

O'DONNELL LAWRENCE III

Form 4

May 03, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
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if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
O'DONNELL LAWRENCE III2. Issuer Name and Ticker or Trading
Symbol
WASTE MANAGEMENT INC
[WMI]5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
1001 FANNIN, SUITE 4000
(Street)3. Date of Earliest Transaction
(Month/Day/Year)
05/02/2007☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President and COO

HOUSTON, TX 77002

4. If Amendment, Date Original
Filed(Month/Day/Year)6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of 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 I

By
401(k)
Plan

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

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information contained in this form are not
required to respond unless the form**SEC 1474
(9-02)

displays a currently valid OMB control number.

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 Underlying Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Security (Instr. 3 and 4)
Stock Option (Right to Buy) ⁽²⁾	\$ 16.5625	05/02/2007		M		24,148		01/21/2001	01/21/2010	Common Stock	2,761.7391
Phantom Stock Units	\$ 0	05/02/2007		I		2,761.7391 ⁽³⁾		08/08/1988	08/08/1988	Common Stock	2,761.7391

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ODONNELL LAWRENCE III 1001 FANNIN SUITE 4000 HOUSTON, TX 77002			President and COO	

Signatures

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

**Signature of Reporting Person

Date

Explanation of Responses:

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

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

(1) 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.

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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