

WILLIAMS COMPANIES INC
 Form 4
 June 29, 2005

FORM 4

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

OMB APPROVAL

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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 *
LILLIS CHARLES M

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)
 9785 MAROON CIRCLE, SUITE 110
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 06/27/2005

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

ENGLEWOOD, CO 80112

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction Number | 5. | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities | 8. Pr |
|------------------------|---------------|--------------------------------------|-------------------------------|-----------------------|----|---|--|-------|
|------------------------|---------------|--------------------------------------|-------------------------------|-----------------------|----|---|--|-------|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | Secu (Instr | | | | |
|---------------------|--|----------------------|------------------|---|------------------|------------------|------------------|-----------------|--------------|----------------------------|------|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Deferred Stock | \$ 18.69 | 06/27/2005 | J ⁽¹⁾ | | 4 | | 01/01/2005 | 01/01/2005 | Common Stock | 4 | \$ 1 |
| Deferred Stock | \$ 18.89 | 06/27/2005 | J ⁽¹⁾ | | 14 | | 01/01/2008 | 01/01/2008 | Common Stock | 14 | \$ 1 |
| Deferred Stock | \$ 18.69 | 06/27/2005 | J ⁽¹⁾ | | 8 | | 01/01/2008 | 01/01/2008 | Common Stock | 8 | \$ 1 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| LILLIS CHARLES M 9785 MAROON CIRCLE SUITE 110 ENGLEWOOD, CO 80112 | | X | | |

Signatures

Cher S. Lawrence, Attorney-in-Fact for Charles M. Lillis 06/29/2005

__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).

(1) Represents shares acquired from dividend reinvestment on deferred shares for a dividend paid on June 27, 2005.

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.