, (ii) the Schedule 14D-9, (iii) the information to be filed by the Company in connection with the Offer pursuant to Rule 14f-1 promulgated under the Exchange Act (the "Information Statement") or (iv) the Proxy Statement, will, in the case of the Offer Documents, the Schedule 14D-9 and the Information Statement, at the respective times the Offer Documents, the Schedule 14D-9 and the Information Statement are filed with the SEC or first published, sent or given to the Company's stockholders, or, in the case of the Proxy Statement, at the time the Proxy Statement is first mailed to the Company's stockholders or at the time of the Stockholders Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading or necessary to correct any statement in any earlier communication with respect to the solicitation of proxies for the Stockholders Meeting which has become false or misleading. The Schedule 14D-9, the Information Statement and the Proxy Statement will comply as to form in all material respects with the requirements of the Exchange Act, except that no representation or warranty is made by the Company with respect to statements made or incorporated by reference therein based on information supplied by Parent or Sub specifically for inclusion or incorporation by reference therein.

Section 4.9 Compliance with Laws. The Company and its Subsidiaries have been, and are, in compliance in all material respects with all applicable statutes, laws, ordinances, regulations, rules, judgments, decrees or orders of any Governmental Entity, except for any non-compliance that could not reasonably be expected to have a Material Adverse Effect on the Company, and neither the Company nor any of its Subsidiaries has received any notice from any Governmental Entity or any other Person that either the Company or any of its Subsidiaries is in violation of, or has violated, any applicable statutes, laws, ordinances, regulations, rules, judgments, decrees or orders, except for violations that could not reasonably be expected to have a Material Adverse Effect on the Company. Each of the Company and its Subsidiaries has in

effect all Federal, state, local and foreign governmental Permits necessary for it to own, lease or operate its properties and assets and to carry on its business as now conducted, and there has occurred no default under any such Permit, except for the absence of Permits and for defaults under Permits which absence or defaults, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Company.

Section 4.10 Tax Matters. Except as set forth in Item 4.10 of the Company Letter, (i) the Company and each of its Subsidiaries has timely filed (after taking into account any extensions to file) all Tax Returns required to be filed by them either on a separate or combined or consolidated basis, except where the failure to timely file a Tax Return (other than a Federal or state income Tax Return) would not reasonably be expected to have a Material Adverse Effect on the Company; (ii) all such Tax Returns are complete and accurate, except where the failure to be complete or accurate would not reasonably be expected to have a Material Adverse Effect on the Company; (iii) each of the Company and its Subsidiaries has paid or caused to be paid all Taxes as shown as due on such Tax Returns and all material Taxes for which no return was filed, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect on the Company; (iv) no deficiencies for any Taxes have been asserted in writing, proposed in writing or assessed in writing against the Company or any of its Subsidiaries that have not been paid or otherwise settled or are not otherwise being challenged under appropriate procedures, except for deficiencies the assertion, proposing or assessment of which would not reasonably be expected to have a Material Adverse Effect on the Company; and (v) no written requests for waivers of the time to assess any material Taxes of the Company or its Subsidiaries are pending. Neither the Company nor any of its Subsidiaries has taken or agreed to take any action or knows of any fact, circumstance, plan or intention that is or would be reasonably likely to prevent the Transaction from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

Section 4.11 Liabilities. Except as set forth in the Company Filed SEC Documents, neither the Company nor any of its Subsidiaries has any liabilities or obligations of any nature (whether accrued, absolute, contingent or otherwise) required by GAAP to be set forth on a consolidated balance sheet of the Company and its Subsidiaries or in the notes thereto, other than liabilities and obligations incurred in the ordinary course of business since December 31, 2000 and liabilities which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company.

Section 4.12 Litigation. Except as disclosed in Item 4.12 of the Company Letter or in the Company Filed SEC Documents, there is no suit, action, proceeding or investigation pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries that could reasonably be expected to (i) have a Material Adverse Effect on the Company, (ii) materially impair the ability of the Company to perform its obligations under this Agreement or (iii) prevent or materially delay the consummation of the Offer and/or the Merger; nor is there any outstanding judgment, order, writ, injunction, rule or decree of any Governmental Entity or arbitrator outstanding against the Company or any of its Subsidiaries having any such effect.

Section 4.13 Benefit Plans. (a) Except as disclosed in the Company Filed SEC Documents or Item 4.13(a) of the Company Letter or as required by law, neither the Company nor any of its Subsidiaries has adopted or amended in any material respect any Benefit Plan since

the date of the most recent audited financial statements included in the Company Filed SEC Documents. Except as disclosed in Item 4.13(a) of the Company Letter or in the Company Filed SEC Documents, there exist no material employment, consulting, severance or termination agreements between the Company or any of its Subsidiaries and any current or former officer, director, employee or consultant of the Company or any of its Subsidiaries. The Company has made available to Parent a copy of each Benefit Plan, including, without limitation, each Severance Protection Agreement.

(b) Except as would not, individually or in the aggregate, have a Material Adverse Effect on the Company, each ERISA Benefit Plan maintained by the Company or any of its Subsidiaries has been maintained and operated in compliance with its terms, the applicable requirements of applicable law, including the Code and ERISA, and each ERISA Benefit Plan intended to be "qualified" within the meaning of Section 401(a) of the Code has received a favorable determination letter from the IRS. Except as disclosed in Item 4.13(b) of the Company Letter, none of the Company, its Subsidiaries or any other person or entity that together with the Company is treated as a single employer under Section 414 of the Code (each, an "ERISA Affiliate") has at any time during the five-year period preceding the date hereof contributed to any ERISA Benefit Plan that is a "multiemployer plan" (as defined in Section 3(37) of ERISA) or maintained any ERISA Benefit Plan that is subject to Title IV of ERISA or Section 412 of the Code.

(c) Except as disclosed in Item 4.13(c) of the Company Letter, as of the date of this Agreement there is no pending dispute, arbitration, claim, suit or grievance involving a Benefit Plan (other than routine claims for benefits payable under any such Benefit Plan) that would reasonably be expected to have a Material Adverse Effect on the Company.

(d) No liability under Title IV or Section 302 of ERISA has been incurred by the Company or any ERISA Affiliate that has not been satisfied in full, and no condition exists that presents a material risk to the Company or any ERISA Affiliate of incurring any such liability, other than any such liability that would not have a Material Adverse Effect on the Company. Insofar as the representation made in this Section 4.13(d) applies to Sections 4064, 4069 or 4204 of Title IV of ERISA, it is made with respect to any employee benefit plan, program, agreement or arrangement subject to Title IV of ERISA to which the Company or any ERISA Affiliate made, or was required to make, contributions during the five-year period ending on the last day of the most recent plan year ending prior to the Closing Date.

(e) Except as disclosed in Item 4.13(e) of the Company Letter, no Benefit Plan provides medical, surgical, hospitalization or death benefits (whether or not insured) for employees or former employees of the Company or any of its Subsidiaries for periods extending beyond their retirement or other termination of service, other than (i) coverage mandated by applicable law, (ii) death benefits under any "pension plan," (iii) benefits the full cost of which is borne by the current or former employee (or his or her beneficiary) or (iv) exceptions which would not have a Material Adverse Effect on the Company.

(f) Item 4.13(f) of the Company Letter sets forth the Company's good faith estimate of the payments that may be made under the Benefit Plans that could constitute "excess parachute payments" within the meaning of Section 280G of the Code.

Section 4.14 State Takeover Statutes; Bylaws Provision; Rights Agreement. The action of the Board of Directors of the Company in approving the Offer (including the purchase of Shares pursuant to the Offer), the Merger, this Agreement and the transactions contemplated by this Agreement is sufficient to render inapplicable to the Offer, the Merger and this Agreement the provisions of (i) Section 203 of the DGCL and (ii) Article IV of the Bylaws. The Company has made available to Parent a complete and correct copy of the Company Rights Agreement, including all current and proposed amendments and exhibits thereto. The Board of Directors of the Company has taken all action necessary to amend the Company Rights Agreement (subject only to the execution of such amendment by the Company Rights Agent, which execution the Company shall cause to take place within 48 hours of the date hereof) to provide that: (i) a Distribution Date (as defined in the Company Rights Agreement) shall not occur, the Company Rights shall not separate (to the extent the Company Rights Agreement otherwise provides for such separation) or become exercisable and neither Parent nor Sub shall become an Acquiring Person (as defined in the Company Rights Agreement) as a result of the execution or delivery of this Agreement by Parent or Sub, the public announcement of such execution and delivery or, provided that this Agreement shall not have been terminated in accordance with Section 9.1 and subject to the terms of this Agreement, the public announcement or the commencement of the Offer or the consummation of the Offer and (ii) the Company Rights shall cease to be exercisable and the Company Rights Agreement shall terminate after the consummation of the Offer in accordance with the terms thereof and the terms and conditions hereof, including the acceptance for payment of, and the payment for all Shares tendered pursuant to the Offer. To the Knowledge of the Company, no other "fair price," "moratorium," "control share acquisition," or other anti-takeover statute or similar statute or regulation, applies or purports to apply this Agreement, or the Offer, the Merger or the other transactions contemplated by this Agreement.

Section 4.15 Brokers. No broker, investment banker, financial advisor or other person, other than Goldman, Sachs and Petrie Parkman, the fees and expenses of which will be paid by the Company (and are reflected in an agreement between Goldman, Sachs and the Company and an agreement between Petrie Parkman and the Company, complete copies of which have been furnished to Parent), is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company or any of its Subsidiaries. If the transactions contemplated by this Agreement are consummated, no such engagement letter obligates the Company to continue to use the services or pay fees or expenses in connection with any future transaction.

Section 4.16 Voting Requirements. Approval of the Merger requires the affirmative vote of a majority of the outstanding Shares (the "Company Stockholder Approval"). The Company Stockholder Approval is the only vote of the holders of the Company's capital stock necessary to approve and adopt this Agreement and the transactions contemplated hereby.

Section 4.17 Environmental Matters.

Except as disclosed in Item 4.17 of the Company Letter:

(a) The Company and each of its Subsidiaries has been and is in material compliance with all applicable Environmental Laws, including, but not limited to, possessing all

permits, authorizations, licenses, exemptions and other governmental authorizations required for its operations under applicable Environmental Laws, except for such non-compliance that could not reasonably be expected to have a Material Adverse Effect on the Company.

(b) There is no pending or, to the Knowledge of the Company, threatened written claim, lawsuit, or administrative proceeding against the Company or each of its Subsidiaries, under or pursuant to any Environmental Law, that could reasonably be expected to have a Material Adverse Effect on the Company. Neither the Company nor any of its Subsidiaries has received written notice from any Person, including, but not limited to, any Governmental Entity, alleging that the Company or any of its Subsidiaries has been or is in violation or potentially in violation of any applicable Environmental Law or otherwise may be liable under any applicable Environmental Law, which violation or liability is unresolved and could reasonably be expected to have a Material Adverse Effect on the Company. Neither the Company nor any of its Subsidiaries has received any written request for information from any Person, including but not limited to any Governmental Entity, related to liability under or compliance with any applicable Environmental Law, except for such matters as would not, if they matured into a claim against the Company or any of its Subsidiaries, have a Material Adverse Effect on the Company.

(c) With respect to the real property that is currently owned, leased or operated by the Company or any of its Subsidiaries, there have been no spills, discharges or releases (as such term is defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42, U.S.C. 9601, et seq.) of Hazardous Substances or any other contaminant or pollutant on or underneath any of such real property that could reasonably be expected to have a Material Adverse Effect on the Company.

(d) With respect to real property that was formerly owned, leased or operated by the Company or any of its Subsidiaries or any of their predecessors in interest, to the Knowledge of the Company, there were no spills, discharges or releases (as such term is defined by the Comprehensive Environmental Response, Compensation and Liability Act, 42, U.S.C. 9601, et seq.) of Hazardous Substances or any other contaminant or pollutant on or underneath any of such real property during or prior to the Company's or any of its Subsidiaries' ownership or operation of such real property that could reasonably be expected to result in a Material Adverse Effect on the Company.

(e) Except as disclosed on Item 4.17(e) of the Company Letter, neither the Company nor any of its Subsidiaries has entered into any written agreement or incurred any material legal or monetary obligation that may require them to pay to, reimburse, guarantee, pledge, defend, indemnify or hold harmless any Person from or against any liabilities or costs arising out of or related to the generation, manufacture, use, transportation or disposal of Hazardous Substances, or otherwise arising in connection with or under Environmental Laws, other than in each case exceptions which would not reasonably be expected to have a Material Adverse Effect on the Company.

(f) To the Knowledge of the Company, neither the Company nor any of its Subsidiaries has disposed or arranged for the disposal of Hazardous Substances (or any waste or substance containing Hazardous Substances) at any location that is: (i) listed on the Federal National Priorities List ("NPL") or identified on the CERCLIS, each established pursuant to the

Comprehensive Environmental Response, Compensation and Liability Act, 42, U.S.C. 9601, et seq.; (ii) listed on any state list of hazardous waste sites that is analogous to the NPL or CERCLIS; or (iii) has been subject to environmental investigation or remediation, other than, in each case, exceptions which would not reasonably be expected to have a Material Adverse Effect on the Company.

Section 4.18 Contracts; Debt Instruments. (a) Item 4.18(a) of the Company Letter and the Company's Annual Report on Form 10-K for the year ended December 31, 2000 (the "2000 10-K") together set forth a true and complete list of (i) all material agreements to which the Company or any of its Subsidiaries is a party; (ii) all agreements relating to the incurring of indebtedness (including sale and leaseback and capitalized lease transactions and other similar financing transactions) providing for payment or repayment in excess of $10 million; (iii) the exhibits contained or incorporated by reference in the 2000 10-K contain or incorporate by reference all of the contracts required to be included therein; (iv) all agreements requiring capital expenditures in excess of $5 million individually (other than agreements relating to the drilling, completion and connection of wells in the ordinary course of business (including all related service contracts) and agreements relating to joint operation, development and exploration entered into in the ordinary course of business); and (v) any non-competition agreements or any other agreements or obligations which purport to limit in any material respect the manner in which, or the localities in which, all or any substantial portion of the business of the Company and its Subsidiaries, taken as a whole, is conducted (the agreements, contracts and obligations specified above, collectively the "Company Contracts"). All Company Contracts are valid and in full force and effect on the date hereof except to the extent they have previously expired in accordance with their terms or if the failure to be in full force and effect, individually and in the aggregate, would not have a Material Adverse Effect on the Company. Neither the Company nor any of its Subsidiaries has violated any provision of, or committed or failed to perform any act which with or without notice, lapse of time or both would constitute a default under the provisions of, any Company Contract that could reasonably be expected to have a Material Adverse Effect on the Company.

(b) Except as described in Item 4.18(b) of the Company Letter or in the Company SEC Documents, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not (i) result in any material payment (including severance, unemployment compensation, tax gross-up, bonus or otherwise) becoming due to any current or former director, officer, employee or independent contractor of the Company or any of its Subsidiaries, from the Company or any of its Subsidiaries under any Company Stock Plan, Benefit Plan, agreement or otherwise, (ii) materially increase any benefits otherwise payable under any Company Stock Plan, Benefit Plan, agreement or otherwise or (iii) result in the acceleration of the time of payment, exercise or vesting of any such material benefits.

Section 4.19 Title to Properties. Except as set forth in Item 4.19 of the Company Letter:

(a) Each of the Company and its Subsidiaries has good and marketable title to, or valid leasehold interests in, all its properties and assets, free and clear of all Liens, except for defects in title, easements, restrictive covenants and similar encumbrances or impediments that, in the aggregate, do not and could not reasonably be expected to have a Material Adverse Effect on the Company.

(b) Each of the Company and its Subsidiaries has complied in all material respects with the terms of all material leases to which it is a party and under which it is in occupancy, and all such leases are in full force and effect, except for such non-compliance that could not reasonably be expected to have a Material Adverse Effect on the Company. To the Knowledge of the Company, each of the Company and each of its Subsidiaries enjoys peaceful and undisturbed possession under all such leases, except for such noncompliance that could not reasonably be expected to have a Material Adverse Effect on the Company.

Section 4.20 Intellectual Property. (a) As used in this Agreement, "Company Intellectual Property" means all of the following which are necessary to conduct the business of the Company and its Subsidiaries as presently conducted: (i) trademarks, trade dress, service marks, copyrights, logos, trade names, corporate names and all registrations and applications to register the same; (ii) patents and pending patent applications; (iii) all computer software programs, databases and compilations; and (iv) all material licenses and agreements to which the Company or any of its Subsidiaries is a party which relate to any of the foregoing.

(b) Except as disclosed in Item 4.20(b) of the Company Letter, the Company or its Subsidiaries owns or has the right to use all Company Intellectual Property necessary to conduct the Company's business as presently conducted, except as would not, individually or in the aggregate, be expected to have a Material Adverse Effect on the Company.

(c) Except as disclosed in Item 4.20(b) of the Company Letter, to the Knowledge of the Company, the conduct of the Company's and its Subsidiaries' business or the use of the Company Intellectual Property does not infringe, violate, misappropriate or misuse any intellectual property rights or any other proprietary right of any Person or give rise to any obligations to any Person as a result of co-authorship, except in each case for exceptions which would not, individually or in the aggregate, be expected to have a Material Adverse Effect on the Company.

Section 4.21 Condition of Assets. All of the material property, plant and equipment of the Company and its Subsidiaries, has in all material respects been maintained in reasonable operating condition and repair, ordinary wear and tear excepted, and is in all material respects, sufficient to permit the Company and its Subsidiaries to conduct their operations in the ordinary course of business in a manner consistent with their past practices.

Section 4.22 Derivative Transactions.

(a) Except as set forth in Section 4.22(a) of the Company Letter, neither the Company nor its Subsidiaries has entered into any material Derivative Transactions (as defined below) since December 31, 2000 that have a continuing financial liability or obligation. All Derivative Transactions entered into by the Company or any of its Subsidiaries that are currently open were entered into in material compliance with applicable rules, regulations and policies of all regulatory authorities.

(b) For purposes of this Section 4.22, "Derivative Transactions" means derivative transactions within the coverage of FAS 133, including any swap transaction, option, warrant, forward purchase or sale transaction, futures transaction, cap transaction, floor transaction or

collar transaction relating to one or more currencies, commodities, bonds, equity securities, loans, interest rates, credit-related events or conditions or any indexes, or any other similar transaction (including any option with respect to any of these transactions) or combination of any of these transactions, including collateralized mortgage obligations or other similar instruments or any debt or equity instruments evidencing or embedding any such types of transactions, and any related credit support, collateral, transportation or other similar arrangements or agreements related to such transactions.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PARENT AND SUB

Parent and Sub represent and warrant to the Company as follows:

Section 5.1 Organization. Parent and each of its Significant Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has requisite power and authority to carry on its business as now being conducted, except where the failure to be so organized, existing and in good standing or to have such power and authority would not reasonably be expected to have a Material Adverse Effect on Parent. Parent and each of its Significant Subsidiaries is duly qualified or licensed to do business and in good standing in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification or licensing necessary, except in such jurisdictions where the failure to be so duly qualified or licensed and in good standing would not reasonably be expected to have a Material Adverse Effect on Parent or prevent or materially delay the consummation of the Offer and/or the Merger. Parent has delivered to the Company complete and correct copies of its Certificate of Incorporation and Bylaws and has made available to the Company the charter and bylaws (or similar organizational documents) of each of its Significant Subsidiaries.

Section 5.2 Capital Structure. Except as set forth in Item 5.2 of the Parent Letter, the authorized capital stock of Parent consists of 960,000,000 shares of common stock (the "Parent Shares") and 30,000,000 shares of preferred stock. At the close of business on March 23, 2001, (i) 484,040,320 Parent Shares were issued and outstanding, all of which were validly issued, fully paid and nonassessable and free of preemptive rights and (ii) 6,311,910 Parent Shares were held by Parent in its treasury. As of the close of business on April 24, 2001, there were 25,554,954 Parent Shares reserved for issuance pursuant to outstanding options to purchase Parent Shares (the "Parent Stock Options") granted under Parent's 1996 Stock Plan, its Stock Plan for Non-Officer Employees, its 1996 Stock Plan for Non-Employee Directors, and the Williams International Stock Plan (the "Parent Stock Incentive Plans"), and, as of the close of business on February 28, 2001, there were 15,122,521 Parent Shares reserved for the grant of additional awards under Parent Stock Incentive Plans. The numbers of shares of capital stock and options described in the immediately preceding sentences have not materially changed as of the date of this Agreement, except for adjustments made in connection with the April 23, 2001 spin-off of Williams Communications Group, Inc. from Parent. As of the date of this Agreement, except as set forth above, no Parent Shares were issued, reserved for issuance or outstanding and there are not any phantom stock or other contractual rights the value of which is determined in whole or in part by the value of any capital stock of Parent ("Parent Stock Equivalents"). There are no outstanding stock appreciation rights with respect to the capital

stock of Parent. Each outstanding Parent Share is, and each Parent Share which may be issued pursuant to Parent Stock Plans will be, when issued, duly authorized, validly issued, fully paid and nonassessable and not subject to preemptive rights. There are no outstanding bonds, debentures, notes or other indebtedness of Parent having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matter on which Parent's stockholders may vote. Except as set forth above or in Item 5.3 of the Parent Letter, as of the date of this Agreement, there are no securities, options, warrants, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which Parent or any of its Significant Subsidiaries is a party or by which any of them is bound obligating Parent or any of its Significant Subsidiaries to issue, deliver or sell or create, or cause to be issued, delivered or sold or created, additional shares of capital stock or other voting securities or Parent Stock Equivalents of Parent or of any of its Significant Subsidiaries or obligating Parent or any of its Significant Subsidiaries to issue, grant, extend or enter into any such security, option, warrant, call, right, commitment, agreement, arrangement or undertaking.

As of the date of this Agreement, there are no outstanding contractual obligations of Parent or any of its Significant Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock of Parent or any of its Significant Subsidiaries.

Section 5.3 Authority. Each of Parent and Sub has requisite corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by each of Parent and Sub and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary corporate and stockholder action on the part of each of Parent and Sub. This Agreement has been duly executed and delivered by each of Parent and Sub and (assuming the valid authorization, execution and delivery of this Agreement by the Company) constitutes the valid and binding obligation of each of Parent and Sub enforceable against it in accordance with its terms, except that such enforceability (i) may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity.

Section 5.4 Consents and Approvals; No Violations. Except for filings, permits, authorizations, consents and approvals as may be required under, and other applicable requirements of, the Exchange Act, the Securities Act, the HSR Act, the DGCL, the laws of other states in which Parent is qualified to do or is doing business, state takeover laws and foreign and supranational laws relating to antitrust and anticompetition clearances, and except as may be required in connection with the Taxes described in Section 7.7, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement and compliance with the provisions of this Agreement will conflict with or result in any violation of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or result in the creation of any Lien upon, any of the properties or assets of Parent or any of its Subsidiaries, (i) the certificate of incorporation or bylaws of Parent or the comparable charter or organizational documents of any of Parent's Significant Subsidiaries, (ii) require any filing with, or permit, authorization, consent or approval of, any Governmental Entity (except where the failure to obtain such permits, authorizations, consents or approvals or to make such filings would not reasonably be expected to have a Material Adverse Effect on

Parent or prevent or materially delay the consummation of the Offer and/or the Merger), (iii) result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default (or give rise to any right of termination, amendment, cancellation or acceleration) under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, license, contract, agreement or other instrument or obligation to which Parent or any of its Subsidiaries is a party or by which any of them or any of their properties or assets may be bound or (iv) violate any order, writ, injunction, decree, statute, rule or regulation applicable to Parent, Sub, any of its Significant Subsidiaries or any of their properties or assets, except in the case of clauses (iii) or (iv) for violations, breaches or defaults that would not reasonably be expected to have a Material Adverse Effect on Parent or prevent or materially delay the consummation of the Offer and/or the Merger.

Section 5.5 SEC Documents and Other Reports. Parent has filed with the SEC all documents required to be filed by it since April 1, 1998 under the Securities Act or the Exchange Act (the "Parent SEC Documents"). As of their respective filing dates, the Parent SEC Documents complied in all material respects with the requirements of the Securities Act or the Exchange Act, as the case may be, each as in effect on the date so filed, and at the time filed with the SEC none of the Parent SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The financial statements of Parent included in the Parent SEC Documents comply as of their respective dates in all material respects with the then applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, have been prepared in accordance with GAAP (except in the case of the unaudited statements, as permitted by Form 10-Q under the Exchange Act) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto) and fairly present the consolidated financial position of Parent and its consolidated Subsidiaries as at the dates thereof and the consolidated results of their operations and their consolidated cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments and to any other adjustments described therein).

Section 5.6 Absence of Material Adverse Change. Except as disclosed in Item 5.7 of the Parent Letter or in the documents filed by Parent with SEC and publicly available prior to the date of the Agreement (the "Parent Filed SEC Documents"), since December 31, 2000 Parent and its Subsidiaries have conducted their respective businesses in all material respects only in the ordinary course consistent with past practice, and there has not been (i) any Material Adverse Change with respect to Parent, (ii) except for (a) ordinary quarterly dividends paid or payable to stockholders of Parent and (b) the distribution of shares of Williams Communications Group to holders of Parent Shares, any declaration, setting aside or payment of any dividend or other distribution with respect to its capital stock or any redemption, purchase or other acquisition of any of its capital stock, (iii) any split, combination or reclassification of any of its capital stock or any issuance or the authorization of any issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, or (iv) any change in accounting methods, principles or practices by Parent materially affecting its assets, liabilities or business, except insofar as may have been required by a change in generally accepted accounting principles.

Section 5.7 Information Supplied. None of the information supplied or to be supplied by Parent or Sub specifically for inclusion or incorporation by reference in (i) the Offer Documents, (ii) the Schedule 14D-9, (iii) the Information Statement, (iv) the Proxy Statement or (v) the Form S-4 will, in the case of the Offer Documents, the Schedule 14D-9 and the Information Statement, at the respective times the Offer Documents, the Schedule 14D-9 and the Information Statement are filed with the SEC or first published, sent or given to the Company's stockholders, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading or, in the case of the Form S-4, at the time it becomes effective under the Securities Act, or, in the case of the Proxy Statement, if any, at the time the Proxy Statement is first mailed to the Company's stockholders or at the time of the Stockholders Meeting, be false or misleading with respect to any material fact, or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading or necessary to correct any statement in any earlier communication with respect to the solicitation of proxies for the Stockholders Meeting which has become false or misleading, except that no representation or warranty is made by Parent or Sub in connection with any of the foregoing with respect to statements made or incorporated by reference therein based on information supplied by the Company or any of its representatives specifically for inclusion or incorporation by reference therein. The Offer Documents will comply as to form in all material respects with the requirements of the Exchange Act, except that no representation or warranty is made by Parent or Sub in connection with any of the foregoing with respect to statements made or incorporated by reference therein based on information supplied by the Company or any of its representatives specifically for inclusion or incorporation by reference therein.

Section 5.8 Compliance with Laws. Parent and its Subsidiaries have been and are, in compliance in all material respects with all applicable statutes, laws, ordinances, regulations, rules, judgments, decrees or orders of any Governmental Entity, except for any non-compliance that could not reasonably be expected to have a Material Adverse Effect on Parent, and neither Parent nor any of its Subsidiaries has received any notice from any Governmental Entity or any other Person that either Parent or any of its Subsidiaries is in violation of, or has violated, any applicable statutes, laws, ordinances, regulations, rules, judgments, decrees or orders, except for violation that could not reasonably be expected to have a Material Adverse Effect on Parent. Each of Parent and its Subsidiaries has in effect all Federal, state, local and foreign governmental Permits necessary for it to own, lease or operate properties and assets and to carry on its business as now conducted, and there has occurred no default under any such Permit, except for the absence of Permits and for defaults under Permits which absence or defaults, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on Parent.

Section 5.9 Parent Shares. All of the Parent Shares issuable in exchange for Shares in the Merger in accordance with this Agreement will be, when so issued, duly authorized, validly issued, fully paid and non-assessable and free of preemptive rights. The issuance of such Parent Shares will be registered under the Securities Act and registered or exempt from registration under applicable state securities laws.

Section 5.10 Reorganization. Neither Parent nor any of its Subsidiaries has taken or agreed to take any action or knows of any fact, circumstance, plan or intention that is or would

be reasonably likely to prevent the Transaction from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

Section 5.11 Liabilities. Except as set forth in the Parent Filed SEC Documents, neither Parent nor any of its Subsidiaries has any liabilities or obligations of any nature (whether accrued, absolute, contingent or otherwise) required by GAAP to be set forth on a consolidated balance sheet of Parent and its Subsidiaries or in the notes thereto, other than liabilities and obligations incurred in the ordinary course of business since December 31, 2000 and liabilities which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Parent.

Section 5.12 Interim Operations of Sub. Sub was formed solely for the purpose of engaging in the transactions contemplated hereby, has engaged in no other business activities and has conducted its operations only as contemplated hereby.

Section 5.13 Litigation. Except as disclosed in Item 5.13 of the Parent Letter or in the Parent Filed SEC Documents, there is no suit, action, proceeding or investigation pending against Parent or any of its Subsidiaries that would reasonably be expected to have a Material Adverse Effect on Parent or prevent or materially delay the consummation of the Offer and/or the Merger. Except as disclosed in Item 5.13 of the Parent Letter or in the Parent Filed SEC Documents, neither Parent nor any of its Subsidiaries is subject to any outstanding judgment, order, writ, injunction or decree that would reasonably be expected to have a Material Adverse Effect on Parent or prevent or materially delay the consummation of the Offer and/or the Merger.

Section 5.14 California Exposure. Based on the facts and circumstances known to Parent on the date of this Agreement, Parent believes that the reserves reflected in its most recent financial statements are adequate in all material respects in relation to Parent's credit, regulatory or litigation exposure arising from the sale of natural gas or electricity in the State of California.

Section 5.15 Brokers. No broker, investment banker, financial advisor or other person, other than Merrill Lynch & Co., the fees and expenses of which will be paid by Parent, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or Sub.

ARTICLE VI
COVENANTS RELATING TO CONDUCT OF BUSINESS

Section 6.1 Conduct of Business Pending the Merger.

(a) Conduct of Business by the Company Pending the Merger. During the period from the date of this Agreement until the earlier of the Effective Time or such time as Parent's designees shall constitute a majority of the Board of Directors of the Company, the Company shall, and shall cause each of its Subsidiaries to, in all material respects, except as contemplated by this Agreement, carry on its business in the ordinary course as currently conducted. Without limiting the generality of the foregoing, and except as otherwise contemplated by this Agreement (including, without limitation, as permitted or required by Section 7.9 or Section 7.11), during

such period, the Company shall not, and shall not permit any of its Subsidiaries to, without the prior written consent of Parent (which consent shall not be unreasonably withheld or delayed):

(i) (A) declare, set aside or pay any dividends on, or make any other distributions in respect of, any of its capital stock, except for dividends by a Subsidiary of the Company to its parent or (B) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;

(ii) issue, deliver, sell, pledge or otherwise encumber any shares of its capital stock, any other voting securities or any securities convertible into, or any rights, warrants or options to acquire, any such shares, voting securities or convertible securities, other than (i) the issuance of Shares upon exercise of Company Stock Options outstanding on the date hereof or (ii) purchase, redeem or otherwise acquire any shares of capital stock of the Company or any of its Subsidiaries or any other securities thereof or any rights, warrants or options to acquire any such shares or other securities;

(iii) amend its Restated Certificate of Incorporation or Bylaws or other similar organizational documents;

(iv) except as disclosed in Item 6.1(a) of the Company Letter, acquire, or agree to acquire, in a single transaction or in a series of related transactions, any business or assets, other than transactions that are in the ordinary course of business, or which involve assets having a purchase price not in excess of $5 million individually or $10 million in the aggregate;

(v) make or agree to make any new capital expenditure other than expenditures approved by the Board of Directors of the Company and within the Company's capital budget for fiscal 2001, a true, complete and correct copy of which has been provided to Parent; provided, however, that no individual capital expenditure by the Company pursuant to a single authority for expenditure may exceed $2.5 million;

(vi) except as disclosed in Item 6.1(a) of the Company Letter, sell, lease, license, encumber or otherwise dispose of, or agree to sell, lease, license, encumber or otherwise dispose of, any of its assets, other than transactions that are in the ordinary course of business or which involve assets having a current value not in excess of $1 million individually or $5 million in the aggregate;

(vii) except as disclosed in Item 6.1(a) of the Company Letter: (i) increase the salary or wages payable or to become payable to its directors, officers or employees, except for increases required under employment agreements existing on the date hereof, and except for increases for officers and employees not in excess of 10% of such person's salary or wages as in effect at the date of this Agreement; or (ii) enter into, modify or amend any employment or severance agreement with, or establish, adopt, enter into or amend any bonus, profit sharing,

thrift, stock option, restricted stock, pension, retirement, deferred compensation, employment, termination or severance plan or agreement or material policy or arrangement for the benefit of, any director, officer or employee, except as may be required by the terms of any such plan, agreement, policy or arrangement or to comply with applicable law or as contemplated by this Agreement;

(viii) except as may be required as a result of a change in law or in generally accepted accounting principles, make any material change in its method of accounting;

(ix) make any material Tax election (unless required by law) or enter into any settlement or compromise of any material Tax liability that, in either case, could reasonably be expected to have a Material Adverse Effect on the Company;

(x) (i) mortgage or otherwise encumber or subject to any Lien the Company's or its Subsidiaries', properties or assets, except in the ordinary course of business consistent with past practice or pursuant to existing contracts or commitments, or (ii) except in the ordinary course of business consistent with past practice or pursuant to existing contracts or commitments, license any of the Company's Intellectual Property;

(xi) pay, discharge or satisfy any claims, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice and in accordance with their terms, or (i) liabilities reflected or reserved against in, or contemplated by, the most recent consolidated financial statements (or the notes thereto) of the Company included in the Company SEC Documents, (ii) liabilities incurred in the ordinary course of business consistent with past practice, or (iii) other liabilities or obligations not to exceed in the aggregate $2,500,000;

(xii) (i) incur any Indebtedness or guarantee any such Indebtedness of another Person, issue or sell any debt securities or warrants or other rights to acquire any debt securities of the Company or any of its Subsidiaries, guarantee any debt securities of another Person, enter into any "Keep Well" or other agreement to maintain any financial statement condition of another Person or enter into any arrangement having the economic effect of any of the foregoing, except for borrowings incurred in the ordinary course of business (or to refund existing or maturing indebtedness) consistent with past practice and except for intercompany indebtedness between the Company and any of its wholly-owned Subsidiaries or between such Subsidiaries and except for Indebtedness, guarantees and similar commitments which do not exceed $10 million in the aggregate, or (ii) make any loans, advances or capital contributions to, or investments in, any other Person, except in the ordinary course of business or pursuant to an agreement existing on the date hereof or loans, advances, capital contributions or investments which do not exceed $10 million in the aggregate; or

(xiii) enter into or authorize any contract, agreement or binding commitment to do any of the foregoing.

(b) Conduct of Business by the Parent Pending the Merger. During the period from the date of this Agreement until the Effective Time, Parent shall, and shall cause each of its Subsidiaries to, in all material respects, except as contemplated by this Agreement, carry on its business in the ordinary course as currently conducted. Without limiting the generality of the foregoing, and except as otherwise contemplated by this Agreement, during such period, Parent shall not, and shall not permit any of its Subsidiaries to, without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed):

(i) make any change in or amendment to Parent's Certificate of Incorporation that changes any material term or provision of the Parent Shares;

(ii) make any material change in or amendment to Sub's Certificate of Incorporation;

(iii) engage in any material repurchase at a premium, recapitalization, restructuring or reorganization with respect to Parent's capital stock, including, without limitation, by way of any extraordinary dividend on, or other extraordinary distributions with respect to, Parent's capital stock;

(iv) acquire by merging or consolidating with, or by purchasing a substantial portion of the assets of or equity in, or by any other manner, any person or any business or division thereof, or otherwise acquire any assets, unless such acquisition or the entering into of a definitive agreement relating to or the consummation of such transaction would not (A) impose any material delay in the obtaining of, or materially increase the risk of not obtaining, any authorizations, consents, orders, declarations or approvals of any Governmental Entity necessary to consummate the Offer, the Merger or the expiration or termination of any applicable waiting period, (B) materially increase the risk of any Governmental Entity entering an order prohibiting the consummation of the Offer or the Merger or (C) increase the risk of not being able to remove any such order on appeal or otherwise; or

(v) enter into any contract or agreement to do any of the foregoing.

Section 6.2 No Solicitation; Acquisition Proposals. (a) From the date of this Agreement until the Effective Time or, if earlier, the termination of this Agreement in accordance with its terms, (1) the Company shall, and the Company shall cause its and its Subsidiaries' respective Representatives to, immediately cease and terminate any existing solicitation, initiation, knowing encouragement, discussion or negotiation with any Third Party conducted heretofore by the Company, its Subsidiaries or their respective Representatives with respect to any Acquisition Proposal and (2) the Company shall not, and the Company shall cause its and its Subsidiaries' respective Representatives not to, directly or indirectly, (i) solicit, initiate or knowingly encourage (including by way of furnishing non-public information), or knowingly take any other action to facilitate, any inquiries or the making or submission of any proposal that constitutes, or

may reasonably be expected to lead to, any Acquisition Proposal; (ii) enter into any agreement with respect to any Acquisition Proposal or enter into any agreement requiring the Company to abandon, terminate or fail to consummate the acquisition of Shares pursuant to the Offer or the Merger; (iii) participate or engage in any discussions or negotiations with, or disclose or provide any non-public information or data relating to the Company or its Subsidiaries to any Third Party relating to an Acquisition Proposal (except as required by legal process), or knowingly facilitate any effort or attempt to make or implement an Acquisition Proposal or accept an Acquisition Proposal; or (iv) enter into any letter of intent, agreement or similar document relating to any Acquisition Proposal.

(b) Notwithstanding the restrictions set forth in Section 6.2(a), if, at any time prior to the acquisition of Shares pursuant to the Offer, (1) the Company has received an unsolicited bona fide written proposal from a Third Party relating to an Acquisition Proposal (under circumstances in which the Company has complied in all material respects with its obligations under Section 6.2(a)) and (2) the Board of Directors of the Company concludes in good faith (after consultation with a financial advisor of nationally recognized reputation and after receiving the advice of its outside counsel) (i) that such Acquisition Proposal may reasonably constitute a Superior Proposal and (ii) that the failure to provide such information or participate in such negotiations or discussions would result in a breach by the Board of Directors of the Company of its fiduciary duties to the Company's stockholders under applicable law, the Company may, subject to its giving Parent 24 hours prior written notice of the identity of such Third Party and, to the extent known, the terms and conditions of such Acquisition Proposal and of the Company's intention to furnish nonpublic information to, or enter into discussions or negotiations with, such Third Party, (x) furnish information with respect to the Company and its Subsidiaries to any Third Party pursuant to a customary confidentiality agreement containing terms not materially less restrictive than the terms of the Confidentiality Agreement dated March 9, 2001, entered into between the Company and Parent, as the same may be amended, supplemented or modified (the "Confidentiality Agreement"), provided that a copy of all such information is delivered simultaneously to Parent if it has not previously been so furnished to Parent, and (y) participate in discussions or negotiations regarding such proposal or take any of the actions described in Section 6.2(a)(2)(i) through (iv),

(c) The Company shall within 24 hours notify and advise Parent orally and in writing of any Acquisition Proposal and the terms and conditions of such Acquisition Proposal. The Company shall inform Parent on a prompt and current basis of the status of any discussions regarding, or relating to, any Acquisition Proposal with a Third Party (including amendments and proposed amendments) and, as promptly as practicable, of any change in the price, structure or form of the consideration or material terms of and conditions regarding the Acquisition Proposal. In fulfilling its obligations under this paragraph (c) of this Section 6.2, the Company shall provide promptly to Parent copies of all material written correspondence or material written documents furnished to the Company or its Representatives by or on behalf of such Third Party.

(d) The Company agrees that it will promptly inform its and its Subsidiaries' respective Representatives of the obligations undertaken in this Section 6.2.

(e) Nothing contained in this Agreement shall prohibit the Company from taking and disclosing to its stockholders a position as required by Rule 14d-9 or Rule 14e-2(a) promulgated under the Exchange Act.

(f) For purposes of this Agreement,

"Acquisition Proposal" means any inquiry, offer, proposal, indication of interest, signed agreement or completed action, as the case may be, by any Third Party which relates to a transaction or series of transactions (including any merger, consolidation, recapitalization, liquidation or other direct or indirect business combination) involving the Company or the issuance or acquisition of 20% or more of the outstanding Shares or any tender or exchange offer that if consummated would result in any Person, together with all affiliates thereof, Beneficially Owning 20% or more of the outstanding Shares, or the acquisition, license, purchase or other disposition of a substantial portion of the business or assets of the Company outside the ordinary course of business; and

"Superior Proposal" means any bona fide written Acquisition Proposal (provided that for the purposes of this definition, the applicable percentages in the definition of Acquisition Proposal shall be fifty percent (50%) as opposed to twenty percent (20%)), on its most recently amended or modified terms, if amended or modified, which the Board of Directors of the Company determines in its good faith judgment (after receipt of the advice of a financial advisor of nationally recognized reputation and receiving advice of its outside counsel), taking into account, among other things, all legal, financial, regulatory and other aspects of the proposal and the Third Party making the proposal (i) would, if consummated, result in a transaction that is more favorable to the Company's stockholders (in their capacities as stockholders), from a financial point of view, than the transactions contemplated by this Agreement and (ii) is reasonably capable of being completed.

Section 6.3 Third Party Standstill Agreements. During the period from the date of this Agreement through the Effective Time, the Company shall enforce and shall not terminate, amend, modify or waive any standstill provision of any confidentiality or standstill agreement between the Company and other parties entered into prior to the date hereof in connection with the process conducted by the Company to solicit acquisition proposals for the Company.

Section 6.4 Disclosure of Certain Matters; Delivery of Certain Filings. (a) The Company shall give prompt notice to Parent, and Parent or Sub shall give prompt notice to the Company, of (i) any representation or warranty made by it contained in this Agreement becoming untrue or inaccurate in any material respect and (ii) the failure by it to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided, however, that no such notification shall affect the representations, warranties, covenants or agreements of the parties or the conditions to the obligations of the parties under this Agreement.

(b) The Company shall give prompt notice to Parent, and Parent or Sub shall give prompt notice to the Company, of: (i) any material notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (ii) any material notice or other communication from any Governmental Entity in connection with the transactions contemplated by this Agreement; and (iii) any actions, suits, claims, investigations or proceedings commenced or, to the best of its knowledge threatened against, relating to or involving or otherwise affecting it or any of its Subsidiaries which, if pending on the date of this Agreement would have been required to have been disclosed pursuant to Article IV or Article V or which relate to the consummation of the transactions contemplated by this Agreement.

(c) The Company shall promptly advise Parent orally and in writing if there occurs, to the Knowledge of the Company, any change or event which results in the executive officers of the Company having a good faith belief that such change or event has resulted in or is reasonably likely to result in a Material Adverse Effect on the Company. Parent shall promptly advise the Company orally and in writing if there occurs, to the Knowledge of Parent, any change or event which results in the executive officers of Parent having a good faith belief that such change or event has resulted in or is reasonably likely to result in a Material Adverse Effect on Parent. The Company shall provide to Parent, and Parent shall provide to the Company, copies of all filings made by the Company or Parent, as the case may be, with any Governmental Entity in connection with this Agreement and the transactions contemplated hereby.

Section 6.5 Conduct of Business of Sub Pending the Merger. During the period from the date of this Agreement through the Effective Time, Sub shall not engage in any activity of any nature except as provided in or contemplated by this Agreement.

Section 6.6 Modifications to Recommendations. Except as expressly permitted by this Section 6.6, neither the Board of Directors of the Company nor any committee thereof shall (i) withdraw, qualify, modify or amend, in a manner adverse to Parent, the Recommendations or make any public statement, filing or release inconsistent with such Recommendations (provided, however, that following the Board of Directors' consideration and evaluation of an Acquisition Proposal, it is understood that for the purposes hereof, if the Company adopts a neutral position or no position with respect to the Acquisition Proposal, it shall be considered an adverse modification of the Recommendations), (ii) approve or recommend, or propose publicly to approve or recommend, any Acquisition Proposal or (iii) cause the Company to enter into any acquisition agreement or other similar agreement related to any Acquisition Proposal (each, a "Subsequent Determination"), provided that if prior to the consummation of the Offer the Board of Directors of the Company determines in good faith (after it has received a Superior Proposal and after receipt of advice from outside counsel) that the failure to make a Subsequent Determination would result in a breach by the Board of Directors of the Company of its fiduciary duties to the Company's stockholders under applicable law, the Board of Directors of the Company may (subject to this and the following sentences) inform the Company's stockholders that it no longer believes that the Offer and the Merger and the other transactions contemplated hereby are advisable, but only at a time that is 72 hours following delivery by the Company to Parent of a written notice (a "Subsequent Determination Notice") (i) advising Parent that the Board of Directors of the Company has received a Superior Proposal, (ii) specifying the terms and conditions of such Superior Proposal, including the amount per share the Company's

stockholders will receive per Share (valuing any non-cash consideration at what the Board of Directors of the Company determines in good faith, after consultation with its independent financial advisor, to be the fair value of the non-cash consideration) and including a copy thereof with all accompanying documentation, (iii) identifying the person making such Superior Proposal and (iv) stating that the Company intends to make a Subsequent Determination. After providing such notice, the Company shall provide a reasonable opportunity to Parent to make such adjustments in the terms and conditions of this Agreement as would enable the Company to proceed with its Recommendations to its stockholders without a Subsequent Determination; provided, however, that any such adjustment to this Agreement shall be at the discretion of Parent at the time.

ARTICLE VII
ADDITIONAL AGREEMENTS

Section 7.1 Employee Benefits. (a) Parent shall take all necessary action so that each person who is an employee of the Company or any of its Subsidiaries immediately prior to the consummation of the Merger (including each such person who is on vacation, temporary layoff, approved leave of absence, sick leave or short- or long-term disability) (a "Retained Employee") shall remain an employee of the Company or the Surviving Corporation or a Subsidiary of the Company or of the Surviving Corporation, as the case may be, immediately following the consummation of the Merger. Parent shall take all necessary action so that each Retained Employee shall after the consummation of the Offer continue to be credited with the unused vacation and sick leave credited to such employee through the consummation of the Offer under the applicable vacation and sick leave policies of the Company and its Subsidiaries, and Parent shall permit or cause the Company, the Surviving Corporation and their Subsidiaries to permit such employees to use such vacation and sick leave. Parent shall take all necessary action so that, for purposes of eligibility and vesting service under each employee benefit plan and determination of benefits under each paid time off, vacation, severance, short-term disability and service award plans maintained by Parent or any of its Subsidiaries in which employees or former employees of the Company and its Subsidiaries become eligible to participate upon or after the consummation of the Offer, each such person shall be given credit for all service with the Company and its Subsidiaries (or all service credited by the Company or its Subsidiaries) to the same extent as if rendered to Parent or any of its Subsidiaries.

(b) Except as otherwise provided in this Section, Section 7.2 or Section 7.12, nothing in this Agreement shall be interpreted as limiting the power of the Surviving Corporation to amend or terminate any particular Benefit Plan or any other particular employee benefit plan, program, agreement or policy or as requiring the Surviving Corporation to offer to continue (other than as required by its terms) any written employment contract, subject to the terms and conditions of the applicable plan, program, agreement or policies.

(c) Parent shall honor or cause to be honored by the Company, the Surviving Corporation and their Subsidiaries all employment agreements, bonus agreements, severance agreements, severance plans and non-competition agreements with the persons who are directors, officers and employees of the Company and its Subsidiaries (it being understood that nothing herein shall be deemed to mean that the Company, the Surviving Corporation and their Subsidiaries shall not be required to honor any of their obligations under any such agreement).

(d) Parent shall, or shall cause the Company and the Surviving Corporation to, (i) waive all limitations as to preexisting conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to the Retained Employees and former employees of the Company and its Subsidiaries under any welfare or fringe benefit plan in which such employees and former employees may be eligible to participate after the consummation of the Offer, other than limitations or waiting periods that are in effect with respect to such employees and that have not been satisfied under the corresponding welfare or fringe benefit plan maintained by the Company for the Retained Employees and former employees prior to the consummation of the Offer, and (ii) provide each Retained Employee and former employee with credit under any welfare plans in which such employee or former employee becomes eligible to participate after the consummation of the Offer for any co-payments and deductibles paid by such Retained Employee or former employee for the then current plan year under the corresponding welfare plans maintained by the Company prior to the consummation of the Offer.

Section 7.2 Options.

(a) Except as set forth in Section 7.2(f), each Company Stock Option that is outstanding immediately prior to the date the Offer is consummated (the "Offer Consummation Date") pursuant to any Company Stock Plan shall vest and become immediately exercisable at the time of the consummation of the Offer. On the Offer Consummation Date with respect to Company Stock Options held by persons who are not subject to the reporting requirements of Section 16(a) of the Exchange Act, and at the Effective Time with respect to Company Stock Options held by persons who are subject to the reporting requirements of Section 16(a) of the Exchange Act, each Company Stock Option shall be adjusted to represent an option to purchase the number of shares of Company Common Stock (a "Company Adjusted Option") (rounded down to the nearest full share) determined by multiplying (i) the number of shares of Company Common Stock subject to such Company Stock Option immediately prior to the Offer Consummation Date with respect to Company Stock Options held by persons who are not subject to the reporting requirements of Section 16(a) of the Exchange Act and immediately prior to the Effective Time with respect to Company Stock Options held by persons who are subject to the reporting requirements of Section 16(a) of the Exchange Act, by (ii) 0.5, at an exercise price per share of Company Common Stock equal to the exercise price per share of Company Common Stock immediately prior to the Offer Consummation Date. In addition, promptly following the Offer Consummation Date with respect to holders of Company Stock Options who are not subject to the reporting requirements of Section 16(a) of the Exchange Act, and promptly following the Effective Time with respect to holders of Company Stock Options who are subject to the reporting requirements of Section 16(a) of the Exchange Act, Parent shall pay to the holder of each Company Stock Option an amount of cash (rounded up to the nearest cent) equal to the product of (A) (x) $73.00 minus (y) the exercise price per share of Company Common Stock immediately prior to the Offer Consummation Date and (B) the number of shares of Company Common Stock subject to such option multiplied by 0.5 (rounded up to the nearest full share). Each Company Adjusted Option shall be exercisable upon the same terms and conditions as under the applicable Company Stock Plan and the applicable option agreement issued thereunder, except as otherwise provided in this Section 7.2.

(b) At the Effective Time, each Company Adjusted Option shall be assumed by Parent and become and represent an option to purchase the number of Parent Shares (a "Parent

Substitute Option") (rounded to the nearest full share, or if there shall not be a nearest share, the next greater full share) determined by multiplying (i) the number of shares of Company Common Stock subject to such Company Adjusted Option immediately prior to the Effective Time by (ii) 1.767, at an exercise price per Parent Share (rounded up to the nearest tenth of a cent) equal to (A) the exercise price per share of Company Common Stock immediately prior to the Effective Time divided by 1.767. Parent shall pay cash to holders of Parent Substitute Options in lieu of issuing fractional Parent Shares upon the exercise of Parent Substitute Options. Each Company Adjusted Option so converted shall be exercisable upon the same terms and conditions as under the applicable Company Stock Plan and the applicable option agreement issued thereunder, except as otherwise provided in this Section 7.2. Parent shall (i) on or prior to the Effective Time, reserve for issuance the number of Parent Shares that will become subject to Parent Substitute Options pursuant to this Section 7.2(b), (ii) from and after the Effective Time, upon exercise of the Parent Substitute Options in accordance with the terms thereof, make available for issuance all Parent Shares covered thereby, (iii) at the Effective Time, assume the Company Stock Plans, with the result that all obligations of the Company under the Company Stock Plans, including with respect to Company Adjusted Options outstanding at the Effective Time, shall be obligations of Parent following the Effective Time, and (iv) as promptly as practicable after the Effective Time, issue to each holder of an outstanding Company Adjusted Option a document evidencing the foregoing assumption by Parent.

(c) The parties shall take all actions so that the Company Adjusted Options converted by Parent qualify following the Effective Time as incentive stock options as defined in Section 422 of the Code to the extent permitted under Section 422 of the Code and to the extent the Company Adjusted Options qualified as incentive stock options prior to the Effective Time; provided, however, that nothing in this Section 7.2(c) shall prevent the acceleration of the vesting or exercisability of any Company Stock Option, as provided in Section 7.2(a).

(d) Parent shall, as promptly as practicable but in any event no later than three days after the Effective Time, file a registration statement on Form S-8 or other applicable form under the Securities Act, covering the Parent Shares issuable upon the exercise of Parent Substitute Options created upon the assumption by Parent of Company Adjusted Options under Section 7.2(b), and will maintain the effectiveness of such registration, and the current status of the prospectus contained therein, until the exercise or expiration of such Parent Substitute Options.

(e) The parties will cooperate to take all reasonable steps necessary to give effect to this Section 7.2.

(f) Notwithstanding the terms of Section 7.2(a), to the extent an option holder holds any unexercisable incentive stock options ("Unvested ISO") on the Offer Consummation Date that do not become exercisable upon the consummation of the Offer pursuant to the terms of the Company Stock Plan(s) under which such Unvested ISOs were granted, then, to the extent possible, each such Unvested ISO shall be converted into the right to receive cash in full and the other options held by such option holder shall be appropriately adjusted such that the aggregate amount of cash payable to such option holder pursuant to Section 7.2(a) and this Section 7.2(f) does not exceed the amount that would otherwise be payable pursuant to Section 7.2(a).

Section 7.3 Shareholder Approval; Preparation of Form S-4 and Proxy Statement/Prospectus. (a) Parent and the Company shall, as soon as practicable following the acceptance of Shares pursuant to the Offer, prepare and the Company shall file with the SEC the Proxy Statement and Parent and the Company shall prepare and Parent shall file with the SEC a registration statement on Form S-4 (the "Form S-4") for the offer and sale of the Parent Shares pursuant to the Merger and in which the Proxy Statement will be included as a prospectus. Each of the Company and Parent shall use all reasonable efforts to have the Form S-4 declared effective under the Securities Act as promptly as practicable after such filing. The Company will use all reasonable efforts to cause the Proxy Statement to be mailed to the Company's stockholders as promptly as practicable after the Form S-4 is declared effective under the Securities Act. Parent shall also take any action (other than qualifying to do business in any jurisdiction in which it is not now so qualified or to file a general consent to service of process) required to be taken under any applicable state securities laws in connection with the issuance of Parent Shares in the Merger and the Company shall furnish all information concerning the Company and the holders of capital stock of the Company as may be reasonably requested in connection with any such action and the preparation, filing and distribution of the Proxy Statement. No filing of, or amendment or supplement to, or correspondence to the SEC or its staff with respect to, the Form S-4 will be made by Parent, or the Proxy Statement will be made by the Company, without providing the other party a reasonable opportunity to review and comment thereon. Parent will advise the Company, promptly after it receives notice thereof, of the time when the Form S-4 has become effective or any supplement or amendment has been filed, the issuance of any stop order, the suspension of the qualification of the Parent Shares issuable in connection with the Merger for offering or sale in any jurisdiction, or any request by the SEC for amendment of the Form S-4 or comments thereon and responses thereto or requests by the SEC for additional information. The Company will advise Parent, promptly after it receives notice thereof, of any request by the SEC for the amendment of the Proxy Statement or comments thereon and responses thereto or requests by the SEC for additional information. If at any time prior to the Effective Time any information relating to the Company or Parent, or any of their respective affiliates, officers or directors, should be discovered by the Company or Parent which should be set forth in an amendment or supplement to either of the Form S-4 or the Proxy Statement, so that any of such documents would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the party which discovers such information shall promptly notify the other parties hereto and an appropriate amendment or supplement describing such information shall be promptly filed with the SEC and, to the extent required by law, disseminated to the stockholders of the Company.

(b) The Company shall establish, prior to or as soon as practicable following the date upon which the Form S-4 becomes effective, a record date (which shall be prior to or as soon as practicable following the date upon which the Form S-4 becomes effective) for, duly call, give notice of, convene and hold a meeting of its stockholders (the "Company Stockholders Meeting") for the purpose of considering and taking action upon this Agreement and the Merger and (with the consent of Parent) such other matters as may in the reasonable judgment of the Company be appropriate for consideration at the Company Stockholders Meeting. Once the Company Stockholders Meeting has been called and noticed, the Company shall not postpone or

adjourn the Company Stockholders Meeting (other than for the absence of a quorum) without the consent of Parent. Subject to its fiduciary duties under applicable law, the Board of Directors of the Company shall include the Recommendations in the Form S-4 and the Proxy Statement as such Recommendations pertain to the Merger and this Agreement. The Company shall use its reasonable best efforts to solicit from stockholders of the Company proxies for use at the Company Stockholders Meeting and in favor of this Agreement and the Merger and shall take all other actions reasonably necessary or advisable to secure the vote or consent of stockholders required by the DGCL to effect the Merger.

(c) Parent agrees to cause all Shares owned by Parent or any Subsidiary of Parent to be voted in favor of the Merger.

Section 7.4 Access to Information. Upon reasonable notice and subject to the terms of the Confidentiality Agreement, each of Company and Parent shall, and shall cause each of its respective Subsidiaries to, afford to the other party, and its respective Representatives all reasonable access, during normal business hours during the period prior to the Effective Time, to all their respective properties, books, contracts, commitments, records and Representatives, during such period, each of Company and Parent shall (and shall cause each of its respective Subsidiaries to) make available to the other party (a) a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of the Federal or state securities laws or the Federal tax laws and (b) all other information concerning its business, properties and personnel as the other party may reasonably request. In the event of a termination of this Agreement for any reason, each party shall promptly return or destroy, or cause to be returned or destroyed, all nonpublic information so obtained from the other party or any of its Subsidiaries.

Section 7.5 Fees and Expenses. (a) If the Offer has not been accepted, the Company agrees to pay Parent a fee equal to $75.5 million as a result of the occurrence of any of the events set forth below (a "Trigger Event"):

(i) the Company shall have received an Acquisition Proposal (other than the cash tender offer by SRM Acquisition Corp (an affiliate of Shell Oil Company), pursuant to its Offer to Purchase dated March 12, 2001, as amended to the date of this Agreement, at a purchase price of $60 per Share (the "Shell Tender Offer"), it being understood that the Company shall be deemed to have received an Acquisition Proposal (x) if SRM Acquisition Corp amends its tender offer by increasing its tender offer price above $60 per Share (including cash, securities or any combination thereof offered for Shares) after the date of the Agreement, or (y) if an Acquisition Proposal other than the Shell Tender Offer is made by any other affiliate of Shell Oil Company) after the date of this Agreement (but prior to the termination hereof), and at any time prior to, or within 12 months after, the termination of this Agreement (unless this Agreement is terminated pursuant to Section 9.1(a), Section 9.1(b)(iv) or Section 9.1(e)), the Company shall have entered into, or shall have publicly announced its intention to enter into, an agreement or an agreement in principle with respect to any Acquisition Proposal;

(ii) the Company has provided Parent with a Subsequent Determination Notice or the Board of Directors of the Company (or any committee thereof) (A) shall have made a Subsequent Determination, (B) shall include in the Schedule 14D-9 its Recommendations with modification or qualification in a manner adverse to Parent, or (C) shall have resolved to, or publicly announced an intention to, take any of the actions as specified in this Section 7.5(a)(ii); or

(iii) (A) as of the final expiration date of the Offer, all conditions to the consummation of the Offer shall have been met or waived except for satisfaction of the Minimum Condition, (B) there shall have been made subsequent to the date of this Agreement (but before such expiration date of the Offer) an Acquisition Proposal (other than the cash tender offer by SRM Acquisition Corp (an affiliate of Shell Oil Company), pursuant to the Shell Tender Offer, it being understood that the Company shall be deemed to have received an Acquisition Proposal (x) if SRM Acquisition Corp amends its tender offer by increasing its tender offer price above $60 per Share (including cash, securities or any combination thereof offered for Shares) after the date of the Agreement, or (y) if an Acquisition Proposal other than the Shell Tender Offer is made by any other affiliate of Shell Oil Company) and (C) at any time prior to, or within 12 months after, the expiration or termination of the Offer, the Company shall have entered into, or shall have publicly announced its intention to enter into, an agreement or agreements in principle with respect to any Acquisition Proposal.

Any fee due under Section 7.5(a) shall be payable by wire transfer of same day funds on (A) the date of termination of this Agreement if this Agreement is terminated by the Company pursuant to Section 9.1(d), (B) the date which is the third business date following the date of the termination of this Agreement if this Agreement is terminated by Parent pursuant to Section 9.1(c) and (C) any fee due under clause (i) or (iii) above shall not be payable until the Company shall have entered into, or shall have publicly announced its intention to enter into an agreement or agreement in principle with respect to any Acquisition Proposal.

(b) Except as set forth in this Section 7.5, all fees and expenses incurred in connection with the Offer and the Merger, this Agreement and the transactions contemplated by this Agreement shall be paid by the party incurring such fees or expenses, whether or not the Offer or the Merger is consummated; provided, that if this Agreement is terminated as a result of the occurrence of a Trigger Event, in addition to any amounts paid or payable by the Company to Parent pursuant to Section 7.5(a), the Company shall assume and pay, or reimburse Parent for, all out-of-pocket fees payable and expenses reasonably incurred by Parent (including the fees and expenses of its counsel) in connection with this Agreement and the transactions contemplated hereby, up to a maximum of $15 million.

(c) If the Company shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) would give rise to the failure of a condition set forth in subclause (c) or (d) of clause (3) of Exhibit A, and (B) is incapable of being or has not been cured by the Company prior to or on the earlier of (x) the date which is 10 calendar days immediately following written notice by Parent to the Company of such breach or failure to

perform and (y) the expiration or termination of the Offer in accordance with the terms of this Agreement, the Company shall assume and pay, or reimburse Parent for, all out-of-pocket fees payable and expenses reasonably incurred by Parent (including the fees and expenses of its counsel) in connection with this Agreement and the transactions contemplated hereby, up to a maximum of $15 million.

(d) If the Company has terminated this Agreement pursuant to Section 9.1(e) and such breach of a representation, warranty, covenant or other agreement contained in this Agreement is incapable of being or has not been cured by Parent prior to or on the date which is 10 calendar days immediately following written notice by the Company to Parent of such breach or failure to perform, Parent shall reimburse the Company for all out-of-pocket fees payable and expenses reasonably incurred by the Company (including the fees and expenses of its counsel) in connection with this Agreement and the transactions contemplated hereby, up to a maximum of $15 million.

(e) Parent and the Company agree that the agreements contained in Sections 7.5(a) and 7.5(b) hereof are an integral part of the transactions contemplated by this Agreement and constitute liquidated damages and not a penalty.

Section 7.6 Public Announcements. Parent and the Company will consult with each other before issuing any press release or otherwise making any public statements with respect to the transactions contemplated by this Agreement and shall not issue any such press release or make any such public statement prior to such consultation, except as may be required by applicable law, or by obligations pursuant to any listing agreement with any national securities exchange.

Section 7.7 Transfer Taxes. The Company and Parent shall cooperate in the preparation, execution and filing of all returns, questionnaires, applications or other documents regarding any real property transfer or gains, sales, use, transfer, value added, stock transfer and stamp taxes, any transfer, recording, registration and other fees and any similar taxes which become payable in connection with the transactions contemplated by this Agreement (together with any related interest, penalties or additions to tax, "Transfer Taxes"). All Transfer Taxes shall be paid by the Company (without any reimbursement whatsoever by Parent, its Subsidiaries or other affiliates) and expressly shall not be a liability of any holder of Company Common Stock.

Section 7.8 State Takeover Laws. If any "fair price" or "control share acquisition" statute or other similar statute or regulation shall become applicable to the transactions contemplated hereby, Parent and the Company and their respective Boards of Directors shall use reasonable efforts to grant such approvals and take such actions as are necessary so that the transactions contemplated hereby may be consummated as promptly as practicable on the terms contemplated hereby and otherwise act to minimize the effects of any such statute or regulation on the transactions contemplated hereby.

Section 7.9 Indemnification; Directors and Officers Insurance. (a) Parent shall, or shall cause the Surviving Corporation to, honor for a period of not less than six years from the Effective Time (or, in the case of matters occurring at or prior to the Effective Time that have not

been resolved prior to the sixth anniversary of the Effective Time, until such matters are finally resolved), all rights to indemnification or exculpation, existing in favor of a director, officer, employee or agent (an "Indemnified Person") of the Company or any of its Subsidiaries (including, without limitation, rights relating to advancement of expenses and indemnification rights to which such persons are entitled because they are serving as a director, officer, agent or employee of another entity at the request of the Company or any of its Subsidiaries), as provided in the Restated Certificate of Incorporation of the Company, the Bylaws of the Company, in each case, as in effect on the date of this Agreement, and relating to actions or events through the Effective Time; provided, however, that the Surviving Corporation shall not be required to indemnify any Indemnified Person in connection with any proceeding (or portion thereof) to the extent involving any claim initiated by such Indemnified Person unless the initiation of such proceeding (or portion thereof) was authorized by the Board of Directors of the Company or unless such proceeding is brought by an Indemnified Person to enforce rights under this Section 7.9; provided further that any determination required to be made with respect to whether an Indemnified Person's conduct complies with the standards set forth under the DGCL, the Restated Certificate of Incorporation of the Company, the Bylaws of the Company, as the case may be, shall be made by independent legal counsel selected by such Indemnified Person and reasonably acceptable to Parent; and provided further that nothing in this Section 7.9 shall impair any rights of any Indemnified Person. Without limiting the generality of the preceding sentence, in the event that any Indemnified Person becomes involved in any actual or threatened action, suit, claim, proceeding or investigation after the Effective Time, Parent shall, or shall cause the Surviving Corporation to, promptly advance to such Indemnified Person his or her legal and other expenses (including the cost of any investigation and preparation incurred in connection therewith), subject to the providing by such Indemnified Person of an undertaking to reimburse all amounts so advanced in the event of a non-appealable determination of a court of competent jurisdiction that such Indemnified Person is not entitled thereto.

(b) Prior to the Effective Time and subject to the proviso in the following sentence relating to the cost thereof, the Company shall have the right to obtain and pay for in full a "tail" coverage directors' and officers' liability insurance policy ("D&O Insurance") covering a period of not less than six years after the Effective Time and providing coverage in amounts and on terms consistent with the Company's existing D&O Insurance. In the event the Company is unable to obtain such insurance, Parent shall cause the Surviving Corporation to maintain the Company's D&O Insurance for a period of not less than six years after the Effective Time; provided, that the Surviving Corporation may substitute therefor policies of substantially similar coverage and amounts containing terms no less advantageous to such former directors or officers; provided further that if the existing D&O Insurance expires or is cancelled during such period, Parent or the Surviving Corporation shall use its best efforts to obtain substantially similar D&O Insurance; and provided further that the Company shall not, without Parent's consent, expend an amount in excess of 300% of the last annual premium paid prior to the date hereof to procure the above described "tail" coverage and neither Parent nor the Surviving Corporation shall be required to expend, in order to maintain or procure an annual D&O Insurance policy, in lieu of a tail policy, an amount in excess of 300% of the last annual premium paid prior to the date hereof, but in such case shall purchase as much coverage as possible for such amount.

(c) The provisions of this Section 7.9 are intended to be for the benefit of, and shall be enforceable by, each Indemnified Person, his or her heirs and his or her personal representatives and shall be binding on all successors and assigns of Parent, the Company and the Surviving Corporation.

Section 7.10 Board of Directors. Promptly after such time as Sub purchases Shares pursuant to the Offer (but subject to the satisfaction of the Minimum Condition), Sub shall be entitled, to the fullest extent permitted by law, to designate at its option up to that number of directors, rounded to the nearest whole number, of the Company's Board of Directors, subject to compliance with Section 14(f) of the Exchange Act, as will make the percentage of the Company's directors designated by Sub equal to the aggregate voting power of the shares of Common Stock held by Parent or any of its Subsidiaries; provided, however, that in the event that Sub's designees are elected to the Board of Directors of the Company, until the Effective Time, such Board of Directors shall have at least two directors who are directors on the date of this Agreement and who are not officers of the Company (the "Independent Directors"); and provided, further that, in such event, if the number of Independent Directors shall be reduced below two for any reason whatsoever, the remaining Independent Directors shall, to the fullest extent permitted by law, designate a person to fill such vacancy who shall be deemed to be an Independent Director for purposes of this Agreement or, if no Independent Directors then remain, the other directors shall designate two persons to fill such vacancies who shall not be officers or affiliates of the Company or any of its Subsidiaries, or officers or affiliates of Parent or any of its Subsidiaries, and such persons shall be deemed to be Independent Directors for purposes of this Agreement. Following the election or appointment of Sub's designees pursuant to this Section 7.10 and prior to the Effective Time, (A) any amendment, or waiver of any term or condition, of this Agreement or the Restated Certificate of Incorporation or Bylaws of the Company and (B) any termination of this Agreement by the Company, any extension by the Company of the time for the performance of any of the obligations or other acts of Sub or waiver or assertion of any of the Company's rights hereunder, and any other consent or action by the Board of Directors with respect to this Agreement, will require the concurrence of a majority of the Independent Directors and no other action by the Company, including any action by any other director of the Company, shall be required for purposes of this Agreement. To the fullest extent permitted by applicable law, the Company shall take all actions requested by Parent which are reasonably necessary to effect the election of any such designee, including mailing to its stockholders the Information Statement containing the information required by Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder, and the Company agrees to make such mailing with the mailing of the Schedule 14D-9 (provided that Sub shall have provided to the Company on a timely basis all information required to be included in the Information Statement with respect to Sub's designees). Parent and Sub will be solely responsible for any information with respect to either of them and their nominees, officers, directors and affiliates required by Section 14(f) of the Exchange Act and Rule 14f-1 promulgated thereunder. In connection with the foregoing, the Company will promptly, at the option of Parent, to the fullest extent permitted by law, either increase the size of the Company's Board of Directors and/or obtain the resignation of such number of its current directors as is necessary to enable Sub's designees to be elected or appointed to the Company's Board of Directors as provided above.

Section 7.11 HSR Act Filings; Reasonable Best Efforts. (a) Each of Parent and the Company shall (i) promptly make or cause to be made the filings required of such party or any of

its Subsidiaries under the HSR Act and any other Antitrust Laws with respect to the Offer, the Merger and the other transactions contemplated by this Agreement, (ii) comply at the earliest practicable date with any request under the HSR Act or such other Antitrust Laws for additional information, documents, or other material received by such party or any of its Subsidiaries from the Federal Trade Commission or the Department of Justice or any other Governmental Entity in respect of such filings, the Offer, the Merger or such other transactions, and (iii) cooperate with the other party in connection with any such filing and in connection with resolving any investigation or other inquiry of any such agency or other Governmental Entity under any Antitrust Laws with respect to any such filing, the Offer, the Merger or such other transactions. Each of Parent and the Company shall promptly inform the other of any communication with, and any proposed understanding, undertaking, or agreement with, any Governmental Entity regarding any such filings, the Offer, the Merger or such other transactions.

(b) Each of Parent and the Company shall use all reasonable best efforts to resolve such objections, if any, as may be asserted by any Governmental Entity with respect to the Offer, the Merger or any other transactions provided for in this Agreement under the Antitrust Laws. In connection therewith, if any administrative or judicial action or proceeding is instituted (or threatened to be instituted) challenging the Offer, the Merger or any other transactions provided for in this Agreement as violative of any Antitrust Law, each of Parent and the Company shall cooperate and use all reasonable best efforts vigorously to contest and resist any such action or proceeding and to have vacated, lifted, reversed, or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents, or restricts consummation of the Offer, the Merger or any such other transactions. Each of Parent and the Company shall use all reasonable best efforts to take such action as may be required to cause the expiration of the notice periods under the HSR Act or other Antitrust Laws with respect to the Offer, the Merger and such other transactions as promptly as possible after the execution of this Agreement.

(c) Each of the parties agrees to use all reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Offer, the Merger, and the other transactions contemplated by this Agreement, including (i) the obtaining of all other necessary actions or nonactions, waivers, consents and approvals from Governmental Entities and the making of all other necessary registrations and filings (including other filings with Governmental Entities, if any), (ii) the obtaining of all necessary consents, approvals or waivers from third parties, (iii) the preparation of the Form S-4, the Offer Documents, the Schedule 14D-9 and the Proxy Statement, and (iv) the execution and delivery of any additional instruments necessary to consummate the transactions contemplated by, and to fully carry out the purposes of, this Agreement, in each case subject to the Company Board of Directors' fiduciary duties under applicable law.

(d) Notwithstanding anything to the contrary in this Section 7.11, (i) neither Parent nor any of its Subsidiaries shall be required to divest any of their respective businesses, product lines or assets that could reasonably be expected to have a Material Adverse Effect on Parent, (ii) neither Parent nor any of its Subsidiaries shall be required to take or agree to take any other action or agree to any limitation that could reasonably be expected to have a Material Adverse Effect on Parent, (iii) neither the Company nor its Subsidiaries shall be required to

divest any of their respective businesses, product lines or assets, or to take or agree to take any other action or agree to any limitation that could reasonably be expected to have a Material Adverse Effect on the Company, and (iv) neither Parent nor Sub shall be required to waive any of the conditions to the Offer set forth in Exhibit A or any of the conditions of to the Merger set forth in Article VIII.

Section 7.12 Stay Bonuses; Severance. (a) Prior to the Effective Time, the Company shall be permitted to award bonuses to employees of the Company or any of its Subsidiaries in an aggregate amount not to exceed $2,000,000, with such bonuses to be allocated at the direction of its Chief Executive Officer with the consent of Parent, which consent shall not be unreasonably withheld or delayed. Such bonuses shall be paid upon the earlier of 90 days following the Effective Time and 30 days following the date of termination hereof as described in Article IX (the "Payment Date") to each employee to whom such a bonus has been awarded and who continues to be employed by the Company (or any successor or affiliate of the Company) on the Payment Date or whose employment terminates prior to the Payment Date due to death, Disability, termination by the Company (or any successor or affiliate of the Company) without Cause, or termination by the employee with Good Reason (as such capitalized terms are defined in the Company's Severance Protection Plan); provided, however, that no such bonus shall be paid to any employee who has entered into a Severance Protection Agreement with the Company and whose employment terminates prior to the Payment Date entitling such employee to a severance payment pursuant to Section 3.1(b) of such Severance Protection Agreement.

(b) Subject to Section 7.1(c), Parent shall maintain or cause the Company or Surviving Corporation to maintain each of the Company's severance policy as in effect on the date hereof as set forth in Item 7.12(b) of the Company Letter or shall replace such policy with a policy providing equal or more favorable compensation, for a period of at least two years from the Effective Time.

(c) Each employee of the Company or any of its Subsidiaries whose employment is terminated upon, or within 18 months following, the consummation of the Offer, other than an employee who has entered into a Severance Protection Agreement with the Company, shall receive a cash payment from the Company or Parent in the amount of $8,000 which may, in the sole discretion of such employee, be used to obtain outplacement services, to assist in the transition to subsequent employment or for any other purpose.

Section 7.13 Section 16 Matters. Prior to the Effective Time, Parent and the Company shall take all such steps as may reasonably be required to cause any dispositions of Shares (including derivative securities with respect to the Shares) or acquisition of Parent Shares (including derivative securities with respect to the Parent Shares) resulting from the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act, such steps to be taken in accordance with the No-Action Letter, dated January 12, 1999, issued by the SEC regarding such matters.

Section 7.14 Tax Treatment. This Agreement is intended to constitute a "plan of reorganization" with respect to the Offer and the Forward Merger for United States Federal income tax purposes. From and after the date of this Agreement, each party hereto shall use its

reasonable best efforts to cause the Offer and the Forward Merger to qualify, and shall not, without the prior written consent of the other parties hereto, knowingly take any actions or cause any actions to be taken which could reasonably be expected to prevent the Offer and the Forward Merger from qualifying as a reorganization under the provisions of Section 368(a) of the Code. Following the Effective Time, neither the Surviving Corporation nor Parent nor any of their respective affiliates shall take any action or cause any action to be taken which could reasonably be expected to cause the Offer and the Forward Merger to fail to qualify as a reorganization under Section 368(a) of the Code. Parent shall use its reasonable best efforts to obtain an opinion of Skadden, Arps, Slate, Meagher & Flom LLP (which includes its affiliated law practice entities), or another nationally recognized United States Federal income tax counsel or "Big Five" accounting firm ("Tax Counsel") (based on the facts and customary representations and assumptions) that the Transaction will be treated as a "reorganization" within the meaning of Section 368(a) of the Code (the "Tax Opinion Standard"). Notwithstanding anything express or implied to the contrary in this Agreement, but subject to the provisions of this Section 7.14, if such opinion cannot be obtained, then, in Parent's reasonable discretion, the Reverse Merger shall be effected instead of the Forward Merger.

Section 7.15 Affiliate Letters. As promptly as practicable, the Company shall deliver to Parent a letter identifying all persons who are at the time this Agreement is submitted for adoption by the stockholders of the Company, "affiliates" of the Company for purposes of Rule 145 under the Securities Act. The Company shall use all reasonable efforts to deliver or cause to be delivered to Parent, prior to the expiration of the Offer, an Affiliate Letter in a customary form for transactions of this type.

Section 7.16 Litigation. The Company shall give Parent a reasonable opportunity to participate in the defense of any litigation against the Company and/or its directors relating to the transactions contemplated by this Agreement or any other Acquisition Proposal and will not settle or compromise any such action without the prior written consent of Parent, which consent shall not be unreasonably withheld or delayed.

Section 7.17 Rights Agreement. Except as expressly required by this Agreement, the Company shall not, without the prior written consent of Parent, amend the Rights Agreement or take any other action with respect to, or make any determination under, the Rights Agreement, including a redemption of the Rights or any action with respect to the Rights Agreement to facilitate an Acquisition Proposal; provided, however, that the Company may amend or take appropriate action under the Rights Agreement to delay the occurrence of a Distribution Date (as defined in the Rights Agreement) in response to the public announcement of an Acquisition Proposal.

Section 7.18 Bank Debt. The Company agrees to use its reasonable best efforts to seek the consent of its bank lenders and the issuers of letters of credit to the Company to permit the consummation of the transactions contemplated hereby, including, without limitation, the Offer and the Merger, without necessity to repay the indebtedness of the Company to such lenders or to replace such letters of credit.

ARTICLE VIII
CONDITIONS PRECEDENT

Section 8.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the fulfillment at or prior to the Effective Time of the following conditions:

(a) Company Stockholder Approval. The Company Stockholder Approval shall have been obtained; provided, however, that Parent and Sub shall vote all of their shares of capital stock of the Company entitled to vote thereon in favor of the Merger.

(b) No Injunction or Restraint. No statute, rule, regulation, executive order, decree, temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other Governmental Entity preventing the consummation of the Merger shall be in effect; provided, however, that each of the parties shall have used their reasonable best efforts to prevent the entry of any such temporary restraining order, injunction or other order, including, without limitation, taking such action as is required to comply with Section 7.11, and to appeal as promptly as possible any injunction or other order that may be entered.

(c) Purchase of Shares. Sub shall have previously accepted for payment and paid for Shares pursuant to the Offer; provided, however, that this condition shall be deemed satisfied if Parent or Sub fails to accept for payment and pay for Shares pursuant to the Offer in violation of the terms of this Agreement and/or the Offer.

(d) Form S-4. The Form S-4 shall have become effective under the Securities Act and shall not be the subject of any stop order or proceedings seeking a stop order.

(e) Listing Parent Shares. The Parent Shares to be issued in the Merger shall have been approved for listing on the NYSE.

ARTICLE IX
TERMINATION AND AMENDMENT

Section 9.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after approval of this Agreement and the Merger by the stockholders of the Company or Sub:

(a) by mutual written consent of Parent and the Company

(b) by either of Parent or the Company:

(i) if the Offer shall have expired or been terminated in accordance with the terms of this Agreement without Parent or Sub having accepted for payment any Shares pursuant to the Offer, unless the failure to consummate the Offer is the result of a willful and material breach of this Agreement by the party seeking to terminate this Agreement;

(ii) if the Offer shall not have been consummated on or before August 31, 2001 (the "Outside Date"), unless the failure to consummate the Offer is the result of a willful and material breach of this Agreement by the party seeking to terminate this Agreement;

(iii) if the Merger shall not have been consummated as a result of any condition thereto in Article VIII being incapable of being satisfied; or

(iv) if any statute, rule, regulation, injunction or decree having the effects set forth in subclause (a) or (b) of clause (3) of Exhibit A shall be in effect and shall have become final and nonappealable; or

(c) by Parent, upon the occurrence of the Trigger Event described in Section 7.5(a)(ii) hereof;

(d) by the Company, if the Company makes a Subsequent Determination in material compliance with Section 6.2 hereof and pursuant to the provisions of Section 6.6 hereof, provided the Company has paid or concurrently pays Parent the sums (including providing Parent with an undertaking confirming the Company's obligation to reimburse expenses as required by Section 7.5) required by Section 7.5(a) hereof; or

(e) by the Company (i) if Sub or Parent shall have breached in any material respect any of their respective covenants, obligations or other agreements under this Agreement, or (ii) if the representations and warranties of Parent and Sub set forth in this Agreement that are qualified as to materiality shall not be true and correct as of the date of the Agreement and as of the expiration of the date of termination of this Agreement (except to the extent expressly made as of an earlier date, in which case as of such date), or any of the representations and warranties set forth in the Agreement that are not so qualified by materiality shall not be true and correct in any material respect as of the date of this Agreement and as of the date of termination of this Agreement (except to the extent expressly made as of an earlier date, in which case as of such date); provided that this right of termination shall not be deemed to exist unless any such breaches of representation or warranty (without regard to any "Materiality" or "Material Adverse Effect" or similar qualifier or threshold), individually or in the aggregate, has had or could reasonably be expected to have, a Material Adverse Effect on the Parent; provided, further that the breach of the covenant, obligation, agreement, representation or warranty is incapable of being or has not been cured by Parent or Sub prior to or on the date which is 10 calendar days immediately following written notice by the Company to Parent of such breach or failure to perform.

(f) by Parent (i) if the Company shall have breached in any material respect any of its covenants, obligations or other agreements under this Agreement, or (ii) if the representations and warranties of the Company set forth in this Agreement that are qualified as to materiality shall not be true and correct as of the date of the Agreement and as of the expiration of the date of termination of this Agreement (except to the extent expressly made as of an earlier date, in which case as of such date), or any of the representations and warranties set forth in the Agreement that are not so qualified by materiality shall not be true and correct in any material respect as of the date of this Agreement and as of the date of termination of this Agreement

(except to the extent expressly made as of an earlier date, in which case as of such date); provided that this right of termination shall not be deemed to exist unless any such breaches of representation or warranty (without regard to any "Materiality" or "Material Adverse Effect" or similar qualifier or threshold), individually or in the aggregate, has had or could reasonably be expected to have, a Material Adverse Effect on the Company; provided, further that the breach of the covenant, obligation, agreement, representation or warranty is incapable of being or has not been cured by the Company prior to or on the date which is 10 calendar days immediately following written notice by Parent to the Company of such breach or failure to perform.

Section 9.2 Effect of Termination. In the event of a termination of this Agreement by either the Company or Parent as provided in Section 9.1, this Agreement shall forthwith become void and there shall be no liability or obligation on the part of Parent, Sub or the Company or their respective officers or directors, except with respect to Section 4.15, Section 5.16, Section 7.5, this Section 9.2 and Article X and the last sentences of each of Section 1.2(c) and Section 7.4; provided, however, that nothing herein shall relieve any party for liability for any willful or knowing breach hereof.

Section 9.3 Amendment. Subject to Section 1.1 and Section 7.10, this Agreement may be amended by the parties hereto at any time before or after obtaining the Company Stockholder Approval, but if the Company Stockholder Approval shall have been obtained, thereafter no amendment shall be made which by law requires further approval by the Company's stockholders without obtaining such further approval. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 9.4 Extension; Waiver. At any time prior to the Effective Time, the parties hereto, by action taken or authorized by their respective Board of Directors, may, to the extent legally allowed, (i) subject to the provisions of Section 7.10, extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) subject to the provisions of Section 7.10, waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto or (iii) subject to the provisions of Section 7.10, waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of those rights.

ARTICLE X
GENERAL PROVISIONS

Section 10.1 Non-Survival of Representations and Warranties and Agreements. None of the representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time. This Section 10.1 shall not limit any covenant or agreement of the parties which by its terms contemplates performance after the Effective Time of the Merger.

Section 10.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (which is confirmed) or

sent by overnight courier (providing proof of delivery) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Parent or Sub, to:

The Williams Companies, Inc.
One Williams Center
Tulsa, Oklahoma 74172
Attn: William G. von Glahn and Rebecca H. Hilborne
Telecopy No.: (918) 573-5942

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036
Attn: Morris Kramer and Richard Grossman
Telecopy No.: 212-735-2000

(b) if to the Company, to:

Barrett Resources Corporation
1515 Arapahoe Street
Tower 3, Suite 1000
Denver, Colorado 80202
Attn: Eugene A. Lang, Jr.
Telecopy No.: (303) 629-8275

with copies to:

Sidley Austin Brown & Wood
Bank One Plaza
10 South Dearborn Street
Chicago, Illinois 60603
Attn: Thomas A. Cole and Paul L. Choi
Telecopy No.: (312) 853-7036

Section 10.3 Interpretation; Definitions. When a reference is made in this Agreement to an Article or a Section, such reference shall be to an Article or a Section of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

As used in this Agreement, the following terms have the meanings specified or referred to in this Section 10.3 and shall be equally applicable to both the singular and plural forms. Any agreement referred to below shall mean such agreement as amended, supplemented or modified

from time to time to the extent permitted by the applicable provisions thereof and by this Agreement.

"ACQUISITION PROPOSAL" shall have the meaning set forth in Section 6.2(f).

"AGREEMENT" means this Agreement and Plan of Merger, dated as of May 7, 2001, among Parent, Sub and the Company.

"ANTITRUST LAWS" means, collectively, the HSR Act, the Sherman Act, as amended, the Clayton Act, as amended, the Federal Trade Commission Act, as amended, and any other Federal, state or foreign statutes, rules, regulations, orders or decrees that are designed to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade.

"BENEFICIAL OWNER" or "BENEFICIALLY OWNING" shall have the meaning set forth in Rule 13d-3 promulgated under the Exchange Act.

"BENEFIT PLAN" means any collective bargaining agreement or any bonus, pension, profit sharing, deferred compensation, incentive compensation, stock ownership, stock purchase, stock option, phantom stock, retirement, vacation, severance, disability, death benefit, hospitalization, medical, employee stock purchase, stock appreciation, restricted stock or other employee benefit plan, agreement or arrangement, in each case that is maintained, sponsored, contributed to or required to be contributed to by the Company or any ERISA Affiliate for the benefit of providing benefits to any current or former employee, officer, director or consultant of the Company or any of its Subsidiaries.

"CERTIFICATE OF MERGER" shall have the meaning set forth in Section 2.3.

"CERTIFICATES" shall have the meaning set forth in Section 3.2(b).

"CLOSING DATE" shall have the meaning set forth in Section 2.2.

"CODE" means the Internal Revenue Code of 1986, as amended.

"COMPANY" shall have the meaning set forth in the introductory paragraph of this Agreement.

"COMPANY COMMON STOCK" shall have the meaning set forth in the second recital provision of this Agreement.

"COMPANY CONTRACTS" shall have the meaning set forth in Section 4.18(a).

"COMPANY FILED SEC DOCUMENTS" shall have the meaning set forth in Section 4.7.

"COMPANY INTELLECTUAL PROPERTY" shall have the meaning set forth in Section 4.20.

"COMPANY LETTER" shall have the meaning set forth in Section 4.2.

"COMPANY PREFERRED STOCK" shall have the meaning set forth in Section 4.3.

"COMPANY RIGHTS" shall have the meaning set forth in Section 4.3.

"COMPANY RIGHTS AGENT" shall have the meaning set forth in Section 4.3.

"COMPANY RIGHTS AGREEMENT" shall have the meaning set forth in Section 4.3.

"COMPANY SEC DOCUMENTS" shall have the meaning set forth in Section 4.6.

"COMPANY SERIES A PREFERRED SHARES" shall have the meaning set forth in Section 4.3.

"COMPANY STOCK OPTIONS" shall have the meaning set forth in Section 4.3.

"COMPANY STOCK PLANS" shall have the meaning set forth in Section 4.3.

"COMPANY STOCKHOLDER APPROVAL" shall have the meaning set forth in Section 4.16.

"COMPANY STOCKHOLDERS MEETING" shall have the meaning set forth in Section 6.2(b).

"CONFIDENTIALITY AGREEMENT" shall have the meaning set forth in Section 7.4.

"CONSENTS" means with respect to a Governmental Entity or Person, any consent, approval, order or authorization of, or registration, declaration or filing with or exemption by such Governmental Entity or Person, as the case may be.

"CONSTITUENT CORPORATIONS" shall have the meaning set forth in the introductory paragraph of this Agreement.

"CONSUMMATION OF THE OFFER" means the purchase of Shares pursuant to the Offer.

"DERIVATIVE TRANSACTIONS" shall have the meaning set forth in Section 4.22(b).

"D&O INSURANCE" shall have the meaning set forth in Section 7.9(b).

"DGCL" means the General Corporation Law of the State of Delaware.

"EFFECTIVE TIME" shall have the meaning set forth in Section 2.3.

"ENVIRONMENTAL LAWS" shall mean all foreign, Federal, state and local laws, regulations, rules and ordinances relating to pollution or protection of the environment or human health and safety, including, without limitation, laws relating to releases or threatened releases of Hazardous Substances into the indoor or outdoor environment (including, without limitation, ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport or handling of Hazardous Substances; all laws and regulations with regard to recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Substances; all laws relating to endangered or threatened species of fish, wildlife and plants and the management or use of natural resources; and common law to the extent it relates to or applies to exposure to or impact of Hazardous Substances on persons or property.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, together with the rules and regulations promulgated thereunder.

"ERISA AFFILIATE" shall have the meaning set forth in Section 4.13(b).

"ERISA BENEFIT PLAN" means a U.S. Benefit Plan maintained as of the date of this Agreement which is also an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) or which is also an "employee welfare benefit plan" (as defined in Section 3(1) of ERISA).

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

"EXCHANGE AGENT" shall have the meaning set forth in Section 3.2(a).

"EXCHANGE FUND" shall have the meaning set forth in Section 3.2(a).

"EXCHANGE RATIO" shall have the meaning set forth in the third recital provision of this Agreement (subject to adjustment as contemplated by Section 3.4).

"EXPENSES" means documented and reasonable out-of-pocket fees and expenses incurred or paid by or on behalf of Parent in connection with the Offer, the Merger or the consummation of any of the transactions contemplated by this Agreement, including all reasonable fees and expenses of law firms, commercial banks, investment banking firms, accountants, experts and consultants to Parent.

"FORM S-4" shall have the meaning set forth in Section 7.3.

"FORWARD MERGER" shall have the meaning set forth in the second recital provision of this Agreement.

"GAAP" means United States generally accepted accounting principles.

"GOLDMAN, SACHS" shall have the meaning set forth in Section 1.2(a).

"GOVERNMENTAL ENTITY" means any Federal, state, local or foreign government or any court, tribunal, administrative agency or commission or other governmental or other regulatory authority or agency, domestic, foreign or supranational.

"HAZARDOUS SUBSTANCES" shall mean (a) any petrochemical or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing polychlorinated biphenyls, and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants" or "pollutants" or words of similar meaning and regulatory effect; or (c) any other chemical, material or substance, exposure to which is prohibited, limited, or regulated by any applicable Environmental Law.

"HSR ACT" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"INDEBTEDNESS" shall mean, with respect to any Person, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all letters of credit issued for the account of such Person (excluding letters of credit issued for the benefit of suppliers to support accounts payable to suppliers incurred in the ordinary course of business), (d) all capitalized lease obligations of such Person, (e) all obligations of such Person under interest rate or currency swap transactions (valued at the termination value thereof), and (f) all guarantees and arrangements having the economic effect of a guarantee of such Person of any indebtedness of any other Person.

"INDEMNIFIED PERSON" shall have the meaning set forth in Section 7.9(a).

"INDEPENDENT DIRECTORS" shall have the meaning set forth in Section 7.10.

"INFORMATION STATEMENT" shall have the meaning set forth in Section 4.8.

"KNOWLEDGE" shall mean the actual knowledge of the executive officers of the Company or the executive officers of Parent, as the case may be.

"LIENS" means any pledges, claims, liens, charges, encumbrances and security interests of any kind or nature whatsoever.

"MATERIAL ADVERSE CHANGE" or "MATERIAL ADVERSE EFFECT" means, when used in connection with the Company or Parent, as the case may be, any change or effect (or any development that, insofar as can reasonably be foreseen, is likely to result in any change or effect) that is materially adverse to the business, properties, assets, condition (financial or otherwise) or results of operations of the Company and its Subsidiaries taken as a whole, or Parent and its Subsidiaries taken as a whole, as the case may be, provided, however, that (i) any adverse change, effect or development that is caused by or results from conditions affecting the United States economy generally or the economy of any nation or region in which the Company or Parent, as the case may be, or its Subsidiaries conducts business that is material to the business of the Company or Parent, as the case may be, and its Subsidiaries, taken as a whole, shall not be taken into account in determining whether there has been (or whether there could reasonably be foreseen) a "Material Adverse Change" or "Material Adverse Effect" with respect to the Company or Parent, as the case may be, (ii) any adverse change, effect or development that is caused by or results from conditions generally affecting the industries (including the oil and gas industry) in which the Company or Parent, as the case may be, conducts its business shall not be taken into account in determining whether there has been (or whether there could be reasonably be foreseen) a "Material Adverse Change" or "Material Adverse Effect" with respect to the Company or Parent, as the case may be, and (iii) any adverse change, effect or development that is caused by or results from the announcement or pendency of this Agreement, the Offer, the Merger or the transactions contemplated hereby shall not be taken into account in determining whether there has been (or whether there could reasonably be foreseen) a "Material

Adverse Change" or "Material Adverse Effect" with respect to the Company or Parent, as the case may be.

"MERGER" shall have the meaning set forth in Section 2.1.

"MERGER CONSIDERATION" shall have the meaning set forth in the third recital provision of this Agreement.

"MINIMUM CONDITION" shall have the meaning set forth in Exhibit A of this Agreement.

"NYSE" means the New York Stock Exchange, Inc.

"OFFER" shall have the meaning set forth in the second recital provision of this Agreement.

"OFFER CONDITIONS" shall have the meaning set forth in Section 1.1(a).

"OFFER CONSIDERATION" shall have the meaning set forth in the second recital provision of this Agreement.

"OFFER DOCUMENTS" shall have the meaning set forth in Section 1.1(c).

"OUTSIDE DATE" shall have the meaning set forth in Section 9.1(b).

"PARENT" shall have the meaning set forth in the introductory paragraph of this Agreement.

"PARENT COMMON STOCK" shall have the meaning set forth in the third recital provision of this Agreement.

"PARENT FILED SEC DOCUMENTS" shall have the meaning set forth in Section 5.7.

"PARENT LETTER" means the letter from Parent to the Company dated the date hereof, which letter relates to this Agreement and is designated therein as the Parent Letter.

"PARENT OPTIONS" shall have the meaning set forth in Section 7.2(b).

"PARENT RIGHTS" means the rights to purchase Series A Junior Participating Preferred Stock issued pursuant to the Parent Rights Agreement.

"PARENT RIGHTS AGREEMENT" means the Rights Agreement, dated as of February 6, 1996, between Parent and First Chicago Trust Company of New York, as rights agent, as amended.

"PARENT SEC DOCUMENTS" shall have the meaning set forth in Section 5.6.

"PARENT SHARES" shall have the meaning set forth in the second recital provision of this Agreement.

"PARENT STOCK EQUIVALENTS" shall have the meaning set forth in Section 5.3.

"PARENT STOCK OPTIONS" shall have the meaning set forth in Section 5.3.

"PERMITS" means approvals, authorizations, certificates, filings, franchises, licenses, notices, permits and rights.

"PERSON" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity (including any person as defined in Section 13(d)(3) of the Exchange Act).

"PETRIE PARKMAN" shall have the meaning set forth in Section 1.2(a).

"PROXY STATEMENT" shall have the meaning set forth in Section 4.5(b).

"RECOMMENDATIONS" shall have the meaning set forth Section 1.2.

"REPRESENTATIVE" means with respect to any Person, its officers, directors, investment bankers, attorneys, accountants, consultants or other agents, advisors or representatives.

"RETAINED EMPLOYEE" shall have the meaning set forth in Section 7.1(a).

"REVERSE MERGER" shall have the meaning set forth in the fourth recital provision of this Agreement.

"RIGHTS AGREEMENT" shall mean that certain Rights Agreement between the Company and BankBoston, N.A. dated August 5, 1997, as amended.

"SCHEDULE 14D-9" shall have the meaning set forth in Section 1.2(b).

"SCHEDULE TO" shall have the meaning set forth in Section 1.1(c).

"SEC" means the Securities and Exchange Commission.

"SECURITIES ACT" means the Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

"SHARES" shall have the meaning set forth in the second recital provision of this Agreement.

"SIGNIFICANT SUBSIDIARY" of any person means a Subsidiary of such person that would constitute a "significant subsidiary" of such person within the meaning of Rule 1.02(v) of Regulation S-X as promulgated by the SEC.

"STOCK EQUIVALENTS" shall have the meaning set forth in Section 4.3.

"SUB" shall have the meaning set forth in the introductory paragraph of this Agreement.

"SUBSEQUENT DETERMINATION" shall have the meaning set forth in Section 6.6.

"SUBSEQUENT DETERMINATION NOTICE" shall have the meaning set forth in Section 6.6.

"SUBSIDIARY" or "SUBSIDIARY" of any person means another person, an amount of the voting securities, other voting ownership or voting partnership interests of which is sufficient to elect at least a majority of its Board of Directors or other governing body (or, if there are no such voting interests, 50% or more of the equity interests of which) is owned directly or indirectly by such first person.

"SUPERIOR PROPOSAL" shall have the meaning set forth in Section 6.2(f).

"SURVIVING CORPORATION" shall have the meaning set forth in Section 2.1.

"TAX" and "TAXES" means any federal, state, local or foreign net income, gross income, gross receipts, windfall profit, severance, property, production, sales, use, license, excise, franchise, employment, payroll, withholding, alternative or add-on minimum or any other tax, custom, duty, levy, tariff, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty, addition to tax or additional amount imposed by any Governmental Entity.

"TAX OPINION STANDARD" shall have the meaning set forth in Section 7.14.

"TAX RETURN" means any return, report or similar statement (including any related or supporting information) required to be filed with respect to any Tax including, without limitation, any information return, claim for refund, amended return or declaration of estimated Tax.

"TERMINATION FEE" shall have the meaning set forth in Section 7.5(b).

"THIRD PARTY" means any Person (or group of Persons) other than Parent and its affiliates.

"TRANSACTION" shall have the meaning set forth in the eighth recital provision of this Agreement.

"TRANSFER TAXES" shall have the meaning set forth in Section 7.7.

"TREASURY REGULATIONS" means the final and temporary (but not proposed) income tax regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"TRIGGER EVENT" shall have the meaning set forth in Section 7.5(a).

Section 10.4 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

Section 10.5 Entire Agreement; No Third-Party Beneficiaries. Except for the Confidentiality Agreement, this Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the

subject matter hereof. This Agreement, except for the provisions of Section 7.1, Section 7.2, Section 7.9, Section 7.12 and Section 7.13, is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

Section 10.6 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.

Section 10.7 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns. Notwithstanding the foregoing, Sub shall have the right, effective upon written notice to the Company, to transfer or assign, in whole or from time to time in part, to Parent or to one or more other wholly-owned Subsidiaries of Parent, the right to purchase Shares tendered pursuant to the Offer, but any such transfer or assignment shall in no way prejudice the rights of tendering stockholders to receive payment for their Shares validly tendered and accepted for payment pursuant to the Offer, adversely affect the ability of the parties to complete the Transaction or relieve Sub of its obligations hereunder.

Section 10.8 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement may be consummated as originally contemplated to the fullest extent possible.

Section 10.9 Enforcement of this Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, such remedy being in addition to any other remedy to which any party is entitled at law or in equity.

Section 10.10 Obligations of Subsidiaries. Whenever this Agreement requires any Subsidiary of Parent (including Sub) or of the Company to take any action, such requirement shall be deemed to include an undertaking on the part of Parent or the Company, as the case may be, to cause such Subsidiary to take such action.

IN WITNESS WHEREOF, Parent, Sub and the Company have caused this Agreement to be signed by their respective officers thereunto duly authorized all as of the date first written above.

THE WILLIAMS COMPANIES, INC.

By: /s/ Keith E. Bailey

Name: Keith E. Bailey
Title: Chairman, President and Chief Executive Officer

RESOURCES ACQUISITION CORP.

By: /s/ Steven J. Malcolm

Name: Steven J. Malcolm
Title: President

BARRETT RESOURCES CORPORATION

By: /s/ Peter A. Dea

Name: Peter A. Dea
Title: Chairman and Chief Executive Officer

EXHIBIT A

CONDITIONS OF THE OFFER

Notwithstanding any other provision of the Offer, subject to the terms of the Agreement, Sub shall not be required to accept for payment or pay for, (subject to any applicable rules and regulations of the SEC, including Rule 14e-1(c) under the Exchange Act (relating to Sub's obligation to pay for or return tendered Shares after the termination or withdrawal of the Offer)) any Shares tendered, if by the expiration of the Offer (as it may be extended in accordance with the requirements of Section 1.1), (1) there shall not have been validly tendered and not withdrawn prior to the expiration of the Offer 16,730,502 shares of Company Common Stock (the "Minimum Condition"), (2) the applicable waiting period under the HSR Act and any other applicable Antitrust Laws shall not have expired or been terminated, or (3) at any time on or after the date of the Agreement and prior to the acceptance for payment of Shares pursuant to the Offer, any of the following conditions exist:

(a) there shall be instituted or pending any action or proceeding by any Governmental Entity:

(i) challenging or seeking to make illegal, to delay materially or otherwise directly or indirectly to restrain or prohibit the making of the Offer or the Merger, the acceptance for payment of, or the payment for, some of or all the Shares by Parent or Sub or the consummation by Parent or Sub of the Merger or seeking to obtain material damages,

(ii) seeking to restrain or prohibit Parent's or Sub's ownership or operation (or that of their respective Subsidiaries or affiliates) of all or any material portion of the business or assets of the Company and its Subsidiaries, taken as a whole, or of Parent and its Subsidiaries, taken as a whole, or to compel Parent or any of its Subsidiaries or affiliates to dispose of or hold separate all or any material portion of the business or assets of the Company and its Subsidiaries, taken as a whole, or of Parent and its Subsidiaries, taken as a whole,

(iii) seeking to impose material limitations on the ability of Parent or any of its Subsidiaries effectively to exercise full rights of ownership of the Shares, including, without limitation, the right to vote any Shares acquired or owned by Parent or any of its Subsidiaries or affiliates on all matters properly presented to the Company's stockholders, or

(iv) seeking to require divestiture by Parent or any of its Subsidiaries of any Shares; or

(b) there shall be any action taken, or any statute, rule, regulation, injunction, order or decree enacted, enforced, promulgated, issued or deemed applicable to the Agreement, the Offer or the Merger, by any Governmental Entity that is reasonably likely, directly or indirectly, to result in any of the consequences referred to in clauses (i) through (iv) of paragraph (a) above, subject as aforesaid; or

(c) the Company shall have breached or failed to perform in any material respect any of its covenants, obligations or agreements under the Agreement; or

(d) the representations and warranties of the Company set forth in the Agreement that are qualified as to materiality shall not be true and correct as of the date of the Agreement and as of the expiration of the Offer (including any extension thereof) (except to the extent expressly made as of an earlier date, in which case as of such earlier date), or any of the representations and warranties set forth in the Agreement that are not so qualified as to materiality shall not be true and correct in any material respect as of the date of the Agreement and as of the expiration of the Offer (except to the extent expressly made as of an earlier date, in which case as of such earlier date); provided that this condition shall not be deemed to exist unless any such breaches of representation or warranty (without regard to any "Materiality" or "Material Adverse Effect" or similar qualifier or threshold), individually or in the aggregate, has had or could reasonably be expected to have, a Material Adverse Effect on the Company; or

(e) this Agreement shall have been terminated in accordance with its terms; or

(f) the Board of Directors of the Company (or any committee thereof) shall have made a Subsequent Determination;

which, in the good faith judgment of Parent in any such case makes it inadvisable to proceed with such acceptance for payment or payment.

The foregoing conditions are for the sole benefit of Parent and Sub and may, subject to the terms of this Agreement, be waived by Parent and Sub in their reasonable discretion in whole at any time or in part from time to time. The failure by Parent or Sub at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and circumstances shall not be deemed a waiver with respect to any other facts and circumstances, and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time. Terms used but not defined herein shall have the meaning assigned to such terms in the Agreement to which this Exhibit A is a part.

Exhibit (d) (2)

March 9, 2001

Williams Companies, Inc.
One Williams Center, 49-1
Tulsa, OK 74172

Attention: Mark Wilson

Ladies and Gentlemen:

You have requested information regarding Barrett Resources Corporation (the "Company") for the purposes of evaluating a possible business combination involving the Company and you (a "Transaction"). It is understood and agreed that this agreement creates no obligation to enter into any Transaction or any agreement relating to a Transaction. To induce the Company to furnish information to you, you hereby agree as follows:

1. As used herein:

"Act" means the Securities Exchange Act of 1934, as amended;

"Affiliate" means any Person that (i) directly or indirectly controls you, (ii) directly or indirectly is controlled by you or (iii) is under direct or indirect common control with you;

"Information" means information regarding the Company or any of its subsidiaries or their respective assets or businesses which is furnished to you by the Company or its representatives;

"Person" shall have the meaning contained in Section 3(a)(9) of the Act; and

"Restricted Period" means the period commencing on the date hereof and ending on the close of business on May 11, 2001.

2. All Information will be kept confidential by you, except that you may disclose or make available Information to your directors, officers and employees and to representatives of your advisors for the exclusive purpose of assisting you in the evaluation of a possible Transaction, all of whom shall be specifically informed by you or your representatives of the confidential character of such Information and that by receiving such information they are agreeing to be bound by the terms of this agreement relating to the confidential treatment of such Information. You will not use, or permit any of your representatives to use, any of the Information for any purpose other than the evaluation of a possible Transaction, and you will not make any Information available to any Person for any other purpose whatsoever.

3. You hereby acknowledge that you are aware (and that prior to the disclosure of any Information to any Person pursuant to paragraph 2 such Person will be advised)

that the United States securities laws prohibit any Person who has material non-public information about a company from purchasing or selling securities of such company or from communicating such information to any other Person under circumstances in which it is reasonably foreseeable that such Person is likely to purchase or sell such securities. In the event that you disclose any Information to any Person, whether or not such disclosure is permitted under paragraph 2, you shall be liable to the Company for any failure by such Person to treat such Information in the same manner as you is obligated to treat such Information under the terms of this agreement.

4. Unless specifically requested in writing in advance by the Company, you will not at any time during the Restricted Period (and you will not at any time during the Restricted Period assist or encourage others to):

(a) acquire or agree, offer, seek or propose to acquire, directly or indirectly, alone or in concert with any other Person, by purchase or otherwise, any ownership, including, but not limited to, beneficial ownership as defined in Rule 13d-3 under the Act, of any of the assets, businesses or securities of the Company or any subsidiary thereof, or any rights or options to acquire such ownership (including from any third party);

(b) solicit proxies or consents (as such terms are defined in Rule 14a-1 under the Act), whether or not such solicitation is exempt under Rule 14a-2 under the Act, with respect to any matter from holders of any shares of stock of the Company or any securities convertible into or exchangeable for or exercisable (whether currently or upon the occurrence of any contingency) for the purchase of such stock, or make any communication exempted from the definition of solicitation by Rule 14a-1(l)(2)(iv) under the Act;

(c) initiate, or induce or attempt to induce any other Person, entity or group (as defined in Section 13(d)(3) of the Act) to initiate, any stockholder proposal, consent solicitation or tender offer for any securities of the Company or any subsidiary thereof, any change of control of the Company or any subsidiary thereof or the convening of a stockholders' meeting of the Company or any subsidiary thereof;

(d) otherwise seek or propose to influence or control the management or policies of the Company or any subsidiary thereof;

(e) enter into any discussions, negotiations, arrangements or understandings with any other Person with respect to any matter described in the foregoing subparagraphs (a) through (d);

(f) take any action inconsistent with any of the foregoing subparagraphs (a) through (e); or

(g) take any action not required by law with respect to any of the matters described in this paragraph 4 that requires public disclosure.

5. If at any time during the Restricted Period you are approached by any Person concerning your or their participation in a transaction involving any of the assets, businesses or securities of the Company or any subsidiary thereof, you will promptly inform us of the nature of such contact and the parties thereto.

6. Except with the Company's prior written approval, you will not disclose, and you will not permit your representatives to disclose, to any Person other than the Persons described in paragraph 2, the fact that you are engaged in discussions with the Company regarding a Transaction (or are participating in the Company's publicly announced process for soliciting proposals for a possible Transaction), the fact that the Information has been made available to you or that you have inspected any portion of the Information or the fact that you are subject to any of the restrictions described in paragraph 4; provided, however, that you may make such disclosure if you have received the opinion of your outside counsel that such disclosure must be made by you in order that you not commit a violation of law and, if the action which is to be disclosed was in violation of paragraph 4, such disclosure expressly states such violation.

7. In the event that you are requested in any proceeding to disclose any Information received by you or any matter subject to paragraph 6, you will give us prompt notice of such request so that we may seek an appropriate protective order. If in the absence of a protective order you are nonetheless compelled to disclose any such Information or matter, you may disclose such Information or matter without liability hereunder, provided that you give us written notice of the Information or matter to be disclosed as far in advance of its disclosure as is practicable and uses its best efforts to obtain assurances that confidential treatment will be accorded to such Information or matter.

8. The restrictions with respect to Information set forth in paragraph 2 shall not apply to any Information furnished to you by the Company or its representatives which you demonstrate (i) is on the date hereof or hereafter becomes generally available to the public other than as a result of a disclosure by you or your representatives or (ii) was available to you on a nonconfidential basis prior to its disclosure to you by the Company or its representatives or becomes available to you on a nonconfidential basis, in each case from a source other than the Company or its representatives, which source was not itself bound by a confidentiality agreement with the Company or its representatives and had not received such information, directly or indirectly, from a Person so bound.

9. The Company does not make any representation or warranty as to the accuracy or completeness of the Information provided to you. Neither the Company nor any of its representatives shall have any liability resulting from the use of the Information by you or any of your representatives.

10. Upon our request at any time, you will promptly redeliver to us all copies of documents containing Information and will promptly destroy all memoranda, notes and other writings prepared by you or by any Person referred to in paragraph 2 based on such Information.

11. You shall cause each of your Affiliates to comply with the terms of paragraphs 2, 3, 4, 5, 6, 7, 8 and 10 (construing such paragraphs for such purposes to refer also to such Affiliates in each instance where there is a reference to you).

12. You acknowledge that irreparable damage would occur to the Company in the event any of the provisions of this agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, the Company shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction in the United States of America or any state thereof, in addition to any other remedy to which the Company may be entitled at law or in equity.

13. If any term or provision of this agreement or any application hereof shall be invalid or unenforceable, the remainder of this agreement and any other application of such term or provision shall not be affected thereby.

14. This agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall constitute one and the same instrument.

15. This agreement contains the entire understanding of the parties hereto with respect to the matters covered hereby and may be amended only by an agreement in writing executed by the Company and you.

16. This agreement shall be binding upon, inure to the benefit of and be enforceable by our respective successors and assigns.

17. This agreement shall be governed by and construed in accordance with the internal laws (as opposed to conflict of law provisions) of the State of New York.

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If the foregoing correctly sets forth our agreement as to the matters set forth herein, please confirm our agreement by executing and returning a copy of this agreement to the undersigned.

Very truly yours,

BARRETT RESOURCES CORPORATION

By: GOLDMAN, SACHS & CO., as financial advisor to Barrett Resources Corporation

By: /s/ Goldman Sachs & Co.

Name:
Title:

The foregoing terms are agreed to:

/s/ Keith Bailey
- ---

By: Keith Bailey

Name:
Title: Chmn.Pres.CEO

Exhibit (d) (3)

NONDISCLOSURE AGREEMENT

THE WILLIAMS COMPANIES, INC., a Delaware corporation ("Williams") and BARRETT RESOURCES CORPORATION, a Delaware corporation ("Recipient"), sometimes referred to herein individually as a "Party" and collectively as the "Parties", in consideration of the mutual covenants of this Agreement, hereby agree as follows:

1. Recipient has requested information regarding Williams for the purpose of evaluating a possible business combination regarding Williams and Recipient ("Transaction"). Williams may consider such information proprietary under this Agreement either because it has developed the Information internally, or because it has received the Information subject to a continuing obligation to maintain the confidentiality of the Information, or because of other reasons.

2. The term "Information" as used in this Agreement shall mean information regarding Williams or any of its subsidiaries or their respective assets or businesses which is furnished to Recipient by Williams or its representatives. Williams shall have the right to determine, in its sole judgment, what information it shall provide to Recipient.

3. With respect to Information disclosed under this Agreement, Recipient shall:

   a. Hold the Information in confidence, exercising a degree of care not less than the care used by Recipient to protect its own proprietary or confidential information that it does not wish to disclose.

   b. Restrict disclosure of the Information solely to those directors, officers, employees, and/or agents/consultants with a need to know for the purpose of evaluating the Transaction and not disclose it to any other person.

   c. Advise those persons to whom the Information was disclosed of their obligations with respect to the Information. Recipient shall be responsible for any breach of this Agreement by its representatives.

   d. Use the Information only in connection with continuing discussions by the Parties concerning the Transaction, except as may otherwise be agreed to by Williams in writing.

4. The Information shall be deemed the property of Williams and, upon request, Recipient shall return all Information received in tangible form to Williams, without retaining any copy or duplicate thereof, and shall destroy any and all written, printed or other material or information derived from the Information and provide Williams written certification of such document destruction. If Recipient loses or makes an unauthorized disclosure of Williams' Information, it shall notify Williams immediately and use reasonable efforts to retrieve the lost or wrongfully disclosed Information.

5. Recipient shall have no obligation to preserve the proprietary nature of any Information which:

a. was previously known to Recipient free of any obligation to keep it confidential;

b. is or becomes publicly available by other than unauthorized disclosure;

c. is received from a third party whose disclosure, to the best of Recipient's knowledge, does not violate any confidentiality obligation; or

d. is disclosed pursuant to the requirement or request of a governmental agency or court of competent jurisdiction to the extent such disclosure is required by a valid law, regulation or court order, and sufficient notice is given by Recipient to Williams of any such requirement or request in order to permit Williams to seek an appropriate protective order or exemption from such requirement or request.

6. With respect to any information, including but not limited to Information, which Williams discloses to Recipient for the purpose of evaluating the Transaction, it is understood and agreed that Williams does not make any representations or warranties as to the accuracy, completeness or fitness for a particular purpose thereof. It is further understood and agreed that neither Williams nor its representatives shall have any liability or responsibility to Recipient or to any other person or entity resulting from the use of any information so furnished or otherwise provided. Neither this Agreement, nor the transfer of Information hereunder, shall be construed as granting either expressly, by implication, estoppel, or otherwise, any license or right to any information or data now or hereafter owned or controlled by Williams to Recipient and all such Information shall remain the property of Williams.

7. Neither this Agreement, nor the disclosure of Information under this Agreement, nor the ongoing discussions and correspondence between the Parties, shall constitute or imply a commitment or binding obligation between the Parties or their respective affiliated companies regarding the Transaction. If, in the future, the Parties elect to enter into a binding commitment regarding the Transaction, such commitment shall be explicitly stated in a separate written agreement executed by both Parties, and the Parties hereby affirm that they do not intend their discussions, correspondence, and other activities to be construed as forming a contract regarding the Transaction or any other transaction between them without execution of such separate written agreement.

8. Recipient acknowledges that it is aware (and that prior to the disclosure of any Information to any person pursuant to Paragraph 3b such person will be advised) that the United States securities laws prohibit any person who has material non-public information about a company from purchasing or selling securities of such company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities.

9. This Agreement shall benefit and be binding upon the Parties hereto and their respective successors and assigns.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma without regard to choice of law principles.

11. This Agreement shall become effective as of the date set forth below ("Effective Date"). The

obligations of the Parties under this Agreement shall survive and continue beyond the Effective Date for a period of three (3) years.

12. Recipient acknowledges that in the event of an unauthorized disclosure, the damages incurred by Williams may be difficult if not impossible to ascertain, and that Williams may seek injunctive relief as well as monetary damages against Recipient for breach of this Agreement.

13. This Agreement constitutes the entire understanding between the Parties with respect to the Information provided hereunder. No amendment or modification of this Agreement shall be valid or binding on the Parties unless made in writing and executed on behalf of each Party by its duly authorized representative.

Each Party represents that it has caused this Agreement to be executed on its behalf as of the date written below by a representative empowered to bind that Party with respect to the undertakings and obligations contained herein.

Executed and effective this 6th day of May, 2001

THE WILLIAMS COMPANIES, INC.	BARRETT RESOURCES CORPORATION
By: /s/ MARK D. WILSON	By: /s/ EUGENE A. LANG
Name: Mark D. Wilson	Name: Eugene A. Lang
Title: Vice President-Corporate Development	Title: Executive Vice President, General Counsel and Secretary