

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

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>GOMO STEVEN J</u> (Last) (First) (Middle) <u>495 EAST JAVA DRIVE</u> (Street) <u>SUNNYVALE CA 94089</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>NETWORK APPLIANCE INC [NTAP]</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) <u>Executive VP, CFO</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>09/05/2006</u>	
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	09/05/2006		M		100,000	A	\$7.449	108,589	D	
Common Stock	09/05/2006		S		2,000	D	\$34.275 ⁽¹⁾	106,589	D	
Common Stock	09/05/2006		S		100,000	D	\$34.3425 ⁽²⁾	6,589	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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Non-Qualified Stock Option (right to buy)	\$7.449	09/05/2006		M			100,000	(3)	08/11/2012	Common Stock	100,000	\$0	46,304	D	

Explanation of Responses:

- The sale prices for the reported transaction were in a range of \$34.33 to \$34.35 per share.
- The sale prices for the reported transaction were in a range of \$34.30 to \$34.43 per share.
- Option vests with respect to 25% of the option shares on the first anniversary of the grant date and the balance in a series of equal monthly installments over the next 36 months of service thereafter.

Remarks:

Amount of Non-Derivative Securities Beneficially Owned by Direct Ownership includes the following shares acquired under Network Appliance, Inc. Employee Stock Purchase Plan: 644 shares on May 31, 2005; 311 shares on November 30, 2005; and 694 shares on May 31, 2006.

By: Janice Mahoney by Power of Attorney For: Steven John 09/06/2006
Gomo

** 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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