MALCOLM STEVEN J

Form 4

February 25, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB

OMB APPROVAL

3235-0287 Number:

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if no longer subject to Section 16. Form 4 or

Check this box

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue.

30(h) of the Investment Company Act of 1940

See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

MALCOLM STEVEN J

ONE WILLIAMS CENTER

2. Issuer Name and Ticker or Trading

Symbol

WILLIAMS COMPANIES INC [WMB]

(Last) (First) (Middle)

(Street)

3. Date of Earliest Transaction

(Month/Day/Year) 02/23/2010

4. If Amendment, Date Original

Filed(Month/Day/Year)

3.

5. Relationship of Reporting Person(s) to

Issuer

below)

(Check all applicable)

_X__ Director 10% Owner X_ Officer (give title Other (specify

President & CEO

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

TULSA, OK 74172

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

Code (Month/Day/Year) (Instr. 8)

4. Securities TransactionAcquired (A) or Disposed of (D) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T) (Instr. 4) (Instr. 4)

Reported (A) Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if

any

4. 5. Number of TransactionDerivative Securities Code Acquired (A) or

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Am Underlying Sec (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative		(Month/Day/Year)	(Instr. 8)	Disposed of (D) (Instr. 3, 4, and 5)					
	Security			Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	A N S
Restricted Stock Units (1)	\$ 21.22	02/23/2010		A	140,492		02/23/2013	02/23/2013	Common Stock	1
Employee Options (Right to Buy)	\$ 0	09/16/2009		J <u>(2)</u>		10,893	09/16/2009	09/16/2009	Common Stock	
Employee Options (Right to Buy)	\$ 21.22	02/23/2010		A	90,352		02/23/2011	02/23/2020	Common Stock	
Employee Options (Right to Buy)	\$ 21.22	02/23/2010		A	90,352		02/23/2012	02/23/2020	Common Stock	
Employee Options (Right to Buy)	\$ 21.22	02/23/2010		A	90,351		02/23/2013	02/23/2020	Common Stock	

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
MALCOLM STEVEN J ONE WILLIAMS CENTER TULSA, OK 74172	X		President & CEO				

Signatures

Cher S. Lawrence, Attorney-in-Fact for Mr. Steven J.

Malcolm

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- Vesting is subject to applicable grant agreement and compensation committee certification that the Company has met the three year

 (1) performance measure. The specific performance measure will be based on total shareholder return with absolute and relative dependent measures.
- (2) Cancellation of stock options at no value to reporting person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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