



**Bull Mountain
Land Alliance**

The Honorable Mike Lee, Chair
U.S. Senate Committee on Energy & Natural Resources

March 6, 2025

Dear Senator Lee:

On behalf of Bull Mountain Land Alliance (BMLA), Northern Plains Resource Council (NPRC), and our members who live in the Bull Mountains and throughout Montana, we write to express our strong opposition to S.362 introduced by Senator Steve Daines.

S.362 seeks to benefit Signal Peak Energy, LLC, (Signal Peak) at the expense of impacted local communities, ranchers, and the environment. This bill would seriously undermine an ongoing Office of Surface Mining Reclamation and Enforcement (OSMRE) environmental impact study of the mine's local impacts. This review will reveal critical information about potential impacts to neighboring landowners, wildlife, and agricultural water resources that should be analyzed by decision makers before they grant SPE access to mine thousands of acres of publicly owned coal.

SPE employs hundreds of people in Musselshell and Yellowstone counties, and it is responsible for providing nearly a third of Musselshell County's tax base. We understand the impetus for and necessity of protecting these jobs and local revenue dollars. That said, local landowners and ranchers face threats to their water and livelihoods that have not been thoroughly analyzed or made public. Coal mining has taken place in Montana's Bull Mountains for decades without an environmental impact statement ever being conducted, and the directly impacted residents of the Bull Mountains cannot afford for SPE to be granted access to mine more coal without this review being completed.

For these reasons and others outlined below, we strongly urge the Senate Committee on Energy & Natural Resources to oppose S.362.

1. Signal Peak, LLC Is a Bad Neighbor

Since the Bull Mountains Mine re-started and expanded mining operations in 2009, Signal Peak's actions have shown a disregard for the law and a motivation to further its own interests at the expense of the people who live and work in the Bull Mountains. Through

the years, Signal Peak has used callous tactics to directly and indirectly force generational ranchers off their land. The Bull Mountains have been a crucial summer range for cattle because of their proximity to perched-groundwater aquifers and springs. Unfortunately, since mining began, ranchers and landowners have seen extensive subsidence, which has torn apart the landscape and impacted the hydrological system in the region resulting in ranchers reconsidering or moving their ranching operations to survive. Signal Peak has gone as far as to cancel the grazing lease of a rancher on the corporation's land and has sued people who ranch above the mine in multiple cases. Signal Peak's motivation to push ranchers off the land seems very clear: the corporation seeks to avoid assessing and addressing the harms it has caused to springs, aquifers, and wells. S.362 effectively condones a corporate actor that is known for violating the law and harming the people who live in Musselshell County and Yellowstone County. S.362 allows Signal Peak to bypass the only process that requires the federal government to review the mine's impacts and provide an opportunity to address those impacts.

Signal Peak is also currently on federal probation with the Department of Justice after [criminal convictions](#) for willfully lying to federal mine regulators about work-place injuries and for illegally dumping toxic mine waste into an area that was intended to provide replacement water to local residents harmed by the mine.¹ The company has also violated the law by not complying with the obligation to collect and analyze water sources weekly, which has led to an "irreversible loss of monitoring data."² They have also incurred more than 1,700 violations according to the Mine Safety and Health Administration (MSHA).³

Signal Peak is also known for avoiding paying taxes that would benefit the State of Montana and the local county. By avoiding millions of dollars in tax obligations through exhaustive lobbying efforts at the Montana legislature, Signal Peak has evaded its responsibility to support the local community.⁴

The bottom line is that S.362 is a raw deal for ranchers, local landowners, the environment, taxpayers, and the rule of law.

2. Signal Peak's Operations at the Bull Mountains Mine Have Not Been Subject to an Environmental Impact Statement (EIS)

If S.362 is enacted, the EIS that is being prepared for the extensive AM3 expansion of the

¹ Judgment, *United States v. Signal Peak Energy, LLC*, No. 21-CR-79 (Jan. 31, 2022); Offer of Proof, *United States v. Signal Peak Energy, LLC*, No. 21-CR-79 (Oct. 5, 2021).

² DEQ, Notice of Noncompliance (Aug. 22, 2019).

³ Mine Safety and Health Administration, Mine Data Retrieval System, <https://www.msha.gov/data-and-reports/mine-data-retrieval-system>.

⁴ Mike Dennison, *Tax Break for Roundup-area Coal Mine Stuffed into Bill in Final Days*, Billings Gazette (Apr. 28, 2011), available at https://billingsgazette.com/news/state-and-regional/montana/taxbreak-for-roundup-area-coal-mine-stuffed-into-bill-in-final-days/article_995244c5-f6f7-5087-9d50-da3a5e057ebb.html; Mike Dennison, *Tax Break for Roundup-area Coal Mine Stuffed into Bill in Final Days*, Billings Gazette (Apr. 28, 2011), available at https://billingsgazette.com/news/state-and-regional/montana/musselshell-county-turns-down-coal-mine-taxbreak/article_52aa5180-1215-11e0-9c79-001cc4c03286.html

Bull Mountains Mine would be evaded. For decades, the landowners and ranchers in the Bull Mountains region have been organizing and advocating for a full analysis, through an EIS, of the impacts the mine has on the environment and the local community. If Signal Peak continues expanding the mine, it should only be after a proper and thorough analysis of the environmental impacts is completed. Given Signal Peak's repeated violations of environmental and safety laws, federal protection and review should be strengthened rather than undermined.

Local communities do not know what information the EIS will ultimately yield, but the future of the mine should be determined only after considering all information possible. Local ranchers have experienced dried-up springs and wells as well as cracks opening in their pastures due to subsidence caused by undermining. For years they have sought to have a thorough EIS completed in order to better understand the impacts of expanded mining on their livelihoods.

Signal Peak heavily lobbied the Bureau of Land Management (BLM) more than a decade ago to ensure that only an environmental assessment (EA) was done on the mine's original lease, which limited the scope of analysis and left the local community with more questions than answers.⁵ This prevented decision makers from taking a hard look at the environmental and community impacts that this mine has and will continue to perpetuate. Subsequent expansions and permit amendments at the Bull Mountains Mine have continuously recycled this same EA with only minor updates, and a comprehensive and more substantive evaluation of impacts has never been conducted. Since the mine opened, ranchers and landowners have seen the consequences of this lack of analysis first hand: water resources being devastated, increases in air pollution, and subsidence and surface cracks on critical ranching and grazing land. A close look at the harm that may result from longwall mining of federal coal is not just a bureaucratic hurdle – it is crucial in preserving the livelihoods of local communities.

3. Lack of Public Participation

Landowners adjacent to or above the mine were not consulted prior to the introduction of S.362. This is a grave oversight due to the direct impact that this bill will have on landowners who rely on the land and water resources to ranch and maintain their livelihoods. Senator Daines missed a critical step during the formation and introduction of this legislation by not considering the viewpoints of impacted landowners who would be directly affected by the bill.

Unfortunately, this has been a recurring issue during the 15 years of Signal Peak's operation in the Bull Mountains – ranchers and landowners have been left out of the decision-making process at almost every step due to Signal Peak's abuse of the minor permit revision process. Hundreds of minor permit revisions have been made to Signal Peak's permit without any public participation process or opportunities for public input. Permit revisions deemed "minor" do not require any public notice – even to affected or

⁵ BLM Meeting Notes (Mar. 2009).

surrounding landowners – and do not involve opportunities to provide public comment or input through another mechanism. Statute requires permit revisions impacting water resources to be categorized as “major” – which *does* mandate public notice and participation. However, Signal Peak has repeatedly made revisions to its permit that impact water resources or otherwise should be deemed “major” through use of the flawed and less-transparent minor permit revision process. In one example, Signal Peak sought a minor permit revision to remove a natural spring-fed well, which was a source of water that a local rancher relied on to water more than 200 cows.⁶ The Montana Department of Environmental Quality (DEQ) granted that permit revision, and left local landowners scrambling for sustainable water sources. Earlier this year, OSMRE found reason to believe that DEQ has acted unlawfully in granting these permit revisions through the “minor permit revision” process. That review is pending. There has been a repeated pattern – from Signal Peak, DEQ, and now from Senator Daines – of sidestepping public processes and leaving out impacted people from decision making.

The bottom line is that S.362 seeks to undermine a federal National Environmental Policy Act (NEPA) process that would allow for transparency, a thorough study of the environmental impacts, and allow the public to comment and have a voice in the process. Those of us who live in the Bull Mountains have seen this story play out before: our land, water, and livelihoods are seen as secondary to the economic interests of a large corporation like Signal Peak. If industries set up shop in rural communities such as those in Musselshell County, they should be obligated to protect adjacent landowners and the entire community from the adverse effects of their operation. Our elected officials should not capitulate to the economic interests of out-of-state corporations while ignoring the real-life impacts those decisions have on regular folks.

Our organizations and members appreciate your attention to our concerns with this bill, and we urge the Committee to prioritize landowners, ranchers, and the environment over the desires of a corporate bad actor by opposing this legislation. We thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tom Baratta', written in a cursive style.

Tom Baratta, Chair
Bull Mountain Land Alliance

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<https://dailymontanan.com/2022/09/04/charters-last-stand-ranchers-signal-peak-may-prove-that-coal-and-cows-cant-coexist/>

Roundup, Montana

A handwritten signature in black ink that reads "Edward Barta". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Edward Barta, Chair
Northern Plains Resource Council
Billings, Montana