

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

OMB APPROVAL	
OMB Number:	3235-0287
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<b>1. Name and Address of Reporting Person *</b> <u>FELAGO RICHARD T</u>  (Last) (First) (Middle) 1001 FANNIN SUITE 4000  (Street) HOUSTON TX 77002  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> <u>WASTE MANAGEMENT INC [ WMI ]</u>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Senior Vice President
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> 09/03/2004	
<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>		

**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 <sup>(1)</sup>	09/03/2004		M		4,082	A	\$20.5	16,393.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		M		36,199	A	\$14.8125	52,592.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		M		15,667	A	\$24.01	68,259.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		M		1,420	A	\$24.4	69,679.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		1,600	D	\$28.21	68,079.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		1,200	D	\$28.22	66,879.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		200	D	\$28.23	66,679.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		8,800	D	\$28.25	57,879.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		200	D	\$28.26	57,679.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		100	D	\$28.27	57,579.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		5,600	D	\$28.3	51,979.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		500	D	\$28.31	51,479.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		400	D	\$28.32	51,079.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		900	D	\$28.33	50,179.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		1,000	D	\$28.34	49,179.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		6,200	D	\$28.35	42,979.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		2,700	D	\$28.36	40,279.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		700	D	\$28.37	39,579.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		3,268	D	\$28.38	36,311.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		1,800	D	\$28.39	34,511.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		900	D	\$28.4	33,611.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		19,100	D	\$28.43	14,511.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		2,000	D	\$28.44	12,511.5365	D	
Common Stock <sup>(1)</sup>	09/03/2004		S		200	D	\$28.45	12,311.5365	D	

**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)
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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)								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)	
			3A. Deemed Execution Date, if any (Month/Day/Year)	4. Code	V	5. (A)	6. (D)	7. Date Exercisable	Expiration Date	Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)					
															Code
Stock Option (Right to Buy) <sup>(2)</sup>	\$20.5	09/03/2004		M			4,082	09/13/2000	09/13/2009	Common Stock	4,082	\$20.5	8,418	D	
Stock Option (Right to Buy) <sup>(3)</sup>	\$14.8125	09/03/2004		M			36,199	02/28/2001	02/28/2010	Common Stock	36,199	\$14.8125	63,801	D	
Stock Option (Right to Buy) <sup>(4)</sup>	\$24.01	09/03/2004		M			15,667	03/01/2002	03/01/2011	Common Stock	15,667	\$24.01	84,333	D	
Stock Option (Right to Buy) <sup>(4)</sup>	\$24.4	09/03/2004		M			1,420	04/26/2002	04/26/2011	Common Stock	1,420	\$24.4	13,580	D	

**Explanation of Responses:**

1. Stock Options exercised and shares sold at the direction of Susan M. Felago, former wife of Richard T. Felago, in accordance with Agreement of Separation dated November 23, 2001.
2. Stock option granted pursuant to Waste Management, Inc. 1993 Stock Incentive Plan. Stock option vests in 20% annual increments, commencing on the first anniversary date of the date of grant.
3. 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.
4. Stock option granted pursuant to Waste Management, Inc. 2000 Stock Incentive Plan. Stock option vests in 25% annual increments, commencing on the first anniversary of the date of grant.

**Remarks:**

Richard T. Felago

09/07/2004

\*\* 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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