BENDER JAMES J

Form 4

March 05, 2009

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

(Print or Type Responses)

1. Name and Address of Reporting Person * BENDER JAMES J

> (First) (Middle)

> > (7:-

ONE WILLIAMS CENTER

(State)

(Street)

TULSA, OK 74172

(Last)

(City)

2. Issuer Name and Ticker or Trading

Symbol WILLIAMS COMPANIES INC [WMB]

3. Date of Earliest Transaction

(Month/Day/Year) 03/03/2009

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

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Estimated average

burden hours per

Director 10% Owner _X__ Officer (give title _ Other (specify below)

Sr. Vice President & GC

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) Table I - Non-Derivative Securities Acq						ired, 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. Securit or(A) or Di (Instr. 3,	sposed 4 and 3	of (D)	5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)			
Common Stock (1) (2)	03/03/2009		M	31,374	A	\$ 10.06	64,936	D		
Common Stock	03/03/2009		F	10,024	D	\$ 10.06	54,912	D		
Common Stock (3)	03/03/2009		M	10,458	A	\$ 10.06	65,370	D		
Common Stock	03/03/2009		F	3,342	D	\$ 10.06	62,028	D		
Common Stock							2,800	I	By children (4)	

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

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SEC 1474

(9-02)

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. Transactic Code (Instr. 8)	5. Number of ctionDerivative Securities 8) 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 Units (1) (2)	\$ 10.06	03/03/2009		M		31,374	03/03/2009	03/03/2009	Common Stock	31,374
Restricted Stock Units (3)	\$ 10.06	03/03/2009		M		10,458	03/03/2009	03/03/2009	Common Stock	10,458

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

BENDER JAMES J ONE WILLIAMS CENTER TULSA, OK 74172

Sr. Vice President & GC

Signatures

Cher S. Lawrence, Attorney-in-Fact for Mr. James J.
Bender
03/05/2009

**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 was subject to applicable grant agreement and compensation committee certification that the Company met the three year (1) performance measure. The specific performance measure was an improvement in the Company's Economic Value Added over the three year period.
- (2) Payout of performance-based Restricted Stock Units, in a transaction exempt under Rules 16b-3(d) and 16b-6(b), of shares of common stock awarded under The Williams Companies, Inc. 2007 Incentive Plan of which a portion of the shares were withheld for taxes.

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- (3) Payout of Restricted Stock Units, in a transaction exempt under Rules 16b-3(d) and 16b-6(b), of shares of common stock awarded under The Williams Companies, Inc. 2007 Incentive Plan of which a portion of the shares were withheld for taxes.
- (4) Represents shares held in custodial accounts for reporting persons children titled James J. Bender as custodian for Victoria G. Bender, James J. Bender as custodian for Elizabeth H. Bender and James J. Bender as custodian for Jonathan J. Bender.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.