

ARMSTRONG ALAN S

Form 4

February 07, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
ARMSTRONG ALAN S

2. Issuer Name **and** Ticker or Trading
Symbol
WILLIAMS COMPANIES INC
[WMB]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

ONE WILLIAMS CENTER

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
02/05/2007

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
Sr. Vice President - Midstream

TULSA, OK 74172

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock ⁽¹⁾	02/05/2007		M	V Amount (A) or (D) Price 11,666 A \$ 27.36	39,592	D	
Common Stock ⁽¹⁾	02/05/2007		F	3,975 D \$ 27.36	35,617	D	
Common Stock					14	I	By Trust ⁽²⁾

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

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information contained in this form are not
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SEC 1474
(9-02)

number.

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock ⁽¹⁾	\$ 27.36	02/05/2007		M		11,666		02/05/2007	02/05/2007	Common Stock	11,666

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ARMSTRONG ALAN S ONE WILLIAMS CENTER TULSA, OK 74172	Sr. Vice President - Midstream

Signatures

Cher S. Lawrence, Attorney-in-Fact for Alan S.
Armstrong

02/07/2007

__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).

Payout of a Restricted Stock Award (formerly referred to as Deferred Stock) in transaction exempt under Rules 16b-3(d) and 16b-6(b) of

(1) 11,666 shares of common stock awarded under The Williams Companies, Inc. 2002 Incentive Plan of which 3,975 shares were withheld for taxes.

(2) Represents total shares of the Company's common stock held in The Investment Plus Plan.

(3) 1-for-1

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

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