

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)	Code	V	A) (D)		Date Exercisable	Expiration Date	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)		
						(A)	(D)									
Employee Stock Option (right to buy)	\$10.21	10/31/2006		D ⁽³⁾				31,250	01/20/2006 ⁽³⁾	01/20/2015	Common Stock	31,250	\$0	78,125	D	
Employee Stock Option (right to buy)	\$13.07	10/31/2006		D ⁽⁴⁾				12,500	09/24/2004 ⁽⁴⁾	09/24/2013	Common Stock	12,500	\$0	75,000	D	

Explanation of Responses:

- This transaction does not represent the sale of Common Stock nor the exercise of an option. This transaction represents the partial cancellation of an award of 90,800 restricted shares of Common Stock granted by the Issuer to the reporting person on August 25, 2005, which cancellation occurred pursuant to an amended employment agreement entered into by the Issuer and the reporting person effective October 31, 2006.
- Includes 2,314 shares of Common Stock acquired by the reporting person under the Issuer's employee stock purchase plan on May 31, 2006.
- This transaction does not represent the sale of Common Stock nor the exercise of an option. This transaction represents the partial cancellation of an option to buy 31,250 shares of common stock granted by WDC to the reporting person on January 20, 2005. The option was scheduled to vest 25% on the first anniversary of the grant date and an additional 6.25% at the end of each three-month period thereafter. Pursuant to an amended employment agreement entered into by the Issuer and the reporting person effective October 31, 2006, each installment of the option scheduled to vest after June 29, 2007 has been cancelled.
- This transaction does not represent the sale of Common Stock nor the exercise of an option. This transaction represents the partial cancellation of an option to buy 12,500 shares of common stock granted by WDC to the reporting person on September 24, 2003. The option was scheduled to vest 25% on the first anniversary of the grant date and an additional 6.25% at the end of each three-month period thereafter. Pursuant to an amended employment agreement entered into by the Issuer and the reporting person effective October 31, 2006, each installment of the option scheduled to vest after June 29, 2007 has been cancelled.

Remarks:

The reporting owner acquired 43,551 shares of WDC common stock under the Issuer's 401(k) plan since his last filing. The reported indirect holdings are based on shares held under the 401(k) plan as reported on December 19, 2006.

By: /s/ Sandra Garcia Attorney- 12/20/2006
in-Fact For: Arif Shakeel

** 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.