

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

 POST-EFFECTIVE AMENDMENT NO. 1
 ON FORM S-8 TO FORM S-4

REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933*

USA WASTE SERVICES, INC.
 (EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE 73-1309529
 (STATE OR OTHER JURISDICTION OF (I.R.S. EMPLOYER
 INCORPORATION OR ORGANIZATION) IDENTIFICATION NO.)

5400 LBJ FREEWAY 75240
 SUITE 300-TOWER ONE
 DALLAS, TEXAS
 (ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

SANIFILL, INC. 1994 LONG-TERM INCENTIVE PLAN;
 SANIFILL, INC. 1989 STOCK OPTION PLAN; AND
 WARRANT TO PURCHASE 100,000
 SHARES OF COMMON STOCK OF SANIFILL, INC.

(FULL TITLE OF THE PLANS)

GREGORY T. SANGALIS
 5400 LBJ FREEWAY
 SUITE 300-TOWER ONE
 DALLAS, TEXAS
 (NAME AND ADDRESS OF AGENT FOR SERVICE)

(214) 383-7900
 (TELEPHONE NUMBER, INCLUDING AREA CODE,
 OR AGENT FOR SERVICE)

CALCULATION OF REGISTRATION FEE

TITLE OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER SHARE	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE
Shares of Common Stock, \$0.01 par value per share	4,362,053 (1)	(2)	(2)	(2)

- (1) Consisting of, on an as converted basis, 4,362,053 shares of Common Stock (as defined below) of the Registrant reserved for issuance under the Sanifill, Inc. 1994 Long-term Incentive Plan, the Sanifill, Inc. 1989 Stock Option Plan (together, the "Sanifill Plans"), and the Warrant to Purchase 100,000 Shares of Common Stock of Sanifill, Inc. (the Sanifill "Warrant"). At the effective time of the Merger (as defined below), the Sanifill Plans and the Sanifill Warrant were assumed by the Registrant and each share of Sanifill, Inc. issuable under the Sanifill Plans and the Sanifill Warrant was converted into such number of shares of Common Stock of the Registrant as specified in the Merger Agreement (as defined below).
- (2) Not applicable. All filing fees payable in connection with the issuance of these securities were paid in connection with the filing of the Registrant's Form S-4 registration statement No. 333-08161 filed July 19, 1996.

* Filed as a Post-effective Amendment on Form S-8 to such Form S-4 registration statement pursuant to the procedure described herein in the section captioned "Introductory Statement".

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

INTRODUCTORY STATEMENT

USA Waste Services, Inc. (the "Company" or the "Registrant") hereby amends its registration statement on Form S-4 (No. 333-08161) (the "Form S-4") by filing this Post-effective Amendment No. 1 thereto on Form S-8 ("Post-effective Amendment No. 1") relating to up to 4,362,053 shares of common stock, par value \$.01 per share, of the Company ("Common Stock") issuable under the Sanifill, Inc. 1994 Long-term Incentive Plan and the Sanifill, Inc. 1989 Stock Option Plan (together, the "Sanifill Plans") and the Warrant to Purchase 100,000 Shares of Common Stock of Sanifill, Inc. (the "Sanifill Warrant"). All such shares of Common Stock were previously included in the Form S-4.

Pursuant to an Agreement and Plan of Merger dated as of June 22, 1996 (the "Merger Agreement") among the Company, Quatro Acquisition Corp., a wholly owned subsidiary of the Company ("Quatro"), and Sanifill, Inc. ("Sanifill"), Quatro was merged with and into Sanifill on August 30, 1996 with an effective date as of September 3, 1996 (the "Merger"). Pursuant to the Merger, Sanifill became a wholly owned subsidiary of the Company, and the Company assumed the obligations under each outstanding stock option issued pursuant to the Sanifill Plans ("Sanifill Option") and under the Sanifill Warrant to purchase Sanifill common stock that remains unexpired and unexercised in whole or in part.

As a result of the Merger, shares of Sanifill common stock are no longer issuable upon exercise of the Sanifill Options and Sanifill Warrant. Instead, in accordance with the exchange ratio set forth in the Merger Agreement, the Company has provided for the issuance of shares of Common Stock in lieu of the shares of Sanifill common stock reserved for issuance under the Sanifill Plans and Sanifill Warrant. Specifically, each Sanifill share issuable under the Sanifill Plans and Sanifill Warrant was converted into the right to receive from the Company 1.70 (the "Exchange Ratio") shares of Common Stock at a price per share of Common Stock equal to the exercise price determined pursuant to the Sanifill Option or Sanifill Warrant divided by the Exchange Ratio, and subject to the same terms and conditions as the Sanifill Option and Sanifill Warrant.

The designation of Post-effective Amendment No. 1 as Registration No. 333-08161 denotes that Post-effective Amendment No. 1 relates only to the Common Stock issuable pursuant to the Sanifill Plans and Sanifill Warrant or upon the exercise of the stock options and warrants granted thereunder, respectively, and that this is the first post-effective amendment to the S-4 filed with respect to such shares.

ITEM 3. INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE.

The Company incorporates herein by reference the following documents, or portions of documents, as of their respective dates as filed with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

1. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1995;
2. The Company's Quarterly Report on Form 10-Q for the quarters ended March 31, 1996 and June 30, 1996;
3. The Company's registration statement on Form S-4 (Amendment No. 1), filed on July 19, 1996.
4. The Company's Current Report on Form 8-K filed with the Commission on January 9, 1996, its Current Report on Form 8-K filed May 22, 1996, as amended by its Form 8-K/A (Amendment No. 1) filed on May 29, 1996, its Form 8-K/A (Amendment No. 2) filed on June 28, 1996 and its Form 8-K/A (Amendment No. 3) filed on July 1, 1996, and its Current Report on Form 8-K filed June 22, 1996; and
5. The description of the Company's common stock, par value \$.01 per share (the "Common Stock"), contained in the registration statement on Form 8-A, dated July 1, 1993, as amended by Form 8-B dated July 13, 1995.

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act after the date of this registration statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all such securities then remaining unsold, shall be deemed to be incorporated by reference in this registration statement and to be a part hereof from the date of filing such documents.

ITEM 4. DESCRIPTION OF SECURITIES.

The information required by Item 4 is not applicable to this registration statement since each class of securities to be offered is registered under Section 12 of the Exchange Act.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL.

The information required by Item 5 is not applicable to this registration statement.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the Delaware General Corporation Law ("DGCL") provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at its request in such capacity in another corporation or business association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner

he reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. With respect to actions by or in the right of the corporation, a person may not be indemnified if he has been adjudged to be liable to the corporation, except where, besides meeting the requirements described in the preceding sentence, the court in which such action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper. To the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to above, he shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection therewith. A corporation shall have the power to purchase insurance on behalf of the persons referred to above against any liability asserted against them and incurred by them in such capacities referred to whether or not the corporation would have the power to indemnify them against such liability.

Section 102(b)(7) of the DGCL provides that the certificate of incorporation of a corporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director for (i) any breach of the director's duty of loyalty to the corporation or its shareholders, (ii) acts or omissions not in good faith or which involved intentional misconduct or a knowing violation of law, (iii) unlawful dividend payment or stock purchase or redemption under Section 174 of the DGCL, (iv) any transaction from which the director derived an improper personal benefit, or (v) any act or omission occurring prior to the date when such provision becomes effective.

The Registrant's Certificate of Incorporation provides that (i) the Registrant shall indemnify, and advance litigation expenses to, its officers, directors, employees and agents to the fullest extent permitted by the DGCL and all other laws of the State of Delaware, (ii) to the fullest extent that the DGCL permits the limitation or elimination of the liability of directors, no director of the Registrant shall be personally liable to the Registrant or its shareholders for monetary damages for breach of fiduciary duty as a director, (iii) no amendment to or repeal of the provision of the Certificate of Incorporation described in clause (ii) shall apply to or have any effect on the liability or alleged liability of any director of the Registrant for or with respect to any acts or omission of such director occurring prior to the time of such amendment or repeal and (iv) any amendment to the DGCL which further limits or eliminates the liability of directors shall be fully applicable to the Registrant's directors.

The Registrant has indemnification agreements with its directors.

ITEM 8. EXHIBITS.

Exhibit Number -----	Description -----
4.1	Restated Certificate of Incorporation - incorporated by reference to Exhibit 3.1(b) of the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1996
4.2*	Certificate of Amendment to the Restated Certificate of Incorporation, dated August 30, 1996

- 4.3 Bylaws -- incorporated by reference to Exhibit 3.2 of the Registrant's registration statement on Form S-4, File No. 33-60103
- 4.4 Specimen Stock Certificate -- incorporated by reference to Exhibit 4.3 of the Registrant's registration statement on Form S-3, File No. 33-76224
- 5.1* Opinion of Andrews & Kurth L.L.P., as to the legality of the securities being registered
- 23.1* Consent of Andrews & Kurth L.L.P. (included in the opinion filed as Exhibit 5.1 to this registration statement)
- 23.2* Consent of Coopers & Lybrand L.L.P.
- 23.3* Consent of Deloitte & Touche LLP
- 23.4* Consent of Ernst & Young LLP
- 23.5* Consent of Arthur Andersen LLP
- 24.1* Power of Attorney (set forth on the signature page contained in Part II of this registration statement)
- 99.1* Sanifill, Inc. 1994 Long-term Incentive Plan
- 99.2* Sanifill, Inc. 1989 Stock Option Plan
- 99.3* Warrant to Purchase 100,000 Shares of Common Stock of Sanifill, Inc.

- - - - -
 * Filed with this registration statement.

ITEM 9. UNDERTAKINGS.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the

maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Dallas, State of Texas, on this 5th day of September, 1996.

USA Waste Services, Inc.

By /s/ John E. Drury

John E. Drury
Chief Executive Officer

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KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned officers and directors of USA Waste Services, Inc. (the "Company") hereby constitutes and appoints John E. Drury, Earl E. DeFrates and Gregory T. Sangalis, and each of them (with full power to each of them to act alone), his true and lawful attorney-in-fact and agent, with full power of substitution, for him and on his behalf and in his name, place and stead, in any and all capacities, to sign, execute and file this registration statement under the Securities Act of 1933, as amended, and any or all amendments (including, without limitation, post-effective amendments), with all exhibits and any and all documents required to be filed with respect thereto, with the Securities and Exchange Commission or any regulatory authority, granting unto such attorneys-in-fact and agents, and each of them acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises in order to effectuate the same, as fully to all intents and purposes as he himself might or could do if personally present, hereby ratifying and confirming all that such attorneys-in-fact and agents, or any of them, or their substitute or substitutes, may lawfully do or cause to be done.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities on September 5, 1996.

Signature -----	Title -----
/s/ John E. Drury ----- John E. Drury	Chairman of the Board and Chief Executive Officer (Principal executive officer)
/s/ Earl E. DeFrates ----- Earl E. DeFrates	Executive Vice President and Chief Financial Officer (Principal financial officer)
/s/ Bruce E. Snyder ----- Bruce E. Snyder	Vice President and Controller (Principal accounting officer)
/s/ Donald F. Moorehead, Jr. ----- Donald F. Moorehead, Jr.	Vice Chairman
/s/ David Sutherland-Yoest ----- David Sutherland-Yoest	Director
----- Larry J. Martin	Director
----- Rodney R. Proto	President and Director
/s/ Richard J. Heckmann ----- Richard J. Heckmann	Director
/s/ William E. Moffett ----- William E. Moffett	Director
/s/ John G. Rangos, Sr. ----- John G. Rangos, Sr.	Director
/s/ Alexander W. Rangos ----- Alexander W. Rangos	Vice Chairman and Director
----- Kosti Shirvanian	Director
/s/ Savey Tufenkian ----- Savey Tufenkian	Director
----- Ralph F. Cox	Director

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4.4	Specimen Stock Certificate -- incorporated by reference to Exhibit 4.3 of the Registrant's registration statement on Form S-3, File No. 33-76224
5.1*	Opinion of Andrews & Kurth L.L.P., as to the legality of the securities being registered
23.1*	Consent of Andrews & Kurth L.L.P. (included in the opinion filed as Exhibit 5.1 to this registration statement)
23.2*	Consent of Coopers & Lybrand L.L.P.
23.3*	Consent of Deloitte & Touche LLP
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24.1*	Power of Attorney (set forth on the signature page contained in Part II of this registration statement)
99.1*	Sanifill, Inc. 1994 Long-term Incentive Plan
99.2*	Sanifill, Inc. 1989 Stock Option Plan
99.3*	Warrant to Purchase 100,000 Shares of Common Stock of Sanifill, Inc.

* Filed with this registration statement.

CERTIFICATE OF AMENDMENT
OF
RESTATED CERTIFICATE OF INCORPORATION
OF
USA WASTE SERVICES, INC.

USA WASTE SERVICES, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of the corporation a resolution was adopted proposing and declaring advisable the following amendment to the Restated Certificate of Incorporation of the corporation and directing that the amendment be considered at a special meeting of stockholders:

RESOLVED, that the first sentence of Article Fourth of the Restated Certificate of Incorporation of USA Waste Services, Inc. be amended to be and read as follows:

"Fourth: The total number of shares of capital stock which the Corporation shall have authority to issue is three hundred ten million (310,000,000), divided into three hundred million (300,000,000) shares of Common Stock of the par value of one cent (\$.01) per share and ten million (10,000,000) shares of Preferred Stock of the par value of one cent (\$.01) per share."

SECOND: That thereafter, pursuant to resolution of its Board of Directors, a meeting of the stockholders of the corporation was duly called and held on August 27, 1996, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

THIRD: That the amendment was duly adopted in accordance with the applicable provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, USA Waste Services, Inc. has caused this certificate to be signed by its authorized officer this 30th day of August, 1996.

USA WASTE SERVICES, INC.

By: /s/ Gregory T. Sangalis

Name: Gregory T. Sangalis
Title: Vice President, Secretary
and General Counsel

September 5, 1996

Board of Directors
USA Waste Services, Inc.
5400 LBJ Freeway
Suite 300 - Tower One
Dallas, Texas 75240

Ladies and Gentlemen:

We have acted as counsel to USA Waste Services, Inc., a Delaware corporation (the "Company") in connection with the Company's Post-effective Amendment No. 1 on Form S-8 to the registration statement on Form S-4 (Registration No. 333-08161) (the "Registration Statement"), relating to the registration under the Securities Act of 1933, as amended, of the issuance of 4,362,053 shares of common stock, par value \$.01 per share (the "Common Stock"), of the Company (the "Shares") issuable upon the exercise of options (the "Options") granted pursuant to the Sanifill Inc. 1994 Long-term Incentive Plan and the Sanifill, Inc. 1989 Stock Option Plan (together, the "Plans") and the Warrant to Purchase 100,000 Shares of Common Stock of Sanifill, Inc. (the "Warrant").

As the basis for the opinions hereinafter expressed, we have examined such corporate records and documents, certificates of corporate and public officials and such other instruments as we have deemed necessary for the purposes of the opinions contained herein. As to all matters of fact material to such opinions, we have relied upon the representations of officers of the Company. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with the original documents of all documents submitted to us as copies.

Based upon the foregoing and having due regard for such legal considerations as we deem relevant, we are of the opinion that the Shares to be issued upon proper exercise of the Options and the Warrant have been duly authorized, and that the Shares, when issued upon proper exercise of the Options and the Warrant, will be validly issued, fully paid and nonassessable.

We hereby consent to the inclusion of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Andrews & Kurth L.L.P.

1208/2397/2653

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

We consent to the incorporation by reference in this Post-effective Amendment No. 1 on Form S-8 to the registration statement of USA Waste Services, Inc. on Form S-4, filed on July 19, 1996, of our report dated March 1, 1996, on our audits of the consolidated financial statements of USA Waste Services, Inc. and subsidiaries as of December 31, 1995 and 1994, and for each of the three years in the period ended December 31, 1995, which is included in USA Waste Services, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1995, and our report dated May 23, 1996, on our audits of the supplemental consolidated balance sheets of USA Waste Services, Inc. and subsidiaries as of December 31, 1995 and 1994, and the related supplemental consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 1995, which is included in USA Waste Services, Inc.'s Current Report on Form 8-K/A filed on July 1, 1996 with the Securities and Exchange Commission.

/s/ COOPERS & LYBRAND L.L.P.

COOPERS & LYBRAND L.L.P.

Dallas, Texas
September 5, 1996

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Post-effective Amendment No. 1 on Form S-8 to registration statement No. 333-08161 of USA Waste Services, Inc. on Form S-4 for the Sanifill, Inc. 1994 Long-term Incentive Plan, the Sanifill, Inc. 1989 Stock Option Plan and the Warrant to Purchase 100,000 Shares of Common Stock of Sanifill, Inc. of our report dated March 30, 1995 (relating to the consolidated financial statements of Chambers Development Company, Inc. and subsidiaries not presented separately herein) appearing in USA Waste Services, Inc.'s Current Report on Form 8-K/A, Amendment No. 3, dated May 7, 1996.

/s/ DELOITTE & TOUCHE LLP

DELOITTE & TOUCHE LLP

Pittsburgh, Pennsylvania
September 5, 1996

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement (Post-Effective Amendment No. 1 on Form S-8 to Form S-4, No. 333-08161) and related prospectus of USA Waste Services, Inc. of our reports (a) dated August 25, 1995 (except Note 8, as to which the date is September 12, 1995) with respect to the consolidated financial statements of Western Waste Industries at June 30, 1995 and 1994, and for each of the three years in the period ended June 30, 1995 included in USA Waste Services, Inc.'s Current Report on Form 8-K dated January 9, 1996, and (b) dated August 25, 1995 (except Note 8, as to which the date is September 12, 1995) with respect to the consolidated financial statements of Western Waste Industries at June 30, 1995 and 1994, and for each of the two years in the period ended June 30, 1995 (which consolidated financial statements are not presented separately therein) included in USA Waste Services, Inc.'s Current Report on Form 8-K/A (Amendment No. 3), dated July 1, 1996, both filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

ERNST & YOUNG LLP

Long Beach, California
September 5, 1996

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this Post-effective Amendment No. 1 on Form S-8 to the registration statement of USA Waste Services, Inc. on Form S-4 of (a) our report dated February 23, 1996 (except with respect to the matters discussed in Note 15, as to which the dates are March 4, 1996 and March 18, 1996 as indicated) with respect to the consolidated balance sheets of Sanifill, Inc. and subsidiaries as of December 31, 1995 and 1994, and the related consolidated statements of operations, stockholders' investment and cash flows for each of the three years in the period ended December 31, 1995 which is included in Sanifill, Inc.'s Annual Report on Form 10-K for the year ended December 31, 1995; (b) our reports dated (i) August 1, 1995 with respect to the combined balance sheets of Metropolitan Disposal and Recycling Corporation, Energy Reclamation, Inc., and EE Equipment, Inc. as of December 31, 1994 and 1993, and the related combined statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 1994, (ii) January 9, 1996 with respect to the balance sheet of Falcon Disposal Services, Inc. as of December 31, 1994 and the related statements of operations, stockholders' equity and cash flows for the year then ended, (iii) February 2, 1996 with respect to the combined balance sheet of Garnet of Virginia, Inc., and Garnet of Maryland, Inc. as of December 31, 1995 and the related combined statements of operations, stockholders' deficit and cash flows for the year then ended, (iv) January 13, 1996 with respect to the combined balance sheet of the Combined Companies, as defined, as of December 31, 1994 and the related combined statement of operations, stockholders' equity and partners' capital and cash flows for the year then ended which are included in Sanifill, Inc.'s Current Report on Form 8-K dated February 5, 1996; (c) our report dated February 8, 1996 with respect to the consolidated balance sheets of Sanifill, Inc. and subsidiaries as of December 31, 1994 and 1993, and the related consolidated statements of operations, stockholders' investment and cash flows for each of the three years in the period ended December 31, 1994 which is included in Sanifill, Inc.'s Current Report on Form 8-K dated February 11, 1996; and (d) our report dated November 17, 1995 (except with respect to the matters discussed in Note 11, as to which the date is March 18, 1996) with respect to the combined balance sheets of PST Reclamation, Inc., and Taylor Land Resources, Inc. as of December 31, 1994 and 1993, and the related combined statements of operations and retained earnings and cash flows for the years then ended which is included in Sanifill, Inc.'s Current Report on Form 8-K dated March 20, 1996.

/s/ARTHUR ANDERSEN LLP

ARTHUR ANDERSEN LLP

Houston, Texas
September 5, 1996

SANIFILL, INC.

1994 LONG-TERM INCENTIVE PLAN

1. Purpose. The purpose of this 1994 Long-Term Incentive Plan (the "Plan") of Sanifill, Inc., a Delaware corporation (the "Company"), is to advance the interests of the Company and its stockholders by providing a means to attract, retain, and reward executive officers and other key employees of the Company and its subsidiaries (including consultants providing services of substantial value) and to enable such persons to acquire or increase a proprietary interest in the Company, thereby promoting a closer identity of interests between such persons and the Company's stockholders.

2. Definitions. The definitions of awards under the Plan, including Options, SARs (including Limited SARs), Restricted Stock, Deferred Stock, Stock granted as a bonus or in lieu of other awards, Dividend Equivalents, and Other Stock-Based Awards, are set forth in Section 6 of the Plan. Such awards, together with any other right or interest granted to a Participant under the Plan, are termed "Awards." For purposes of the Plan, the following additional terms shall be defined as set forth below:

(a) "Award Agreement" means any written agreement, contract, or other instrument or document evidencing an Award.

(b) "Beneficiary" shall mean the person, persons, trust, or trusts which have been designated by a Participant in his or her most recent written beneficiary designation filed with the Committee to receive the benefits specified under this Plan upon such Participant's death or, if there is no designated Beneficiary or surviving designated Beneficiary, then the person, persons, trust, or trusts entitled by will or the laws of descent and distribution to receive such benefits.

(c) "Board" means the Board of Directors of the Company.

(d) "Code" means the Internal Revenue Code of 1986, as amended from time to time. References to any provision of the Code shall be deemed to include regulations thereunder and successor provisions and regulations thereto.

(e) "Committee" means the Compensation Committee of the Board, or such other Board committee as may be designated by the Board to administer the Plan; provided, however, that the Committee shall at all times consist of two or more directors, each of whom is a "disinterested person" within the meaning of Rule 16b-3 under the Exchange Act.

(f) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time. References to any provision of the Exchange Act shall be deemed to include rules thereunder and successor provisions and rules thereto.

(g) "Fair Market Value" means, with respect to Stock, Awards, or other property, the fair market value of such Stock, Awards, or other property determined by such methods or procedures as shall be established from time to time by the Committee. Unless otherwise determined by the Committee, the Fair Market Value of Stock as of any given date shall mean the closing price of the Stock on the date on which such value is to be determined or, if there was no trade on such date, on the nearest day preceding such date on which there was a trade, as reported in the table entitled "New York Stock Exchange Composite Transactions" contained in The Wall Street Journal or an equivalent successor table.

(h) "ISO" means any Option intended to be and designated as an incentive stock option within the meaning of Section 422 of the Code.

(i) "Participant" means a person who, at a time when eligible under Section 5 hereof, has been granted an Award under the Plan.

(j) "Rule 16b-3" means Rule 16b-3, as from time to time in effect and applicable to the Plan and Participants, promulgated by the Securities and Exchange Commission under Section 16 of the Exchange Act.

(k) "Stock" means the Common Stock, \$.01 par value, of the Company and such other securities as may be substituted for Stock or such other securities pursuant to Section 4.

3. Administration.

(a) Authority of the Committee. The Plan shall be administered by the Committee. The Committee shall have full and final authority to take the following actions, in each case subject to and consistent with the provisions of the Plan:

(i) to select Participants to whom Awards may be granted;

(ii) to determine the type or types of Awards to be granted to each Participant;

(iii) to determine the number of Awards to be granted, the number of shares of Stock to which an Award will relate, the terms and conditions of any Award granted under the Plan (including, but not limited to, any exercise price, grant price, or purchase price, any restriction or condition, any schedule for lapse of restrictions or conditions relating to transferability or forfeiture, exercisability, or settlement of an Award, and waivers or accelerations thereof, and waivers of or modifications to performance conditions relating to

an Award, based in each case on such considerations as the Committee shall determine), and all other matters to be determined in connection with an Award;

(iv) to determine whether, to what extent, and under what circumstances an Award may be settled, or the exercise price of an Award may be paid, in cash, Stock, other Awards, or other property, or an Award may be cancelled, forfeited, or surrendered;

(v) to determine whether, to what extent, and under what circumstances cash, Stock, other Awards, or other property payable with respect to an Award will be deferred either automatically, at the election of the Committee, or at the election of the Participant;

(vi) to prescribe the form of each Award Agreement, which need not be identical for each Participant;

(vii) to adopt, amend, suspend, waive, and rescind such rules and regulations and appoint such agents as the Committee may deem necessary or advisable to administer the Plan;

(viii) to correct any defect or supply any omission or reconcile any inconsistency in the Plan and to construe and interpret the Plan and any Award, rules and regulations, Award Agreement, or other instrument hereunder; and

(ix) to make all other decisions and determinations as may be required under the terms of the Plan or as the Committee may deem necessary or advisable for the administration of the Plan.

(b) Manner of Exercise of Committee Authority. Unless authority is specifically reserved to the Board under the terms of the Plan, the Company's Certificate of Incorporation or Bylaws, or applicable law, the Committee shall have sole discretion in exercising authority under the Plan. Any action of the Committee with respect to the Plan shall be final, conclusive, and binding on all persons, including the Company, subsidiaries of the Company, Participants, any person claiming any rights under the Plan from or through any Participant, and stockholders. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. The Committee may delegate to officers or managers of the Company or any subsidiary of the Company the authority, subject to such terms as the Committee shall determine, to perform administrative functions and, with respect to Participants not subject to Section 16 of the Exchange Act, to perform such other functions as the Committee may determine, to the extent permitted under Rule 16b-3 and applicable law.

(c) Limitation of Liability. Each member of the Committee shall be entitled to, in good faith, rely or act upon any report or other information furnished to him by any officer or other employee of the Company or any subsidiary, the Company's independent certified public accountants, or any executive compensation consultant, legal counsel, or other professional retained

by the Company to assist in the administration of the Plan. No member of the Committee, nor any officer or employee of the Company acting on behalf of the Committee, shall be personally liable for any action, determination, or interpretation taken or made in good faith with respect to the Plan, and all members of the Committee and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action, determination, or interpretation.

4. Stock Subject to Plan.

(a) Amount of Stock Reserved. No Award may be granted to a Participant hereunder if the number of shares of Stock subject to such Award, when aggregated with (i) the number of shares subject to then-outstanding Awards under the Plan and (ii) the number of shares subject to then-outstanding options granted under the Company's 1989 Stock Option Plan, as amended (the "1989 Plan"), would exceed 14 percent of the number of shares of Stock of the Company then-outstanding; provided, however, that the number of shares that may be delivered upon exercise of ISOs shall not exceed 500,000 under the Plan, and provided further, that the number of shares that may be delivered as Restricted Stock and Deferred Stock shall not in the aggregate exceed 500,000 under the Plan. If an Award or a 1989 Plan option is forfeited or expires or an Award is settled in cash or otherwise terminates without delivery of shares to the Participant, such number of shares shall not be deemed to have been delivered for purposes of this Section 4(a) and the shares subject thereto shall be available for further grants in such calendar year or, if the previously existing Award was Restricted or Deferred Stock, such shares shall be available again for grants under the limitation applicable to Restricted and Deferred Stock; provided, however, that, if any shares could not again be available for Awards to a Participant who is subject to Section 16 of the Exchange Act under applicable share counting requirements of Rule 16b-3, such shares shall be available exclusively for Awards to Participants who are not subject to Section 16. If an Award valued by reference to Stock may only be settled in cash, the number of shares to which such Award relates shall be deemed to be Stock subject to such Award for purposes of this Section 4(a). Any shares of Stock delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued shares or treasury shares.

(b) Annual Per-Participant Limitations. During any calendar year, no Participant may be granted Options and other Awards under the Plan that may be settled by delivery of more than 350,000 shares of Stock. In addition, with respect to Awards that may be settled in cash, no Participant may be paid during any calendar year cash amounts relating to such Awards that exceed the greater of the Fair Market Value of the number of shares of Stock set forth in the preceding sentence at the date of grant or the date of settlement of Award. This provision sets forth two separate limitations, so that awards that may be settled solely by delivery of Stock will not operate to reduce the amount of cash-only Awards, and vice versa; nevertheless, Awards that may be settled in Stock or cash must not exceed either limitation.

(c) Adjustments. In the event of any dividend or other distribution (whether in the form of cash, Stock, or other property), recapitalization, forward or reverse split, reorganization, merger, consolidation, spin-off, combination, repurchase, or share exchange, or other similar corporate

transaction or event, affects the Stock such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of Participants under the Plan, then the Committee shall, in such manner as it may deem equitable, adjust any or all of (i) the number and kind of shares of Stock deemed to be available thereafter for grants of Awards under Section 4(a) (including with respect to the limitations relating to ISOs and to Restricted and Deferred Stock), (ii) the number and kind of shares of Stock that may be delivered or deliverable in respect of outstanding Awards, (iii) the number of shares with respect to which Awards may be granted to a given Participant in the specified period as set forth in Section 4(b), and (iv) the exercise price, grant price, or purchase price relating to any Award (or, if deemed appropriate, the Committee may make provision for a cash payment with respect to any outstanding Award). In addition, the Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, events described in the preceding sentence) affecting the Company or any subsidiary or the financial statements of the Company or any subsidiary, or in response to changes in applicable laws, regulations, or accounting principles. The foregoing notwithstanding, no adjustments shall be authorized under this Section 4(c) with respect to ISOs or SARs in tandem therewith to the extent that such authority would cause the Plan to violate Section 422(b)(1) of the Code, and no such adjustment shall be authorized with respect to Options or other Awards granted in accordance with Section 7(f) hereof to the extent that such authority would cause such Options or other Awards to fail to qualify as "performance-based compensation" under Section 162(m)(4)(C) of the Code and regulations thereunder (including Proposed Regulation 1.162-27(e)(2)).

5. Eligibility. Executive officers and other key employees of the Company and its subsidiaries, including any director or officer who is also such an employee, and persons who provide consulting or other services to the Company deemed by the Committee to be of substantial value to the Company, are eligible to be granted Awards under the Plan. In addition, a person who has been offered employment by the Company or its subsidiaries is eligible to be granted an Award under the Plan, provided that such Award shall be cancelled if such person fails to commence such employment, and no payment of value may be made in connection with such Award until such person has commenced such employment. The foregoing notwithstanding, directors of the Company who are not employees and members of the Committee shall not be eligible to be granted Awards under the Plan.

6. Specific Terms of Awards.

(a) General. Awards may be granted on the terms and conditions set forth in this Section 6. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to Section 8(e)), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including terms requiring forfeiture of Awards in the event of termination of employment or service of the Participant. Except as provided in Sections 6(f), 6(h), or 7(a), or to the extent required to comply with requirements of the Delaware General Corporation Law that lawful consideration be paid for Stock, only services may be required as consideration for the grant (but not the exercise) of any Award.

(b) Options. The Committee is authorized to grant Options to Participants (including "reload" options automatically granted to offset specified exercises of options) on the following terms and conditions:

(i) Exercise Price. The exercise price per share of Stock purchasable under an Option shall be determined by the Committee; provided, however, that, except as provided in Section 7(a), such exercise price shall be not less than the Fair Market Value of a share on the date of grant of such Option.

(ii) Time and Method of Exercise. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, the methods by which such exercise price may be paid or deemed to be paid, the form of such payment, including, without limitation, cash, Stock, or other Awards or awards granted under other Company plans, or other property (including notes or other contractual obligations of Participants to make payment on a deferred basis, such as through "cashless exercise" arrangements, to the extent permitted by applicable law), and the methods by which Stock will be delivered or deemed to be delivered to Participants.

(iii) ISOs. The terms of any ISO granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code, including but not limited to the requirement that no ISO shall be granted more than ten years after the effective date of the Plan. Anything in the Plan to the contrary notwithstanding, no term of the Plan relating to ISOs shall be interpreted, amended, or altered, nor shall any discretion or authority granted under the Plan be exercised, so as to disqualify either the Plan or any ISO under Section 422 of the Code.

(c) Stock Appreciation Rights. The Committee is authorized to grant SARs to Participants on the following terms and conditions:

(i) Right to Payment. An SAR shall confer on the Participant to whom it is granted a right to receive, upon exercise thereof, the excess of (A) the Fair Market Value of one share of Stock on the date of exercise (or, if the committee shall so determine in the case of any such right other than one related to an ISO, the Fair Market Value of one share at any time during a specified period before or after the date of exercise), over (B) the grant price of the SAR as determined by the Committee as of the date of grant of the SAR, which, except as provided in Section 7(a), shall be not less than the Fair Market Value of one share of Stock on the date of grant.

(ii) Other Terms. The Committee shall determine the time or times at which an SAR may be exercised in whole or in part, the method of exercise, method of settlement, form of consideration payable in settlement, method by which Stock will be delivered or deemed to be delivered to Participants, whether or not an SAR shall be in tandem with any other Award, and other terms and conditions of any SAR. Limited SARs that may only be

exercised upon the occurrence of a change in control (as such term may be defined by the Committee) may be granted on such terms, not inconsistent with this Section 6(c), as the Committee may determine. Limited SARs may be either freestanding or in tandem with other Awards.

(d) Restricted Stock. The Committee is authorized to grant Restricted Stock to Participants on the following terms and conditions:

(i) Grant and Restrictions. Restricted Stock shall be subject to such restrictions on transferability and other restrictions, if any, as the Committee may impose, which restrictions may lapse separately or in combination at such times, under such circumstances, in such installments, or otherwise, as the Committee may determine. Except to the extent restricted under the terms of the Plan and any Award Agreement relating to the Restricted Stock, a Participant granted Restricted Stock shall have all of the rights of a stockholder including, without limitation, the right to vote Restricted Stock or the right to receive dividends thereon.

(ii) Forfeiture. Except as otherwise determined by the Committee, upon termination of employment or service (as determined under criteria established by the Committee) during the applicable restriction period, Restricted Stock that is at that time subject to restrictions shall be forfeited and reacquired by the Company; provided, however, that the Committee may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of termination resulting from specified causes.

(iii) Certificates for Stock. Restricted Stock granted under the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing Restricted Stock are registered in the name of the Participant, such certificates shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock, the Company shall retain physical possession of the certificate, and the Participant shall have delivered a stock power to the Company, endorsed in blank, relating to the Restricted Stock.

(iv) Dividends. Dividends paid on Restricted Stock shall be either paid at the dividend payment date in cash or in shares of unrestricted Stock having a Fair Market Value equal to the amount of such dividends, or the payment of such dividends shall be deferred and/or the amount or value thereof automatically reinvested in additional Restricted Stock, other Awards, or other investment vehicles, as the Committee shall determine or permit the Participant to elect. Stock distributed in connection with a Stock split or Stock dividend, and other property distributed as a dividend, shall be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock with respect to which such Stock or other property has been distributed.

(e) Deferred Stock. The Committee is authorized to grant Deferred Stock to Participants, subject to the following terms and conditions:

(i) Award and Restrictions. Delivery of Stock will occur upon expiration of the deferral period specified for an Award of Deferred Stock by the Committee (or, if permitted by the Committee, as elected by the Participant). In addition, Deferred Stock shall be subject to such restrictions as the Committee may impose, if any, which restrictions may lapse at the expiration of the deferral period or at earlier specified times, separately or in combination, in installments, or otherwise, as the Committee may determine.

(ii) Forfeiture. Except as otherwise determined by the Committee, upon termination of employment or service (as determined under criteria established by the Committee) during the applicable deferral period or portion thereof to which forfeiture conditions apply (as provided in the Award Agreement evidencing the Deferred Stock), all Deferred Stock that is at that time subject to deferral (other than a deferral at the election of the Participant) shall be forfeited; provided, however, that the Committee may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Deferred Stock will be waived in whole or in part in the event of termination resulting from specified causes.

(f) Bonus Stock and Awards in Lieu of Cash Obligations. The Committee is authorized to grant Stock as a bonus, or to grant Stock or other Awards in lieu of Company obligations to pay cash under other plans or compensatory arrangements, provided that, in the case of Participants subject to Section 16 of the Exchange Act, such cash amounts are determined under such other plans in a manner that complies with applicable requirements of Rule 16b-3 so that the acquisition of Stock or Awards hereunder shall be exempt from Section 16(b) liability. Stock or Awards granted hereunder shall be subject to such other terms as shall be determined by the Committee.

(g) Dividend Equivalents. The Committee is authorized to grant Dividend Equivalents to a Participant, entitling the Participant to receive cash, Stock, other Awards, or other property equal in value to dividends paid with respect to a specified number of shares of Stock, or other periodic payments. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award. The Committee may provide that Dividend Equivalents shall be paid or distributed when accrued or shall be deemed to have been reinvested in additional Stock, Awards, or other investment vehicles as the Committee may specify.

(h) Other Stock-Based Awards. The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, convertible or exchangeable debt securities, other rights convertible or exchangeable into Stock, purchase rights for Stock, Awards with value and payment contingent upon performance of the Company or any other factors designated by the Committee, and Awards valued by reference to the

book value of Stock or the value of securities of or the performance of specified subsidiaries. The Committee shall determine the terms and conditions of such Awards. Stock delivered pursuant to an Award in the nature of a purchase right granted under this Section 6(h) shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including, without limitation, cash, Stock, other Awards, or other property, as the Committee shall determine. Cash awards, as an element of or supplement to any other Award under the Plan, shall also be authorized pursuant to this Section 6(h).

7. Certain Provisions Applicable to Awards.

(a) Stand-Alone, Additional, Tandem, and Substitute Awards.

Awards granted under the Plan may, in the discretion of the Committee, be granted either alone or in addition to, in tandem with, or in substitution for, any other Award granted under the Plan or any award granted under any other plan of the Company, any subsidiary, or any business entity to be acquired by the Company or a subsidiary, or any other right of a Participant to receive payment from the Company or any subsidiary. Awards granted in addition to or in tandem with other Awards or awards may be granted either as of the same time as or a different time from the grant of such other Awards or awards. The per share exercise price of any Option, grant price of any SAR, or purchase price of any other Award conferring a right to purchase Stock:

(i) Granted in substitution for an outstanding Award or award shall be not less than the lesser of the Fair Market Value of a share of Stock at the date such substitute Award is granted or such Fair Market Value at that date reduced to reflect the Fair Market Value at that date of the Award or award required to be surrendered by the Participant as a condition to receipt of the substitute Award; or

(ii) Retroactively granted in tandem with an outstanding Award or award shall be not less than the lesser of the Fair Market Value of a share of Stock at the date of grant of the later Award or at the date of grant of the earlier Award or award.

(b) Term of Awards. The term of each Award shall be for such period as may be determined by the Committee; provided, however, that in no event shall the term of any ISO or an SAR granted in tandem therewith exceed a period of ten years from the date of its grant (or such shorter period as may be applicable under Section 422 of the Code).

(c) Form of Payment Under Awards. Subject to the terms of the Plan and any applicable Award Agreement, payments to be made by the Company or a subsidiary upon the grant or exercise of an Award may be made in such forms as the Committee shall determine, including, without limitation, cash, Stock, other Awards, or other property, and may be made in a single payment or transfer, in installments, or on a deferred basis. Such payments may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of Dividend Equivalents in respect of installment or deferred payments denominated in Stock.

(d) Rule 16b-3 Compliance.

(i) Six-Month Holding Period. Unless a Participant could otherwise exercise a derivative security or dispose of Stock delivered upon exercise of a derivative security granted under the Plan without incurring liability under Section 16(b) of the Exchange Act, (i) Stock delivered under the Plan other than upon exercise or conversion of a derivative security granted under the Plan shall be held for at least six months from the date of acquisition, and (ii), with respect to a derivative security granted under the Plan, at least six months shall elapse from the date of acquisition of the derivative security to the date of disposition of the derivative security (other than upon exercise or conversion) or its underlying equity security.

(ii) Nontransferability. Awards which constitute derivative securities (including any Option, SAR, Limited SAR, or similar right) under the general definition set forth in Rule 16a-1(c)(3)(i) under the Exchange Act shall not be transferable by a Participant except by will or the laws of descent and distribution (or pursuant to a Beneficiary designation) and, in the case of any Option or SAR, shall be exercisable during the lifetime of a Participant only by such Participant or his guardian or legal representative.

(iii) Reformation To Comply with Exchange Act Rules. It is the intent of the Company that this Plan comply in all respects with applicable provisions of Rule 16b-3 or Rule 16a-1(c)(3) under the Exchange Act in connection with any grant of Awards to or other transaction by a Participant who is subject to Section 16 of the Exchange Act (except for transactions exempted under alternative Exchange Act Rules or acknowledged in writing to be non-exempt by such Participant). Accordingly, if any provision of this Plan or any Award Agreement relating to an Award does not comply with the requirements of Rule 16b-3 or Rule 16a-1(c)(3) as then applicable to any such transaction, such provision will be construed or deemed amended to the extent necessary to conform to the applicable requirements of Rule 16b-3 or Rule 16a-1(c)(3) so that such Participant shall avoid liability under Section 16(b). In addition, other provisions of the Plan notwithstanding, the exercise price of any Award carrying a right to exercise granted to a Participant subject to Section 16 of the Exchange Act shall be not less than 50% of the Fair Market Value of Stock as of the date such Award is granted if such pricing limitation is required under Rule 16b-3 at the time of such grant.

(e) Loan Provisions. With the consent of the Committee, and subject at all times to, and only to the extent, if any, and in accordance with, laws and regulations and other binding obligations or provisions applicable to the Company, the Company may make, guarantee, or arrange for a loan or loans to a Participant with respect to the exercise of any Option or other payment in connection with any Award, including the payment by a Participant of any or all federal, state, or local income or other taxes due in connection with any Award. Subject to such limitations, the Committee shall have full authority to decide whether to make a loan or loans hereunder and to determine the amount, terms, and provisions of any such loan or loans, including the interest rate to be charged in respect

of any such loan or loans, whether the loan or loans are to be with or without recourse against the borrower, the terms on which the loan is to be repaid and conditions, if any, under which the loan or loans may be forgiven.

(f) Performance-Based Awards to "Covered Employees". Other provisions of the Plan notwithstanding, the provisions of this Section 7(f) shall apply to any Award the exercisability or settlement of which is subject to the achievement of performance conditions (other than an Option or SAR granted with an exercise or base price at least equal to 100% of Fair Market Value of Stock on the date of grant) if such Award is granted to a person who, at the time of grant, is a "covered employee." The definition of "covered employee," and other terms used in this Section 7(f), shall be interpreted in a manner consistent with Section 162(m) of the Code and regulations thereunder (including Proposed Regulation 1.162-27). The performance objectives for an Award subject to this Section 7(f) shall consist of one or more business criteria and a targeted level or levels of performance with respect to such criteria, as specified by the Committee but subject to this Section 7(f). Performance objectives shall be objective and shall otherwise meet the requirements of Section 162(m)(4)(C) of the Code and regulations thereunder (including Proposed Regulation 1.162-27(e)(2)). The following business criteria shall be used by the Committee in connection with a performance objective:

- (1) Annual earnings before payment of taxes and interest;
- (2) Annual earnings per share;
- (3) Annual return on common equity; and/or
- (4) Common Stock price appreciation.

Achievement of performance objectives shall be measured over a period of years, as specified by the Committee. No business criteria other than those named above may be used in establishing the performance objective for an Award to a covered employee. For each such Award relating to a covered employee, the Committee shall establish the targeted level or levels of performance for each business criteria. Performance objectives may differ for Awards under this Section 7(f) to different covered employees. The Committee may determine that an Award under this Section 7(f) shall be payable upon achievement of any one of the performance objectives or may require that two or more of the performance objectives must be achieved in order for an Award to be payable. The Committee may, in its discretion, reduce the amount of a payout otherwise to be made in connection with an Award under this Section 7(f), but may not exercise discretion to increase such amount, and the Committee may consider other performance criteria in exercising such discretion. All determinations by the Committee as to the achievement of performance objectives shall be made in writing. The Committee may not delegate any responsibility under this Section 7(f).

8. General Provisions.

(a) Compliance with Legal and Exchange Requirements. The Company shall not be obligated to deliver Stock upon the exercise or settlement of any Award or take other actions under the Plan until the Company shall have determined that applicable federal and state laws, rules, and regulations have been complied with and such approvals of any regulatory or governmental agency have been obtained and contractual obligations to which the Award may be subject have been satisfied. The Company, in its discretion, may postpone the issuance or delivery of Stock under any Award until completion of such stock exchange listing or registration or qualification of such Stock or other required action under any federal or state law, rule, or regulation as the Company may consider appropriate, and may require any Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Stock under the Plan.

(b) Nontransferability. In addition to the restrictions on transferability set forth in Section 7(d)(ii) (which apply to all Participants whether or not they are otherwise subject to Section 16 under the Exchange Act), Awards and other rights of Participants under the Plan may not be transferred to third parties, pledged, mortgaged, hypothecated, or otherwise encumbered, and shall not be subject to claims of creditors.

(c) No Right to Continued Employment or Service. Neither the Plan nor any action taken hereunder shall be construed as giving any employee or person providing consulting or other services the right to be retained in the employ or service of the Company or any of its subsidiaries, nor shall it interfere in any way with the right of the Company or any of its subsidiaries to terminate any employee's employment or terminate any contract with a person providing consulting or other services at any time.

(d) Taxes. The Company or any subsidiary is authorized to withhold from any Award granted or to be settled, any payment relating to an Award under the Plan, including from a distribution of Stock, or any payroll or other payment to a Participant, amounts of withholding and other taxes due or potentially payable in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award. This authority shall include authority to withhold or receive Stock or other property and to make cash payments in respect thereof in satisfaction of a Participant's tax obligations.

(e) Changes to the Plan and Awards. The Board may amend, alter, suspend, discontinue, or terminate the Plan or the Committee's authority to grant Awards under the Plan without the consent of stockholders or Participants, except that any such action shall be subject to the approval of the Company's stockholders at or before the next annual meeting of stockholders for which the record date is after such Board action if such stockholder approval is required by any federal or state law or regulation or the rules of any stock exchange or automated quotation system on which the

Stock may then be listed or quoted, and the Board may otherwise, in its discretion, determine to submit other such changes to the Plan to stockholders for approval; provided, however, that, without the consent of an affected Participant, no such action may materially impair the rights of such Participant under any Award theretofore granted to him. The Committee may waive any conditions or rights under, or amend, alter, suspend, discontinue, or terminate, any Award theretofore granted and any Award Agreement relating thereto; provided, however, that, without the consent of an affected Participant, no such action may materially impair the rights of such Participant under such Award.

(f) No Rights to Awards; No Stockholder Rights. No Participant, employee, or other person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Participants, employees, and other persons. No Award shall confer on any Participant any of the rights of a stockholder of the Company unless and until Stock is duly issued or transferred and delivered to the Participant in accordance with the terms of the Award.

(g) Unfunded Status of Awards; Creation of Trusts. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award shall give any such Participant any rights that are greater than those of a general creditor of the Company; provided, however, that the Committee may authorize the creation of trusts or make other arrangements to meet the Company's obligations under the Plan to deliver cash, Stock, other Awards, or other property pursuant to any Award, which trusts or other arrangements shall be consistent with the "unfunded" status of the Plan unless the Committee otherwise determines with the consent of each affected Participant.

(h) Nonexclusivity of the Plan. Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of stock options otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

(i) No Fractional Shares. No fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, other Awards, or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

(j) Compliance with Code Section 162(m). It is the intent of the Company that Options and other Awards subject to the performance objectives specified under Section 7(f) granted under the Plan to persons who are "covered employees" within the meaning of Code Section 162(m) and regulations thereunder (including Proposed Regulation 1.162-27(c)(2)) shall constitute "qualified performance-based compensation" within the meaning of Code Section 162(m) and regulations thereunder (including Proposed Regulation 1.162-27(e), and subject to the transition rules under Proposed Regulation 1.162-27(h)(2)) thereunder. Accordingly, if any provision of the Plan or any

Award Agreement relating to such an Award granted to a "covered employee" does not comply or is inconsistent with the requirements of Code Section 162(m) or regulations thereunder, such provision shall be construed or deemed amended to the extent necessary to conform to such requirements, and no provision shall be deemed to confer upon the Committee or any other person discretion to increase the amount of compensation otherwise payable to a "covered employee" in connection with any such Award upon attainment of the performance objectives.

(k) Governing Law. The validity, construction, and effect of the Plan, any rules and regulations relating to the Plan, and any Award Agreement shall be determined in accordance with the Delaware General Corporation Law, to the extent applicable, other laws (including those governing contracts) of the State of Texas, without giving effect to principles of conflicts of laws, and applicable federal law.

(1) Effective Date; Plan Termination. The Plan shall become effective as of February 24, 1994; provided, however, that the Plan shall be subject to approval by the affirmative votes of the holders of a majority of voting securities present in person or represented by proxy, and entitled to vote at the next annual meeting of Company stockholders for which the record date is after the effective date of the Plan, or any adjournment thereof, or prior to such annual meeting at a special meeting of stockholders or by the written consent of the holders of a majority of voting securities entitled to vote, in accordance with applicable provisions of the Delaware General Corporation Law. Any Awards granted under the Plan prior to such approval of stockholders shall be effective when granted (unless, with respect to any Award, the Committee specifies otherwise at the time of grant), but no such Award may be exercised or settled, no restrictions relating to any Award may lapse, no Stock (other than Restricted Stock) may be delivered prior to such stockholder approval, and, if stockholders fail to approve the Plan as specified hereunder, any previously granted Award shall be forfeited and cancelled, and Participants shall repay to the Company any payments received pursuant to Dividend Equivalents or dividend payments on Restricted Stock. The Plan shall terminate at such time, after 1999, that the Company has no further obligations with respect to any Award granted under the Plan.

As approved by the Compensation Committee and the Board of Directors of the Company on February 24, 1994.

SANIFILL, INC.
1989 STOCK OPTION PLAN, AS AMENDED

1. Purpose. This 1989 Stock Option Plan, as amended (the "Plan"), of Sanifill, Inc. (the "Company"), for directors, persons affiliated with the Company and employees, is intended to advance the best interest of the Company by providing such persons with additional incentive and by increasing their proprietary interest in the success of the Company.

2. Administration. The Plan shall be administered by a committee to be appointed by the Board of Directors of the Company (the "Committee"). Members of the Committee shall not be eligible, and shall not have been eligible at any time within one year prior to their appointment to the Committee, to participate in the Plan, except as specifically authorized under Section 4, or in any other stock option or similar plan of the Company or any subsidiaries. All questions of interpretation and application of the Plan shall be subject to the determination, which shall be final and binding, of a majority of the whole Committee, except for the granting of options (the "Options") which shall be granted by unanimous vote or consent of the Committee. The Committee shall consist of not less than three members of the Board of Directors, all of whom shall be directors of the Company who are not officers or full-time employees of the Company or any of its subsidiaries.

3. Option Shares. The stock subject to the Options and other provisions of the Plan shall be shares of the Company's Common Stock, \$.01 par value (the "Common Stock"). Options granted under the Plan will not be incentive stock options ("Incentive Stock Options") within the meaning of Section 422A of the Internal Revenue Code of 1986, as amended (the "Code"). The total amount of the Common Stock with respect to which Options may be granted shall be determined as of January 1 for each year that the Plan is in effect and shall be equal to 12 percent of the outstanding shares of Common Stock on such date, subject to adjustment in accordance with the provisions of Paragraph 14 hereof, provided that, except for an adjustment in accordance with the provisions of Paragraph 14, the number of shares available for issuance under the Plan shall not be decreased as a result of a decrease in the number of shares outstanding. Such shares may be treasury shares or authorized but unissued shares. In the event that any outstanding Option (or portion thereof) shall for any reason expire, be exercised or forfeited, the shares of Common Stock allocable to such expired, forfeited or exercised Option (or portion thereof) may again be subject to an Option under the Plan.

4. Eligibility. The individuals who shall be eligible to participate in the Plan shall be such directors, persons affiliated with the Company and employees of the Company, or of any corporation in which the company owns, directly or indirectly, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock, as the Committee shall determine from time to time.

(a) Grants to Employees and Affiliates. All employees and affiliates of the Company shall be eligible to participate in the Plan and shall be granted Options as determined by unanimous vote or consent of the Committee.

(b) Grants to Non-Employee Directors. (i) Each Non-Employee Director (meaning directors of the Company who are not officers or full-time employees of the Company or any of its subsidiaries or who were not officers or directors of, or otherwise affiliated with, any business acquired by or any company merged or consolidated with or into the Company) shall on the June 1 coinciding with or immediately following the date on which he or she is initially elected or appointed a director of the Company, be granted an option to purchase 10,000 shares of Common Stock of the Company exercisable for the full life of the Plan, subject to the six (6) month vesting period referred to below and Sections 10 and 14 hereunder. Thereafter, on June 1 of each subsequent year in which the Non-Employee Director is still serving as a director (whether or not the Non-Employee Director has continually remained a director since the initial granting of the option to purchase 10,000 shares), he or she shall automatically be granted an option to purchase an additional 5,000 shares of Common Stock of the Company exercisable for five years from the date of grant, subject to the six (6) month vesting period referred to below and Sections 10 and 14 hereunder. The total amount of Common Stock with respect to which Options may be granted under the Plan to Non-Employee Directors of the Company as a group shall not exceed 225,000 shares in the aggregate during any fiscal year; provided, that the class and the aforesaid maximum number of shares shall be subject to adjustments in accordance with the provisions of Paragraph 14 hereof. All Options granted to Non-Employee Directors, whether automatic or granted by the Executive Committee, shall not be exercisable until six (6) months after the date of grant.

(ii) In addition to the options provided for above in this Section 4(b), each of the Company's Non-Employee Directors as of October 22, 1989 shall be granted an option to purchase 37,500 shares of the Company's Common Stock at an exercise price of \$1.67 per share. Such option shall expire on October 21, 1999, shall be exercisable immediately as to 15,000 shares and as to an additional 7,500 shares on each succeeding October 22 following October 22, 1989.

5. Option Price. The price at which shares may be purchased pursuant to Options granted under the Plan shall be no less than the fair market value of the Common Stock. For purposes of this Plan, the fair market value of the Common Stock shall be the closing price thereof on the New York Stock Exchange or such other exchange or trading market as shall be the principal exchange or market for the trading of the Common Stock, or if there is no such exchange or trading market, the fair market value as determined by the Committee.

6. Duration of Options. The Plan shall terminate on October 21, 1999. The Committee, in its discretion, (i) shall determine the period over which Options shall be exercisable, provided that no Options may be exercisable subsequent to October 21, 1999, and (ii) may provide that an Option shall be exercisable in various installments ("Vested Option Shares") through October 21, 1999 or any lesser period of time.

7. Amount Exercisable. The Vested Option Shares may be exercised, so long as the Option is valid and outstanding, from time to time in part or as a whole, and subject to such other conditions as the Committee in its discretion may provide.

8. (a) Exercise Of Options.

Vested Option Shares shall be exercised by the delivery of written notice to the Company setting forth the number of shares with respect to which the Option is to be exercised, together with cash, certified check, bank draft or postal or express money order payable to the order of the Company for an amount equal to the option price of such shares and any income taxes required to be withheld, and specifying the address to which the certificates for such shares are to be mailed.

As promptly as practicable after receipt of such written notification and payment, the Company shall deliver to the option holder ("Optionee") certificates for the number of shares with respect to which such Option has been so exercised, issued in the Optionee's name; provided, that such delivery shall be deemed effected for all purposes when a stock transfer agent of the Company shall have deposited such certificates in the United States mail, addressed to the Optionee, at the address specified pursuant to this Paragraph 8.

(b) Tax Election Available to Optionees who are Persons Described in Section 16(a) of the Securities Exchange Act of 1934.

Optionees who are persons described in Section 16(a) of the Exchange Act ("Section 16(a) Optionees") at the time of exercise of an Option shall have the option, rather than paying to the Company an amount required to be withheld under applicable income tax laws in connection with the exercise of an Option, to satisfy this obligation in whole or in part by making an election (the "Election") to have the Company withhold shares of Common Stock having a fair market value equal to the amount required to be withheld. Such Election may not be made within six months of the date the Option is granted (except in the event of the Section 16(a) Optionee's death or disability) and must be made concurrently with the Option exercise. The Election shall be made by providing the Company with written notice of such Election (attached to the written notice of the Option exercise provided under Section 8(a) above). The written notice shall specify the date the amount of tax to be withheld is to be determined (the "Tax Date") which shall be either (1) the same date that the Option is exercised or (2) a date six months after the Option is exercised. In order for the Tax Date to be the same date that the Option is exercised, such exercise must be made during the ten-day "window period" beginning on the third day following the press release of the Company's quarterly or annual summary statement of revenues and earnings and such written notice shall also indicate the amount of the tax obligation, number of shares to be withheld together with cash delivered (if any) to pay the withholding obligation. For purposes of calculating the withholding obligation when the Tax Date is the same as the date of exercise, the fair market value of the shares to be utilized to calculate the withholding obligation and to determine the number of shares to be withheld to satisfy this obligation shall be based on the closing price of the Common Stock as reported in The Wall Street Journal on the last trading day preceding the date that the Option is exercised or, if not so

reported, as determined by the Committee. If the Tax Date chosen is six months after the date the Option is exercised, the full number of shares will be issued on exercise but the Section 16(a) Optionee will be unconditionally obligated to tender back to the Company the proper number of shares and the Company retains the right to place legends on the certificates representing such shares or use other similar means to assure itself that the unconditional obligation will be met, and the fair market value of the shares to be utilized to calculate the withholding obligation shall be based on the closing price of the Common Stock as reported in The Wall Street Journal on the day of, or, in the event such day is not a trading day, the next trading day following, such Tax Date or, if not so reported, as determined by the Committee. The Election shall be available to all Section 16(a) Optionees regardless of whether or not he or she is subject to the withholding obligation.

9. Non-Transferability of Options. Options shall not be transferable and may not be sold, pledged or assigned in any manner otherwise than by will or by the laws of descent and distribution.

10. Termination of Employment or Affiliation or Death of Optionee. Except as may be otherwise expressly provided herein, Options shall terminate on such date as shall be selected by the Committee in its discretion and specified in the option agreement; however, with respect to an employee, Vested Option Shares will in all cases expire in three (3) months following the severance of the affiliation or employment relationship between the Company and the Optionee for any reason, for or without cause (other than death), or in the case of employees' retirement in good standing from the employ of the Company for reasons of age or disability under the then established rules of the Company. If an Optionee is a director of the Company at the time an Option is granted to him, and he ceases to be a director, the Option shall terminate three (3) months following the date he ceases to be a director; provided that the Committee may extend such date if such person becomes an employee of the Company. Whether authorized leave of absence, or absence on military or government service, shall constitute severance of the employment relationship between the Company and the Optionee, in the case of options granted to employees, shall be determined by the Committee at the time thereof. In the event of the death of the holder of an Option while serving as a director or while affiliated with or while in the employ of the Company as the case may be and before the date of expiration of such Option, such Option shall terminate one (1) year following the date of such death regardless of the date of expiration of such Option. After the death of the Optionee, his executors, administrators or any person or persons to whom his Option may be transferred by will or by the laws of descent and distribution, shall have the right, at any time prior to one (1) year following the date of such death, to exercise the Option, in whole (without regard to any limitations set forth in or imposed pursuant to Paragraph 6 hereof) or in part. For the purpose of determining the employment relationship between the Company and the Optionee, employment by any corporation of which the Company owns, directly or indirectly, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock shall be considered employment by the Company.

11. Requirements of Law. The Company shall not be required to sell or issue any shares under any Option if the issuance of such shares shall constitute a violation by the Optionee or the

Company of any provisions of any law or regulation of any governmental authority. In addition, in connection with the Securities Act of 1933 (as now in effect or hereafter amended), upon exercise of any Option, the Company shall not be required to issue such shares unless the Committee has received evidence satisfactory to it to the effect that the holder of such Option will not transfer such shares except pursuant to a registration statement in effect under such Act or unless an opinion of counsel to the Company has been received by the Company to the effect that such registration is not required. Any determination in this connection by the Committee shall be final, binding and conclusive. The Company may, but shall in no event be obligated to, register any securities covered hereby pursuant to the Securities Act of 1933 (as now in effect or as hereafter amended). The Company shall not be obligated to take any other affirmative action in order to cause the exercise of any Option or the issuance of shares pursuant thereto to comply with any law or regulation of any governmental authority.

12. No Rights as Stockholder. No Optionee shall have rights as a stockholder with respect to shares covered by his Option until the date of issuance of a stock certificate for such shares; no adjustment for dividends, or otherwise, shall be made if the record date therefor is prior to the date of issuance of such certificate.

13. Employment Obligations. The granting of any Option shall not impose upon the Company any obligation to employ or become affiliated with or continue to employ or be affiliated with any Optionee; and the right of the Company to terminate the employment of any employee or affiliation of any other person shall not be diminished or affected by reason of the fact that an Option has been granted to him.

14. Changes in the Company's Capital Structure. The existence of outstanding Options shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference stock ahead of or affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

If, while there are outstanding Options, the Company shall effect a subdivision or consolidation of shares or other increase or reduction of the number of shares of the Common Stock outstanding without receiving compensation therefor in money, services or property, then (a) in the event of an increase in the number of such shares outstanding, the number of shares of Common Stock then subject to Options hereunder shall be proportionately increased; and (b) in the event of a decrease in the number of such shares outstanding the number of shares then available for Option hereunder shall be proportionately decreased.

After a merger of one or more corporations into the Company, or after a consolidation of the Company and one or more corporations in which the Company shall be the surviving corporation,

each holder of an outstanding Option shall, at no additional cost, be entitled upon exercise of such Option to receive (subject to any required action by stockholders) in lieu of the number of shares as to which such Option shall then be so exercisable, the number and class of shares of stock or other securities to which such holder would have been entitled pursuant to the terms of the agreement of merger or consolidation if, immediately prior to such merger or consolidation, such holder had been the holder of record of a number of shares of Common Stock equal to the number of shares as to which such Option shall be so exercised.

If the Company is merged into or consolidated with another corporation under circumstances where the Company is not the surviving corporation, or if the Company sells or otherwise disposes of substantially all its assets to another corporation while unexercised Options remain outstanding under the Plan, (i) subject to the provisions of clause (iii) below, and so long as the successor entity is willing to assume the obligation to deliver shares of such stock or other securities, after the effective date of such merger, consolidation or sale, as the case may be, each holder of an outstanding Option shall be entitled, upon exercise of such Option, to receive, in lieu of shares of Common Stock, shares of such stock or other securities as the holder of shares of Common Stock received pursuant to the terms of the merger, consolidation or sale, and if any option holder is subsequently terminated without cause subsequent to the merger, consolidation or sale, then he or she shall have the right, at any time prior to three (3) months following the date of termination without cause to exercise the Option, in whole (without regard to any limitation set forth in or imposed pursuant to Paragraph 6 hereof) or in part; (ii) the Board of Directors may waive any limitations set forth in or imposed pursuant to Paragraph 6 hereof so that all Options, from and after a date prior to the effective date of such merger, consolidation or sale, as the case may be, specified by the Board, shall be exercisable in full; or (iii) all outstanding Options may be canceled by the Board of Directors as of the effective date of any such merger, consolidation or sale provided that (x) notice of any such cancellation shall be given to each holder of an Option and (y) each holder of an Option shall have the right to exercise such Option in full (without regard to any limitations set forth in or imposed pursuant to Paragraph 6 hereof) during a 30-day period preceding the effective date of such merger, consolidation, sale or acquisition.

No adjustment provided for in this Section 14 shall be made if such adjustment would result in a modification of any Incentive Stock Option or cause such Incentive Stock Option to fail to qualify as an incentive stock option under the Code.

Except as hereinbefore expressly provided, the issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock then subject to outstanding Options.

15. Amendment or Termination of Plan. The Board of Directors may modify, revise or terminate this Plan at any time and from time to time; provided, however, that no such modification,

revision or termination shall change or impair any Option previously granted without the consent of the Optionee and provided further that the Board of Directors of the Company may only make amendments in accordance with procedures required under Rule 16b-3 and any such amendments must keep the Plan in compliance with Rule 16b-3 or any successor thereto under the Exchange Act.

16. Written Agreement. Each Option granted hereunder shall be embodied in a written Option agreement which shall be subject to the terms and conditions prescribed above, and shall be signed by the Optionee and by the Chairman, the President or any Vice President of the Company for and in the name and on behalf of the Company. Such an option agreement shall contain such other provisions as the Committee in its discretion shall deem advisable.

17. Effective Date of Plan. The Plan shall become effective and shall be deemed to have been adopted upon approval by the full Board of Directors, subject to ratification by the stockholders of the Company. Any options granted under the Plan heretofore shall for all purposes hereof be deemed to be granted hereunder.

THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE OFFERED FOR SALE, SOLD OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FILED UNDER SUCH ACT OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT AND OTHERWISE IN COMPLIANCE WITH FEDERAL AND STATE SECURITIES LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT AS PERMITTED BY SECTION 5.01 HEREOF

VOID AFTER 5:00 P.M., HOUSTON TIME, ON JANUARY 6, 1998.

WARRANT TO PURCHASE
100,000 SHARES OF
COMMON STOCK
OF
SANIFILL, INC.

NO. 1

This certifies that, for good and valuable consideration, Rodney R. Proto (the "Warrantholder"), is entitled to purchase from Sanifill, Inc., a Delaware corporation (the "Company"), fully paid and non-assessable shares of Common Stock, par value \$.01 per share (the "Common Stock") of the Company at an exercise price of \$10.875 per share (the "Exercise Price"), subject to the terms and conditions hereof:

- (i) If the Warrantholder shall have been continuously employed by the Company from February 3, 1992 to December 31, 1992, this Warrant shall be exercisable to purchase 33,333 shares of Common Stock at any time on or after 9:00 A.M., Houston time, on January 1, 1993 and before 5:00 P.M., Houston time, on January 6, 1998 (the "Expiration Time");
- (ii) If the Warrantholder shall have been continuously employed by the Company from February 3, 1992 to December 31, 1993, this Warrant shall be exercisable to purchase 33,333 shares of Common Stock (in addition to the shares purchasable under the preceding clause (i)) at any time on or after 9:00 A.M., Houston time, on January 1, 1994 and before the Expiration Time;

- (iii) If the Warrantholder shall have been continuously employed by the Company from February 3, 1992 to December 31, 1994 this Warrant shall be exercisable to purchase 33,334 shares of Common Stock (in addition to the shares purchasable under the preceding clauses (i) and (ii)) at any time on or after 9:00 A.M., Houston time, on January 1, 1995 and before the Expiration Time;

provided that upon (1) the termination of the Warrantholder's employment as a result of the death or disability of the Warrantholder or (2) a Change of Control (as defined below) of the Company the Warrantholder shall immediately thereafter be entitled upon exercise hereof to purchase all of the 100,000 shares of Common Stock issuable hereunder at any time prior to the Expiration Time without regard to the limitations described in the preceding clauses (i), (ii) or (iii). The number of shares of Common Stock purchasable hereunder are subject to adjustment from time to time as provided in Article III hereof.

ARTICLE I

Section 1.01: Definition of Terms. As used in this Warrant, the following capitalized terms shall have the following respective meanings:

- (a) Business Day. A day other than a Saturday, Sunday or other day on which banks in the State of Texas are authorized by law to remain closed.
- (b) Change of Control. Any (i) consolidation or merger of the Company with or into another corporation (other than a merger with a subsidiary in which the Company is the continuing corporation), (ii) sale, lease, transfer or conveyance to another corporation of the property and assets of the Company as an entirety or substantially as an entirety or (iii) acquisition by any Person, directly or indirectly, of 25% or more of the outstanding Common Stock of the Company which is followed, within two years after any of such events, by (a) a change in more than 50% of the directors constituting the Board of Directors of the Company immediately prior to such event and (b) the termination of the Warrantholder's employment by the Company or a material diminution of the Warrantholder's title, job description or level of responsibility.
- (c) Common Stock. Common Stock, \$.01 par value per share, of the Company.
- (d) Exercise Price. \$10.875 per Warrant Share.
- (e) Expiration Time. 5:00 P.M., Houston time, on January 6, 1998.
- (f) Person. An individual, partnership, joint venture, corporation, trust, unincorporated organization or government or any department or agency thereof.
- (g) Securities Act. The Securities Act of 1933, as amended.

(h) Warrant Shares. Common Stock or other securities purchased or purchasable upon exercise of the Warrant.

ARTICLE II

Duration and Exercise of Warrant

Section 2.01: Duration of Warrant. If this Warrant is not exercised on or prior to the Expiration Time, it shall become void, and all rights hereunder shall thereupon cease.

Section 2.02: Exercise of Warrant. (a) The Warrantholder may exercise this Warrant, in whole or in part, by presentation and surrender of this Warrant to the Company at its principal executive offices with the Subscription Form annexed hereto duly executed and accompanied by payment of the full Exercise Price for each Warrant Share to be purchased on such exercise.

(b) Upon receipt of this Warrant with the Subscription Form duly executed and accompanied by payment of the aggregate Exercise Price for the Warrant Shares for which this Warrant is then being exercised, the Company shall cause to be issued certificates for the total number of whole shares of Common Stock for which this Warrant is being exercised in such denominations as are requested by the Warrantholder, and the Company shall thereupon deliver such certificates to the Warrantholder. If at the time this Warrant is exercised, a Registration Statement with respect to the Warrant Shares is not in effect under the Securities Act, the Company may require the Warrantholder to make such representations, and may place such legends on certificates representing the Warrant Shares, as may be reasonably required in the opinion of counsel to the Company to permit the Warrant Shares to be issued without such registration.

(c) In case the Warrantholder shall exercise this Warrant with respect to less than all of the Warrant Shares that may be purchased under this Warrant, the Company shall execute a new warrant in the form of this Warrant for the balance of such Warrant Shares and deliver such new warrant to the Warrantholder.

(d) The Company shall pay any and all stock transfer and similar taxes which may be payable in respect of the issue of this Warrant or in respect of the issue of any Warrant Shares.

Section 2.03: Reservation of Shares. The Company hereby agrees that at all times there shall be reserved for issuance and delivery upon exercise of this Warrant such number of shares of Common Stock as may from time to time be issuable upon exercise of this Warrant. All such shares shall be duly authorized, and when issued upon such exercise, shall be validly issued, fully paid and nonassessable, free and clear of all liens, security interests, charges and other encumbrances.

Section 2.04: Fractional Shares. The Company shall not be required to issue any fraction of a share of its Common Stock in connection with the exercise of this Warrant, and in any case

where the Warrantholder would, except for the provisions of this Section 2.04, be entitled under the terms of this Warrant to receive a fraction of a share upon the exercise of this Warrant, the Company shall, upon the exercise of this Warrant and receipt of the Exercise Price (as adjusted to cover the fraction of the share), issue the number of whole shares purchasable upon exercise of this Warrant. The Company shall not be required to make any cash or other adjustment in respect of such fraction of a share to which the Warrantholder would otherwise be entitled.

Section 2.05: Listing. Prior to the issuance of any shares of Common Stock upon exercise of this Warrant, the Company shall secure the listing of such shares of Common Stock upon each national securities exchange or automated quotation system, if any, upon which shares of Common Stock are then listed (subject to official notice of issuance upon exercise of this Warrant) and shall maintain, so long as any other shares of Common Stock shall be so listed, such listing of all shares of Common Stock from time to time issuable upon the exercise of this Warrant; and the Company shall so list on each national securities exchange or automated quotation system, and shall maintain such listing of, any other shares of capital stock of the Company issuable upon the exercise of this Warrant if and so long as any shares of the same class shall be listed on such national securities exchange or automated quotation system.

ARTICLE III

Adjustment of Shares of Common Stock Purchasable

The number and kind of Warrant Shares shall be subject to adjustment from time to time upon the happening of certain events as provided in this Article III. The existence of this Warrant shall not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 3.01: Certain Adjustments. If the Company shall effect a subdivision or consolidation of shares or other increase or reduction of the number of shares of the Common Stock outstanding without receiving a compensation therefor in money, services or property, then (a) in the event of an increase in the number of such shares outstanding, the number of shares of Common Stock then subject to purchase hereunder shall be proportionately increased; and (b) in the event of a decrease in the number of such shares outstanding the number of shares of Common Stock then subject to purchase hereunder shall be proportionately decreased.

After a merger of one or more corporations into the Company, or after a consolidation of the Company and one or more corporations in which the Company shall be the surviving corporation,

the Warrantholder shall, at no additional cost, be entitled upon exercise of this Warrant to receive (subject to any required action by stockholders) in lieu of the number of shares purchasable upon exercise of this Warrant, the number and class of shares of stock or other securities to which such holder would have been entitled pursuant to the terms of the agreement of merger or consolidation if, immediately prior to such merger or consolidation, the Warrantholder had been the holder of record of a number of shares of Common Stock equal to the number of shares as to which this Warrant shall be so exercised.

If the Company is merged into or consolidated into another corporation under circumstances where the Company is not the surviving corporation, or if the Company sells or otherwise disposes of substantially all of its assets to another corporation while all or any portion of this Warrant remains unexercised, the Warrantholder shall be entitled, upon exercise of this Warrant, to receive, in lieu of shares of Common Stock, shares or such other securities as the holder of shares of Common Stock received pursuant to the terms of such merger, consolidation or sale.

Section 3.02: Notice of Adjustment. Whenever the number of Warrant Shares is adjusted as herein provided, the Company shall prepare and deliver forthwith to the Warrantholder a certificate signed by its Chairman, President, any Vice President, Treasurer or Secretary, setting forth the number of shares purchasable upon the exercise of this Warrant after such adjustment, setting forth a brief statement of the facts requiring such adjustment and setting forth the computation by which adjustment was made.

Section 3.03: No Other Adjustment. Except as hereinbefore expressly provided, the issue by the Company of shares of stock of any class or securities convertible into shares of stock of any class, for cash or property, or for labor or services either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares of obligations of the Company convertible into such shares of other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Common Stock then subject to purchase under this Warrant.

ARTICLE IV

Other Provisions Relating to Rights of Warrantholder

Section 4.01: No Rights as Shareholders; Notice to Warrantholder. Nothing contained in this Warrant shall be construed as conferring upon the Warrantholder the right to vote or to receive dividends or to consent or to receive notice as a shareholder in respect of any meeting of shareholders for the election of directors of the Company or of any other matter, or any rights whatsoever as a shareholder of the Company. The Company shall, however, give notice to the Warrantholder by registered mail if at any time prior to the Expiration Time or exercise in full of this Warrant, any of the following events shall occur:

(a) the Company shall authorize the payment of any dividend payable in any securities upon shares of Common Stock or authorize the making of any distribution (other than a cash dividend) to all holders of Common Stock;

(b) the Company shall authorize the issuance to all holders of Common Stock of any additional shares of Common Stock (or securities that are convertible into or exercisable for shares of Common Stock) or of rights, options or warrants to subscribe for or purchase Common Stock (or securities that are convertible into or exercisable for shares of Common Stock) or of any other subscription rights, options or warrants;

(c) a dissolution, liquidation or winding up of the Company; or

(d) a capital reorganization or reclassification of the Common Stock (other than a subdivision or combination of the outstanding Common Stock and other than a change in the par value of the Common Stock) or any consolidation or merger of the Company with or into another corporation (other than a consolidation or merger in which the Company is the continuing corporation and that does not result in any reclassification or change of Common Stock outstanding) or in the case of any sale or conveyance to another corporation of the property of the Company as an entirety or substantially as an entirety.

Such giving of notice shall be initiated (i) at least 5 Business Days prior to the date fixed as a record date or effective date or the date of closing of the Company's stock transfer books for the determination of the shareholders entitled to such dividend, distribution or subscription rights, or for the determination of the shareholders entitled to vote on such proposed merger, consolidation, sale, conveyance, dissolution, liquidation or winding up. Such notice shall specify such record date or the date of closing the stock transfer books, as the case may be. Failure to provide such notice shall not affect the validity of any action taken in connection with such dividend, distribution or subscription rights, or proposed merger, consolidation, sale, conveyance, dissolution, liquidation or winding up.

Section 4.02: Lost, Stolen, Mutilated or Destroyed Warrants. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may in its discretion impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as, and in substitution for this Warrant.

ARTICLE V

Transfer of Warrant

Section 5.01: Restrictions on Transfer. This Warrant may not be disposed of or encumbered (any such action, a "Transfer") other than by will or the laws of descent and distribution.

ARTICLE VI

Other Matters

Section 6.01 Amendments and Waivers. The provisions of this Warrant, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the Company has obtained the written consent of the Warrantholder.

Section 6.02 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of Texas.

Section 6.03 Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provisions in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

Section 6.04 Notice. Any notices or certificates by the Company to the Warrantholder and by the Warrantholder to the Company shall be deemed delivered if in writing and delivered in person or by registered mail (return receipt requested) to the Warrantholder addressed to him in care of the Company or, if the Warrantholder has designated, by notice in writing to the Company, any other address, to such other address, and if to the Company, addressed to it at 1225 North Loop West, Suite 550, Houston, Texas 77008. The Company may change its address by written notice to the Warrantholder and the Warrantholder may change his address by written notice to the Company.

IN WITNESS WHEREOF, this Warrant has been duly executed by the Company under its corporate seal as of the 6th day of October, 1992.

SANIFILL, INC.

By: /s/ Lorne D. Bain

Lorne D. Bain
Chairman of the Board

Attest: /s/ Lorne D. Bain

Daniel E. Jackson
Secretary