Smith Murray D Form 4 May 18, 2012

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

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(b).

1. Name and Address of Reporting Person *

Smith Murray D

2. Issuer Name and Ticker or Trading

Symbol

WILLIAMS COMPANIES INC

[WMB]

(Last) (First) (Middle)

3. Date of Earliest Transaction

(Month/Day/Year) 05/17/2012

1111 VARSITY ESTATES DRIVE NW

(Street)

CALGARY, A0 T3B 3B1

4. If Amendment, Date Original

Filed(Month/Day/Year)

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

1. Title of Security (Instr. 3)

(City)

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

(State)

(Month/Day/Year)

(Zip)

3. 4. Securities TransactionAcquired (A) or Code (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

(A)

or

Securities Owned

Beneficially Following Reported

5. Amount of

Issuer

below)

X_ Director

Applicable Line)

Officer (give title

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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SEC 1474 (9-02)

7. Nature of

Ownership

(Instr. 4)

Indirect

(D) or Indirect Beneficial

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

5. Relationship of Reporting Person(s) to

6. Individual or Joint/Group Filing(Check

6. Ownership

Form: Direct

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

(I)

(Instr. 4)

(Check all applicable)

10% Owner

Other (specify

Estimated average

burden hours per

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

1. Title of Derivative

Conversion

3. Transaction Date 3A. Deemed

5. Number

6. Date Exercisable and (Month/Day/Year) Execution Date, if Transaction of Derivative Expiration Date

7. Title and Amount of 8. Pr Underlying Securities

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Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8	3)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)		Secu (Inst
				Code '	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Units (1)	\$ 29.79	05/17/2012		A		4,700		(2)	(2)	Common Stock	4,700	
Restricted Stock Units (1)	\$ 29.79	05/17/2012		A		1,609		<u>(4)</u>	<u>(4)</u>	Common Stock	1,609	

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
Smith Murray D 1111 VARSITY ESTATES DRIVE NW CALGARY, A0 T3B 3B1	X						

Signatures

Cher S. Lawrence, Attorney-in-Fact for Murray D.
Smith 05/18/2012

**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) Granted pursuant to The Williams Companies, Inc. 2007 Incentive Plan, as amended, in transactions exempt under Rule 16b-3(d) as annual compensation for non-management directors.
- (2) Restricted stock units payable on May 17, 2013 or upon death or other termination of service as a non-management director of the Company.
- (**3**) 1-for-1
- (4) Restricted stock units payable on May 17, 2015 or upon death or other termination of service as a non-management director of the Company.

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.

Reporting Owners 2