



---

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

**November 16, 2006 (November 15, 2006)  
Date of Report (Date of earliest event reported)**

**NATIONAL OILWELL VARCO, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**1-12317**

(Commission  
File Number)

**76-0475815**

(IRS Employer  
Identification No.)

**10000 Richmond Avenue  
Houston, Texas**

(Address of principal executive offices)

**77042**

(Zip Code)

Registrant's telephone number, including area code: **713-346-7500**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

**Item 1.01. Entry into a Material Definitive Agreement.**

On November 15, 2006, the Board of Directors of National Oilwell Varco, Inc. (the "Company") modified certain of the compensation arrangements for its non-employee directors, which shall take effect January 1, 2007. The terms of the compensation arrangements for our non-employee directors that will be in effect starting January 1, 2007 are set forth in Exhibit 10.1 to this Current Report and incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits**

(c) *Exhibits*

10.1 Summary of Director Compensation\*

---

\* Compensatory plan or arrangement for management or others

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 16, 2006

NATIONAL OILWELL VARCO, INC.

/s/ Clay C. Williams

\_\_\_\_\_  
Clay C. Williams

Sr. Vice President and Chief Financial Officer

---

**Index to Exhibits**

10.1 Summary of Director Compensation\*

---

\* Compensatory plan or arrangement for management or others

**SUMMARY OF DIRECTOR COMPENSATION**

Members of the Company's board of directors who are not full-time employees of the Company receive the following cash compensation:

- For service on the board of directors — an annual retainer of \$55,000, paid quarterly;
- For service as chairman of the audit committee of the board of directors — an annual retainer of \$20,000, paid quarterly;
- For service as chairman of each of the compensation committee and the nominating/corporate governance committee of the board of directors — an annual retainer of \$10,000, paid quarterly;
- For service as a member of the audit committee of the board of directors — an annual retainer of \$7,500, paid quarterly;
- For service as a member of each of the compensation committee and the nominating/corporate governance committee of the board of directors — an annual retainer of \$5,000, paid quarterly;
- \$1,500 for each board meeting and each committee meeting attended.

Directors of the board who are also employees of the Company do not receive any compensation for their service as directors.

Members of the board are also eligible to receive stock options and awards, including restricted stock, performance awards, phantom shares, stock payments, or SARs under the National Oilwell Varco Long-Term Incentive Plan.