

WARMENHOVEN DANIEL J
 Form 4
 September 19, 2006

FORM 4

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

OMB APPROVAL

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Check this box 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 *
WARMENHOVEN DANIEL J

2. Issuer Name and Ticker or Trading Symbol
**NETWORK APPLIANCE INC
 [NTAP]**

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
495 EAST JAVA DRIVE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/18/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Executive Officer

SUNNYVALE, CA 94089
 (City) (State) (Zip)

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

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	09/18/2006		M ⁽¹⁾		50,000	A	\$ 4.508	3,754,430	I	by Trust
Common Stock	09/18/2006		S ⁽¹⁾		38,300	D	\$ 35.2	3,716,130	I	by Trust (2)
Common Stock	09/18/2006		S ⁽¹⁾		11,600	D	\$ 35.21	3,704,530	I	by Trust (2)
Common Stock	09/18/2006		S ⁽¹⁾		100	D	\$ 35.22	3,704,430	I	by Trust (2)
Common Stock								44,839	D	

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Common Stock		970,000	I	by Lmtd Ptnrshp2 (3)
Common Stock		170	I	by Spouse (4)
Common Stock		83,500	I	by Trust2 (5)
Common Stock		900,035	I	by Trust4 (6)

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

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(9-02)

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)	8. Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Non-Qualified Stock Option (right to buy)	\$ 4.508	09/18/2006		M(1)	50,000	(7)	04/30/2008	Common Stock	50,

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
WARMENHOVEN DANIEL J 495 EAST JAVA DRIVE SUNNYVALE, CA 94089	Chief Executive Officer

Signatures

By: Janice Mahoney by Power of Attorney For: Daniel J. Warmenhoven 09/19/2006

**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) The option exercise(s) and sale(s) reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on August 26, 2006.
- (2) Shares held in trust by Daniel J. Warmenhoven & Charmaine A. Warmenhoven, trustees to The Warmenhoven 1987 Revocable Trust UTA dated 12/16/87, as amended.

Shares held by Warmenhoven Ventures LP, a limited partnership of which the Warmenhoven Management Trust is the general partner, of
- (3) which the reporting person and his wife are the trustees. Reporting person disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
- (4) Shares held by Charmaine A. Warmenhoven, Mr. Warmenhoven's spouse, as separate property. Reporting person disclaims beneficial ownership of such shares.
- (5) Shares held in trust by Richard A. Andre, trustee to The Daniel J. Warmenhoven 1991 Children's Trust. Reporting person disclaims beneficial ownership of such shares.
- (6) Shares held in trust by Richard A. Andre, trustee to The Laura Warmenhoven Trust, under trust agreement dated June 13, 2005. Reporting person disclaims beneficial ownership of such shares.
- (7) Option vests in equal monthly installments over the 36 months of services beginning with the second yearly anniversary of the grant date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.