

Scheel James E.  
Form 3  
February 29, 2012

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Scheel James E.		(Month/Day/Year)	WILLIAMS COMPANIES INC [WMB]	
(Last)	(First)	(Middle)	02/28/2012	
ONE WILLIAMS CENTER			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
TULSA,Â OKÂ 74172			<input type="checkbox"/> Director	<input type="checkbox"/> 10% Owner
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer	<input type="checkbox"/> Other
			(give title below)	(specify below)
			SVP Corp Strategic Dev	
			6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input checked="" type="checkbox"/> Form filed by One Reporting Person	
			<input type="checkbox"/> Form filed by More than One Reporting Person	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	3,321	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

**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.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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				Shares		(I) (Instr. 5)	
Stock Options (Right to Buy)	02/25/2006	02/25/2015	Common Stock	3,338	\$ 15.71	D	Â
Stock Options (Right to Buy)	02/25/2007	02/25/2015	Common Stock	3,338	\$ 15.71	D	Â
Stock Options (Right to Buy)	02/25/2008	02/25/2015	Common Stock	3,339	\$ 15.71	D	Â
Stock Options (Right to Buy)	03/03/2007	03/03/2006	Common Stock	1,060	\$ 17.65	D	Â
Stock Options (Right to Buy)	03/03/2008	03/03/2006	Common Stock	1,061	\$ 17.65	D	Â
Stock Options (Right to Buy)	03/03/2009	03/03/2006	Common Stock	1,061	\$ 17.65	D	Â
Stock Options (Right to Buy)	02/26/2008	02/26/2017	Common Stock	1,170	\$ 23.04	D	Â
Stock Options (Right to Buy)	02/26/2009	02/26/2017	Common Stock	1,170	\$ 23.04	D	Â
Stock Options (Right to Buy)	02/26/2010	02/26/2017	Common Stock	1,171	\$ 23.04	D	Â
Stock Options (Right to Buy)	02/25/2009	02/25/2018	Common Stock	1,164	\$ 29.72	D	Â
Stock Options (Right to Buy)	02/25/2010	02/25/2018	Common Stock	1,164	\$ 29.72	D	Â
Stock Options (Right to Buy)	02/25/2011	02/25/2018	Common Stock	1,164	\$ 29.72	D	Â
Stock Options (Right to Buy)	02/23/2010	02/23/2019	Common Stock	1,706	\$ 8.85	D	Â
Stock Options (Right to Buy)	02/23/2011	02/23/2019	Common Stock	1,706	\$ 8.85	D	Â
Stock Options (Right to Buy)	02/23/2012	02/23/2019	Common Stock	1,706	\$ 8.85	D	Â
Stock Options (Right to Buy)	02/23/2011	02/23/2020	Common Stock	1,356	\$ 17.28	D	Â
Stock Options (Right to Buy)	02/23/2012	02/23/2020	Common Stock	1,357	\$ 17.28	D	Â
Stock Options (Right to Buy)	02/23/2013	02/23/2020	Common Stock	1,357	\$ 17.28	D	Â
Stock Options (Right to Buy)	02/24/2012	02/24/2021	Common Stock	3,715	\$ 24.21	D	Â
	02/24/2013	02/24/2021	Common Stock	3,716	\$ 24.21	D	Â

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Stock Options (Right to Buy)

Stock Options (Right to Buy)	02/24/2014	02/24/2021	Common Stock	3,716	\$ 24.21	D	Â
Stock Options (Right to Buy)	02/27/2013	02/27/2022	Common Stock	19,960	\$ 29.11	D	Â
Stock Options (Right to Buy)	02/27/2014	02/27/2022	Common Stock	19,960	\$ 29.11	D	Â
Stock Options (Right to Buy)	02/27/2015	02/27/2022	Common Stock	19,960	\$ 29.11	D	Â
Restricted Stock Units <u>(1)</u>	02/24/2014	Â <u>(1)</u>	Common Stock	3,728	\$ 24.21	D	Â
Restricted Stock Units <u>(1)</u>	02/27/2015	Â <u>(1)</u>	Common Stock	25,932	\$ 29.11	D	Â
Restricted Stock Units <u>(2)</u>	02/23/2013	Â <u>(2)</u>	Common Stock	2,109	\$ 17.28	D	Â
Restricted Stock Units <u>(2)</u>	02/24/2014	Â <u>(2)</u>	Common Stock	5,965	\$ 24.21	D	Â
Restricted Stock Units <u>(2)</u>	02/27/2015	Â <u>(2)</u>	Common Stock	18,035	\$ 29.11	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Scheel James E. ONE WILLIAMS CENTER TULSA, OK 74172	Â	Â	Â SVP Corp Strategic Dev	Â

## Signatures

Cher S. Lawrence, Attorney-in-Fact for James E. Scheel 02/29/2012

    Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 5(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) Represents the right of the reporting person to receive Common Stock under the terms of The Williams Companies, Inc. 2007 Incentive Plan at the end of a deferral period in transactions exempt under Ruld 16b-3(d)(1).

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.