

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
OMB Number:	3235-0287
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hours per response:	0.5

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>ODONNELL LAWRENCE III</u> (Last) (First) (Middle) 1001 FANNIN SUITE 4000 (Street) HOUSTON TX 77002 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>WASTE MANAGEMENT INC [WMI]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) President and COO
	3. Date of Earliest Transaction (Month/Day/Year) 05/02/2007	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	05/02/2007		M		24,148	A	\$16.5625	177,842.9361	D	
Common Stock	05/02/2007		F		10,731	D	\$37.27	167,111.9361	D	
Common Stock	05/02/2007		I		3,736.0509 ⁽¹⁾	D	\$37.52	0.0000	I	By 401(k) Plan

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (Right to Buy) ⁽²⁾	\$16.5625	05/02/2007		M			24,148	01/21/2001	01/21/2010	Common Stock	24,148	\$16.5625	325,852	D	
Phantom Stock Units	\$0	05/02/2007		I			2,761.7391 ⁽³⁾	08/08/1988	08/08/1988	Common Stock	2,761.7391	\$37.52	0.0000	D	

Explanation of Responses:

1. Reallocation of funds out of the Common Stock fund of the Waste Management, Inc. 401(k) Plan.
2. Stock option granted pursuant to Waste Management, Inc. 1993 Stock Incentive Plan. Stock option vests in 25% annual increments, commencing on the first anniversary of the date of grant.
3. Reallocation of funds out of Common Stock fund of Waste Management, Inc. 409A Deferral Savings Plan.

Remarks:

Linda J. Smith, attorney-in-fact 05/03/2007

** Signature of Reporting Person Date

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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