

121 drilling and operation; and

122 (c) costs are payable out of production unless otherwise agreed between the
123 nonconsenting owner and the operator.

124 (10) Each pooling order shall provide that in any circumstance where the
125 nonconsenting owner has relinquished his share of production to consenting owners or at any
126 time fails to take his share of production in-kind when he is entitled to do so, the
127 nonconsenting owner is entitled to:

128 (a) an accounting of the oil and gas proceeds applicable to his relinquished share of
129 production; and

130 (b) payment of the oil and gas proceeds applicable to that share of production not taken
131 in-kind, net of costs.

132 (11) (a) A pooling order may be made effective retroactively to the date of first
133 production of a well to which ~~[it]~~ the pooling order applies, ~~[even if]~~ subject to Subsection
134 (11)(b).

135 (b) If the retroactive date predates the board's order establishing the drilling unit, ~~[it]~~
136 the retroactive date is authorized only if:

137 (i) no party to the board's proceeding objects to the retroactive application~~[-]; or~~

138 (ii) an objection is received by the board and the board finds a party has engaged in
139 inequitable conduct prejudicing another party's correlative right.

140 ~~[(b)]~~ (c) A pooling order made retroactive under this section is binding upon a party
141 owning an interest in the drilling unit who receives proper notice of the board's proceeding.

142 (12) ~~H→~~ **[The] Except as otherwise provided by a rule made by the board in**
142a **accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the ←H**
142b **terms and conditions of the board's initial order pooling all interests in a**
143 **drilling unit, including the terms and conditions of a joint operating agreement as adopted by**
144 **the board, shall apply to all subsequently drilled wells in the drilling unit, except as modified**
145 **by:**

146 (a) an accounting for actual costs incurred for each subsequently drilled well in the
147 drilling unit;

148 (b) an accounting for the consenting or nonconsenting status of the owner of each
149 subsequently drilled well in the drilling unit; and

150 (c) the board after the filing of and hearing upon a petition filed by an affected owner
151 desiring a modification.